

2017-18 Dedicated Schools Grant Settlement and Budget

Schools Forum

Date: 17th January 2017

Author:	Head of Finance – Technical
Wards:	All
Locality Affected:	All
Settings Affected:	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 directly affects all settings.

1. Purpose and Reasons

- 1.1. This report provides Schools Forum members with an update on the estimated value of the Dedicated Schools Grant (DSG) and other funding that will be available in 2017/18. It also provides estimates of the level of expenditure that will be allocated to Early Years, Schools, Academies, High Needs settings and centrally retained budgets.
- 1.2. The Local Authority is required to submit the Authority Proforma Toolkit on 21st January 2017 to the Education Funding Agency (EFA). This toolkit calculates individual Primary and Secondary School and Academy budgets for 2017/18. It uses the October Schools Census information. The Authority is also required to provide maintained schools with budget information by 28th February 2017.
- 1.3. This report also includes expenditure proposals for all High Needs block funded items which includes: High Needs students in Mainstream schools, Special schools, Special Resource Provisions, Alternative Provision, Post-16 and Further Education, Independent and Non-Maintained Special Schools and Other Local Authority Commissioned High Needs provision.
- 1.4. The Local Authority is required to submit the Section 251 Budget Statement to the EFA by 31st March 2017. An integral part of this financial statement is the use of the Dedicated Schools Grant. Schools Forum is required to agree various aspects of the DSG budget, and the Local Authority is required to consider the recommendations of the Schools Forum in setting the remainder of the Dedicated Schools Grant Budget. This report forms a critical part of that budget setting process.

2. Recommendations

- 2.1. Members of Schools Forum are now asked to note the following points relating to the 2017/18 DSG Funding Settlement:

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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- 2.1.1. The Early Years block 2017/18 DSG settlement will be subject to revisions by DfE in light of Early Years census information in January 2017 and 2018. The final settlement will not be confirmed until July 2018. (Para 3.4)
- 2.1.2. Swindon expects to receive a total DSG settlement of £171.115m in 2017/18. (Para. 3.21)
- 2.1.3. The estimated DSG balance at the end of 2016/17 is £0.562m. (Para 3.21)
- 2.2. In respect of the 2017/18 DSG expenditure budget, Members of Schools Forum are now asked to:
 - 2.2.1. Agree the proposed 2017/18 Early Years funding rates as shown in Table 8, which will take effect from 1st April 2016, (Para. 3.22)
 - 2.2.2. Agree a 2017/18 Early Years budget of £13.633m as shown in Table 8. (Para. 3.22)
 - 2.2.3. Note the anticipated overall Early Years budget for 2017/18 (Para. 3.22)
 - 2.2.4. Agree the new funding rates as detailed in Table 9 (Para. 3.31)
 - 2.2.5. Note that the DSG budget is balanced within its funding block as detailed in Table 10 (Para 3.32)
 - 2.2.6. Note the Notional SEN funding top ups payable in 2017/18 at a total estimated cost of £0.400m. (Para. 3.37)
 - 2.2.7. Note individual schools average pupil led funding is detailed in Annex B, which will be used by the LA to claw back funding for excluded pupils during 2017/18. (Para. 3.39)
 - 2.2.8. Agree the following de-delegations for one year from April 2017, each phase of maintained school will need to agree for their sector.
 - 2.2.8.1. Free School Meal eligibility administration will be charged at £4.80 per pupil in 2017/18 and is supported until 31st March 2018. (Para. 3.43.1)
 - 2.2.8.2. Trade Union release time will be charged at £1.25 per pupil in 2017/18 and is supported until 31st March 2018. (Para. 3.43.2)
 - 2.2.8.3. Nylands Campus Outreach Team will be charged at £12.33 per primary pupil in 2017/18 and is supported until 31st March 2018. (Para. 3.43.3)
 - 2.2.9. Agree that the LA retains the £498k of DSG funding to cover the statutory duties that it provides for all schools. (Para. 3.48)

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- 2.2.10. Maintained schools forum members are asked to agree the charge of £22.50 for mainstream schools and £33.75 for special and alternative provision to cover the cost of the statutory duties that the LA provides for them for the period September to March. (Para 3.54)
- 2.2.11. Agree a total 2017/18 pupil growth budget of £0.580m. (Para. 3.56 – 3.57)
- 2.2.12. Agree a total budget for Centrally Retained Services of £1.054m in 2017/18 as shown in Table 13. (Para. 3.58)
- 2.2.13. Note the overall mainstream school budget for 2017/18 as shown in Table 14. NB the central overheads budget is included in the High Needs Block budget (Para. 3.59)
- 2.2.14. Note the place funding budget for 2017/18 of £7.695m. (Para. 3.61)
- 2.2.15. Note the top-up funding budget for 2017/18 of £9.220m. (Para. 3.62)
- 2.2.16. Note that the Minimum Funding Guarantee budget for specialist settings will be £1k for 2017/18. (Para. 3.65)
- 2.2.17. Members of the School Forum are now asked to give a view on the Local Authority's proposals for High Needs Budgets as described in paragraphs 3.66 to 3.77 of this report, and listed below:
 - 2.2.18. Alternative Provision (Para. 3.66)
 - 2.2.19. Commissioned High Needs Services (Para. 3.71)
 - 2.2.20. Post 16 High Needs Budgets (Para. 3.72)
 - 2.2.21. Mainstream School Top Up Funding (Para. 3.73)
 - 2.2.22. External Placements (Pre 16) (Para. 3.74)
 - 2.2.23. High Needs Contingency (Para. 3.76)
 - 2.2.24. Other Centrally Retained High Needs Services (Para. 3.77)

3. Dedicated Schools Grant Funding Settlement 2017/18

- 3.1. On 20th December 2016 the Education Funding Agency (EFA) released information on the Dedicated Schools Grant Settlement for 2017/18. The DSG for 2017/18 comprises:
 - Early Years block covering:
 - Funding for disadvantaged two year olds.
 - The three and four year old entitlement;
 - The Early Years pupil premium
 - Schools block - based on school block units of funding (SBUF) announced in July 2016.

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- High needs block – based on the expenditure rebasing exercise undertaken by the LA in March 2016.
- 3.2. During 2016 the DfE asked all LA's to provide baseline information for the early years, high needs and centrally retained expenditure that were reflective of local authorities' spending patterns rather than DSG allocations. The EFA level of expenditure for the schools block was taken from the 2015/16 Annual Pro-forma Toolkit and the EFA added some centrally retained expenditure and the 2016/17 pupil growth budget. The EFA incorporated the new baselines into the DSG settlement for 2017/18.
- 3.3. The first part of this report describes the DSG settlement in more detail and attempts to add information on some of the aspects of the settlement that are still to be more formally announced. Further adjustments to the settlement information are expected for:
- Academies recoupment from the schools block
 - Deductions for high needs places in academies and non-maintained special schools
 - Deduction for national copyright licences for all schools and academies
 - Updates to the funding for three and four year olds
 - Initial allocations for disadvantaged two year olds and
 - Updates to the Early Years pupil premium
 - School Improvement Grant Funding

Early Years - Disadvantaged 2 year old free nursery education DSG

- 3.4. This funding is paid on a participation model (Part Time Equivalent or "PTE") whereby the level of grant to be paid to the LA will be based on the January 2017 EY census (5/12) and the January 2018 EY census (7/12). Each pupil is entitled to a maximum 15 hours of education per week, which equates to 570 hours per year. The PTE census figure is then multiplied by a DfE determined hourly rate for Swindon of £5.32 which equates to £3,032.40 per child per year.
- 3.5. The LA will therefore need to revise its DSG estimate throughout the year and will not know the final 2017/18 grant value until July 2018. The latest estimate for 2017/18 is based on the projected position for January 2017. The LA has assumed for income budget planning purposes that there will be no overall increase in the number of pupils between January 2017 and January 2018, any increases will result in a matching increase in the cost of provision. Any increases in pupil numbers between January 2017 and August 2017 need to be

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funded from within the Swindon DSG budget, there is no additional funding provided by the EFA.

Table 1 - Disadvantaged 2 year old DSG estimate 2017/18				
	Esti- mated Census	PTE equivalent	Funding	Estimated DSG @ £3,032.40
Jan 17 estimated count	679	283	5/12	£857,917
Jan 18 estimated count	679	396	7/12	£1,201,083
Total DSG 2 year old funding				£2,059,000

Early Years - Free nursery education for all 3 and 4 year olds DSG

- 3.6. Funding will continue to be based on participation as measured by the January 2017 (5/12) and January 2018 (7/12) EY censuses. The participation (PTE) census figure is then multiplied by a DfE determined hourly rate of £4.53 for Swindon which equates to £2,587.38 per child per year. The final 2017/18 grant value will not be confirmed until July 2018.
- 3.7. The LA will therefore need to revise its DSG estimate throughout the year and will not know the final 2017/18 grant value until July 2018. The latest estimate for 2017/18 is based on the projected position for January 2017. The LA has assumed for income budget planning purposes that there will be no overall increase in the number of pupils between January 2017 and January 2018, any increases will result in a matching increase in the cost of provision. Any increases in pupil numbers between January 2017 and August 2017 need to be funded from within the Swindon DSG budget, there is no additional funding provided by the EFA.
- 3.8. The proposed budget includes an allowance for funding and costs associated with the increase to 30 hours of provision, based on the EFA's estimate of 522 pupils taking up this option during 2017/18

Table 2 - 3 and 4 year old DSG estimate 2017/18		
	PTE equivalent	Estimated DSG @ £2,587.38
No of Pupils included in settlement	3,880	£10,039,034
Disability Access Fund (DAF) – EFA estimate	n/a	£55,300
30 Hours funding – EFA estimate	522	£1,351,130
Total DSG 3 & 4 year old funding		£11,445,464

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Early Years Pupil Premium

- 3.9. The DSG settlement includes an amount of **£0.129m** for the Early Years Pupil Premium. This funding will be paid to Early Years providers in support of 3 and 4 year olds whose parents are in receipt of various state funded income supplements.
- 3.10. This is a provisional settlement and will be amended to reflect the pupils on the January 2017 census; initial allocations will be announced in summer 2017. The allocations will be updated in summer 2018 based on 5/12 of January 2017 and 7/12 of January 2018 census numbers.
- 3.11. Providers will be paid at a rate of £0.53 per hour, which equates to £302.10 for every 3 or 4 year old that takes up the full 570 hours entitlement.

Overview of Early Years DSG Settlement

- 3.12. The table below shows the overview of the £13.633m funding anticipated to be received for the Early Years block.

Table 3 - Estimated Early Years Settlement 2017/18	Estimated 2016 Settlement
	£m
Early Years 2 Year Olds	2.059
Early Years 3-4 Year Olds	10.039
Early Years 30 hours funding	1.351
Disability Access Fund	0.055
EY Pupil Premium	0.129
Estimated EY Settlement 2017/18	13.633

Schools Block DSG

- 3.13. This is the only area of DSG which can be determined accurately from the outset as funding for 2017/18 will be based on the October 2016 school census multiplied by a DfE determined rate per pupil for Swindon of £4,170.75. This per pupils rate is a total increase £47.93 over the actual spend data submitted to the EFA as part of the baselining exercise undertaken earlier in the year. This represents a school block increase of £32.93 per pupil, which relates to central and pupil growth expenditure budgeted in 2016/17, and has been allocated by the EFA to Schools Block. The balance of the increase is the former Education Service Grant (ESG) retained duties rate of £15 per pupil, to fund statutory

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services for all pupils in both maintained schools and academies, a total allocation of £0.498m.

- 3.14. **Appendix 1** provides more detail about the changes to ESG funding and the statutory duties that the LA has to carry out for all schools and academies; it further details the duties that the LA has to carry out on behalf of maintained schools.
- 3.15. Table 4 below shows the Schools Block DSG Unit of Funding for 2016/17 and 2017/18, for the actual unit of funding received and also the 2016/17 average expenditure on Schools and Academies only. The EFA have allocated the 2017/18 Schools Block funding based on the 2016/17 average expenditure but have also included some Central Expenditure and the Pupil Growth budget from 2016/17. Table 5 below identifies the current 2016/17 and 2017/18 Schools Block funding settlement of **£127.250m**; this includes the former Education Services Grant (ESG) funding of **£0.498m**.

Table 4 – Schools Block DSG Unit of Funding 2017/18			
	School Census October 2015	School Census October 2016	Change
Primary	19,389	20,027	638
Secondary	10,379	10,483	104
Subtotal Pupil Numbers	29,768	30,510	742
Schools Block Unit of Funding	£4,248.40		
Average per pupil expenditure data on Schools and academies Individual Budget Shares per baselining exercise	£4,122.82		£32.93
School block settlement including Central Expenditure and Pupil Growth (both 16/17 allocations) but excluding ESG		£4,155.75	
Former Education Services Grant		£15.00	£15.00
Total Schools Block Unit of Funding		£4,170.75	£47.93

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Table 5 - Summary of Schools Block Funding			
	£m	£m	£m
Schools Block Funding	126.593	126.751	0.158
Former Education Services Grant transferred into DSG	0.000	0.498	0.498
Total Estimated Schools Block DSG Settlement	126.593	127.250	0.656

High Needs Block DSG

- 3.16. As identified earlier this area was part of the expenditure rebasing exercise that was carried out earlier this year, as a result the EFA have allocated High Needs provided funding of **£28.174m** (before the deduction for direct funding of High Needs Academy and Post 16 places by the EFA).
- 3.17. The LA has received an additional £614k of funding. This increase is not reflective of Swindon pupils' specific High Needs requirements, but is part of a national increase in High Needs funding based on population growth.
- 3.18. The High Needs Block funding includes £1.444m that relates to funding for FE colleges in which was previously paid directly to the colleges but is now included as part of the DSG allocated to Swindon.
- 3.19. High Needs Block funding for 2017/18 is therefore **£30.233m**. More information on High Needs Expenditure is included later in this report.

DSG Balances

- 3.20. In accordance with DfE grant conditions the DSG must be treated by the LA as ring-fenced for specific educational purposes. The Local Authority is permitted to carry forward unused DSG between each financial year. Schools Forum has received a monitoring report on the use of 2016/17 DSG elsewhere on this agenda. This report identified the following DSG balance position, which the LA anticipates continuing to hold throughout 2017/18.

Table 6 – DSG Balances Estimate 2017/18	
	£m
Opening DSG balance brought forward from 2015/16	0.209
Add - projected in year surplus (as at December 2016)	0.353
Projected DSG balance carried forward to 2017/18	0.562

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Estimated DSG Settlement and balances In Summary

- 3.21. In Summary the total estimated Dedicated Schools Grant settlement for 2017/18 is estimated to be **£171.115m**, with an estimated carry forward from 2016/17 of **£0.562m**, as shown in the following table.

Table 7 – Total DSG Funding Estimate 2017/18		
	2016/17	2017/18
	£m	£m
Early Years	12.029	13.633
Schools Block	126.594	127.250
High Needs Block	24.884	30.233
Newly qualified teachers funding	0.043	0.000
Estimated DSG Settlement 2017/18	163.550	171.115
Estimated 2016/17 DSG Balance	0.240	0.562
Total estimated DSG for 2017/18	163.790	171.677

Members of Schools Forum are now asked to note that:

- The Early Years block 2017/18 DSG settlement will be subject to revisions by DfE in light of Early Years census information in January 2017 and 2018. The final settlement will not be confirmed until July 2018. (Para 3.4)
- Swindon expects to receive a total DSG settlement of £171.115m in 2017/18. (Para. 3.21)
- The estimated DSG balance at the end of 2016/17 is £0.562m. (Para 3.21)

Early Years Expenditure Proposals 2017/18

- 3.22. The DfE have confirmed Swindon's 2 year old DSG funding rate will be increased to £5.32 from the current £4.95 per hour, the LA therefore is proposing to pass on this higher funding rate to providers. Currently no increase for growth has been included within the budget, and therefore any variances will be monitored and reported on throughout the year.
- 3.23. The DfE have confirmed Swindon's 3 & 4 year old DSG funding rate of £2,587.38 per child (based on 570 hours of provision), in line with the recently announced Early Years funding formula. This means that the basic rate payable will be £3.86 per hour for all settings. All settings will receive a basic uplift of

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£0.14 per hour such that all places will be funded at £4.00 per hour. There will be two further levels of supplement of £0.35 per hour and £0.70 per hour that are available to those settings that provide more flexibility for parents. In addition the LA is holding deprivation funding of £140k, which will be distributed to providers to support provision for pupils in need.

- 3.24. These proposals have been subject to a consultation with Early Years providers, and seek to distribute 95% of the funding received in line with government guidance. The remaining 5% is held centrally to fund staffing costs and also includes £100k for an inclusion fund. Additionally £55k is provided by the EFA for a Disability Access Fund for children claiming Disability Living Allowance.
- 3.25. Historically there has been a fall in the autumn numbers which rises again towards the spring term and the January census. The LA receives 7/12ths of funding based on the January 2017 census and based on 2016/17 budget monitoring the LA has not assumed any growth in overall pupil numbers. Any variances will be monitored throughout the year.
- 3.26. Schools Forum members are reminded that Early Years providers are entitled to be paid for any additional pupils that join after the census date, although LA does not receive any funding for increases in pupil numbers between January and August.
- 3.27. The Local Authority has established a budget of £0.129m to support the Early Years Pupil Premium. This is a sum equivalent to the initial DSG allocation announced in the settlement.
- 3.28. The 2017/18 Early Years budgets (based on estimates of participation and the proposed funding rates) is shown in the table below.

Table 8 - 2017/18 Early Years Funding Rates and budget proposals				
	Estimated pupil places	2016/17 Rates	2017/18 Rates	2017/18 Budget £m
Disadvantaged 2 year old children · Basic hourly rate - standard per child	679	£4.95	£5.32	2.059
Total Disadvantaged 2 year olds budget (based on planned take up by approx. 679 children at 570 hours)				2.059

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3 and 4 year old children				
· Basic hourly rate - all settings	3,883	£3.85	£3.86	8.543
· Supplement rate 1	2,260	N/A	£0.14	0.180
· Supplement rate 2	520	N/A	£0.49	0.145
· Supplement rate 3	1,103	N/A	£0.84	0.528
· 30 Hours funding rate	522	N/A	£4.54	1.351
Other payments to providers				
· Deprivation payments				0.140
· Inclusion fund				0.100
· Disability Access Fund				0.055
Staffing costs				0.402
Total 3 and 4 year old budget (based on average take up by approx. 3,883 children at 570 hours)				11.446
Early Years Pupil Premium				0.129
Total 2017/18 Early Years budget proposals				13.633

- 3.29. LAs are required to provide all Early Years' settings with indicative funding allocations prior to the start of each financial year. Schools and academies will be notified as part of their main school funding allocations. SBC is required to issue maintained school budgets by 28th February 2017. Other Early Years providers will receive letters from the Early Years team advising them of their indicative 2017/18 funding by the end of February.

Members of Schools Forum are asked to:

- Agree the proposed 2017/18 Early Years funding rates as shown in Table 8, which will take effect from 1st April 2016, (Para. 3.23)
- Agree a 2017/18 Early Years budget of £13.633m as shown in Table 8. (Para. 3.23)
- Note the anticipated overall Early Years budget for 2017/18 (Para. 3.23)

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Schools Budgets 2017/18

Formula funding factors 2017/18

- 3.30. The DfE announced as part of their Schools revenue funding 2017 to 2018 - Operational guide (updated November 2016) that they were reviewing the Income Deprivation Affecting Children Index ("IDACI") data. This review has resulted in the current indices being more reflective of those that existed in 2015/16. Full details of this review and the changes that are being implemented can be found in **Appendix 2**.
- 3.31. As noted above the DfE has amended the IDACI banding for 2017/18, these changes to bandings have resulted in an additional **£0.947m** of funding being distributed via the IDACI factors. **Annex A** provides a summary of the main changes to funding, as a result of these and other funding changes it has been possible to provide a small increase (0.49%) in mainstream funding factors. The proposed new funding rates are provided below.

Table 9 - 2017/18 Primary and Secondary Schools and Academies Formula Factors				
	2016/17		Proposed 2017/18	
Factor	Primary £	Secondary £	Primary £	Secondary £
AWPU (BPPE) KS1-2	£2,725.01		£2,738.36	
AWPU (BPPE) KS3		£3,544.35		£3,561.72
AWPU (BPPE) KS4		£4,325.47		£4,346.67
Lump sum values - per school	£105,100	£172,400	£105,614.99	£173,244.76
EAL (1,2 & 3yrs)	£565.45	£689.44	£568.22	£692.82
IDACI Band F	£427.46	£427.46	£429.55	£429.55
IDACI Band E	£521.02	£521.02	£523.58	£523.58
IDACI Band D	£598.83	£598.83	£601.77	£601.77
IDACI Band C	£769.22	£769.22	£772.99	£772.99
IDACI Band B	£940.60	£940.60	£945.21	£945.21
IDACI Band A	£1,196.68	£1,196.68	£1,202.54	£1,202.54
FSM Ever 6	£852.80	£852.80	£856.98	£856.98
Lower Prior Attainment – Proxy SEN	£690.99	£984.92	£694.38	£989.75
NNDR (Business Rates) - per school	Actual cost	Actual cost	Actual cost	Actual cost
PFI Affordability Gap funding – per school	Actual cost	Actual cost	Actual cost	Actual cost

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2017/18 Budget position

- 3.32. All Head teachers were invited to a briefing session on the 9th January outlining the current position of the overall DSG for Swindon, which showed that despite an increase in the demand for High Needs places the DSG in total is balanced. The table below provides the overview of the four funding streams and the estimated expenditure associated with them.

Table 10 - DSG Block Funding v Expenditure			
Block	Estimated Settlement 2017/18 £m	Estimated Expenditure 2017/18 £m	Variance £m
Early Years	13.633	13.633	0.000
Schools	127.250	126.751	(0.498)
Former ESG Funding		0.498	0.498
High Needs	30.233	30.233	0.000
Total	171.115	171.115	0.000

- 3.33. Swindon has an increasing demand for additional high needs places, however this has been offset by a reduction in provision at some of the SRP units.
- 3.34. Where appropriate Minimum Funding Guarantee (MFG) protection has been provided to ensure no school receives a year on year reduction in funding per pupil of more than 1.5%. Due to the changes resulting from the Governments review of the IDACI bandings and potential increase in formula funding factors as noted above, only nine schools would be in receipt of MFG protection.
- 3.35. New regulations in 2015/16 required Local Authorities to fund schools and academies that have opened in the last 7 years and are still growing, on an estimated composite pupil number. This takes account of 5/12ths of the October 16 School Census and 7/12ths of an estimate of the October 2017 school census (rather than funding just on October 2016 school census as is currently the case for established schools and academies). This approach has been applied to two schools (The Croft Primary School & Tadpole Farm CE Primary Academy) and the composite pupil numbers have been built into the individual schools budget calculations.
- 3.36. Forum members are reminded that schools are not protected against the impact of falling pupil numbers and are expected to anticipate and take appropriate actions to reduce costs in these circumstances. Schools with growing pupil

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numbers between October 2015 and October 2016 censuses will receive increased funding and schools which are expanding in September 2017 in agreement with the LA will also receive in year trigger funding as described above.

Members of Schools Forum are asked to:

- **Agree the new funding rates as detailed in Table 9 (Para. 3.31)**
- **Note that the DSG budget is balanced within its funding blocks as detailed in Table 10 (Para 3.32)**

Notional SEN Funding

- 3.37. Forum members will remember that at their October 2016 meeting they agreed to amend the factors included in calculating the Notional SEN to include a proportion of AWPU funding payable to each school. The notional SEN calculation now includes all pupils funded by the LA regardless of whether they have an Education Health and Care Plan (EHCP) or not.
- 3.38. The current budget proposals contain a Notional SEN budget of £400k based on the current profile of pupils in Swindon; which is the same value as the 2016/17 budget figure.

Funding per pupil

- 3.39. **Annex B** provides the details of the 2017/18 pupil led funding calculation i.e. excluding Rates, Lump Sum and PFI allocations. These rates will be used to claw back funding during 2017/18 if pupils are excluded from schools.

De-Delegation

- 3.40. Maintained schools are reminded that their 2017/18 school budget includes funding for services that the Schools Forum has agreed to de-delegate. De-delegation is where funding is deducted from maintained schools budgets to provide services centrally.
- 3.41. At its October meeting Schools Forum members were asked to consult with colleagues to establish whether they wished to carry on with the existing de-delegation arrangements for the following services. Table 11 below illustrates which group needs to approve the de-delegations.
- 3.42. The EFA have confirmed that Schools Forum should agree funding for services from de-delegations annually.

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Table 11 – Group to agree de-delegations				
Service	SAPH	SASH	ASSSH	Value per pupil
FSM Eligibility	Yes	Yes	n/a	£4.80
Trade Union	Yes	n/a	Yes	£1.25
NCOT	Yes	n/a	Yes	£12.33

3.43. The de-delegation funding to be deducted and the services are as follows:

3.43.1. Free School Meals Eligibility Administration – there is continued support for this service from maintained schools and high levels of buyback from Academies. The service is provided by the LA Admissions team. The de-delegation value / charge in all sectors for 2017/18 will remain at £4.80 per pupil.

3.43.2. Trade Union Release time – there is continued support for this service provided by the LA Human Resources team and a high level of buy back from academies. The de-delegation value / charge per pupil in all sectors for 2017/18 will remain at £1.25 per pupil.

3.43.3. Nylands Campus Outreach Team – the October 2014 Forum agreed that this service provided by the White Horse Federation from the Nylands campus should be delegated to schools from 2016/17. The Primary AWP rate was uplifted by £12.33 per pupil. In order to provide this service centrally the charge for 2017/18 will remain at £12.33.

3.44. The amounts of funding that will be de-delegated from each maintained school will be included within their final budget package.

Education Services Grant

3.45. As noted above the Government will transfer funding previously allocated through the ESG retained duties rate of £498k to the DSG Schools Block. This is to fund the statutory responsibilities for pupils in all schools and academies, previously funded via the Education Services Grant retained duties rate, which was paid directly to LAs outside of the DSG. Details of these changes were communicated to schools in December; a copy of the letter is attached at **Appendix 3**. The LA will be able to fund central services previously funded within the retained duties rate (for all schools and academies), with the agreement of Schools Forum. The LA will be able to fund services previously funded within the general duties rate (for maintained schools only) from maintained school budgets shares with the agreement of maintained school members of the Schools Forum.

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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- 3.46. Headteachers and Governors were invited to a consultation event on 9th January to explain what these changes involve and to discuss the implications for schools and the LA. Schools Forum members are now asked to consider the following de-delegations.

Duties carried out on behalf of all schools and academies

- 3.47. The statutory duties that have to be provided by the LA for pupils in all schools and academies are listed in the left hand column of table 6 in **Appendix 1**. The DSG settlement includes £498k in the DSG Schools Block allocation to contribute towards the cost of providing these services.
- 3.48. Schools Forum are requested to allow the LA to retain this sum to fund these statutory services for 2017/18.

Duties carried out on behalf of maintained schools

- 3.49. The DfE will cease the ESG retained duties funding rate from 2017/18, this was historically £77 per pupil and paid directly to LAs to fund statutory duties for maintained schools. The statutory duties that LAs will continue to have responsibility for maintained schools are listed in the right hand column of table 6 of Appendix 1. The Government had originally indicated that it expected the retained duties rate to be set at £50 to cover the year 2017/18, this was broken down into £20 for the period April to August and £30 for the period September to March, as laid out in the letter sent to schools.
- 3.50. The Government will pay a grant of £396k to provide transitional protection to LAs to fund the period from April 2017 to August 2017, this is equivalent to £27.50 per pupil. The grant is expected to contribute to the cost of services for maintained schools from April up to the end of August, after this date the LA will not receive any funding to cover the cost of these services.
- 3.51. During 2017 the LA will be reviewing the services that it provides to assess how it can continue to provide support to maintained schools following the withdrawal of ESG funding by the DfE. The LA may need to explore options around service level agreements, contractual arrangements or other forms of organisation (including establishing schools companies, staff mutual, social enterprises) to deliver services and gain contributions from schools in order to do so. There is a provision within the guidance that explains what happens should a maintained school convert to an academy during the period April to August 2017; details can be found in Table 5 in **Appendix 1**.

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- 3.52. Prior to the DfE announcement the LA wrote to schools to propose that the LA charges maintained schools £30 per pupil in mainstream schools to cover the statutory services that provides for them for the period September to March (see **Appendix 3**). This would have provided overall funding to the LA of £420k to cover the cost of the services that it provides to maintained schools. As noted above the LA will work with maintained schools to review how its services can be provide in future without any Government funding.
- 3.53. The LA has revised its proposals in the light of the better than expected settlement from the EfA and is now proposing that the charge to Maintained schools is reduced to **£22.50** (providing total funding to the LA of £50 per pupil). Further it is proposed to use local multipliers of 1.5 for both Special Schools and Alternative Provision.
- 3.54. Maintained schools representatives on Schools Forum are requested to agree to the LA charging maintained schools **£22.50** per mainstream pupil and **£33.75** to both Special Schools and Alternative Provision to contribute to the cost of statutory services that it provides for the period September 2016 – March 2017.

Table 12 - Former ESG to be retained by the LA from Maintained provisions

Former Education Services Grant - To be agreed by all maintained schools	Value per pupil per letter 16/12/16	Proposed value per pupil
Maintained Mainstream Schools	£30.00	£22.50
Maintained Special Schools	£127.50	£33.75
Maintained Alternative Provision	£112.50	£33.75

Members of the Schools Forum are asked to:

- **Note the Notional SEN funding top ups payable in 2017/18 at a total estimated cost of £0.400m. (Para. 3.37)**
- **Note Individual schools average pupil led funding is detailed in Annex B, which will be used by the LA to claw back funding for excluded pupils during 2017/18. (Para. 3.39)**
- **Agree the following de-delegations for one year from April 2017, each phase of maintained school will need to agree for their sector;**
 - **Free School Meal eligibility administration will be charged at £4.80 per pupil in 2017/18 and is supported until 31st March 2018. (Para.**

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3.43.1)

- Trade Union release time will be charged at £1.25 per pupil in 2017/18 and is supported until 31st March 2018. (Para. 3.43.2)
- Nylands Campus Outreach Team will be charged at £12.33 per primary pupil in 2017/18 and is supported until 31st March 2018. (Para. 3.43.3)
- Agree that the LA retains the £498k of DSG funding to cover the statutory duties that it provides for all schools. (Para. 3.48)
- Maintained schools forum members are asked to agree the charge of £22.50 for mainstream schools and £33.75 for special and alternative provision to cover the cost of the statutory duties that the LA provides for them for the period September to March. (Para 3.54)

Central Expenditure Proposals 2017/18

- 3.55. In recent years the LA has provided Schools Forum with a full breakdown of all centrally retained budget proposals. Under the school funding reform programme the DfE introduced various categories and the 2017/18 budget proposals below are broken down in accordance with the latest school finance regulations.

Pupil Growth

- 3.56. Under the school finance regulations the Schools Forum must agree the criteria by which pupil growth funding is allocated and the local policy and values payable next year were agreed in October. These values are shown below together with the associated 2017/18 budget requirements.
- 3.56.1. Pre-opening start-up costs for a new primary school at £100,000 plus up to £20,000 where the school has a nursery which the LA has requested – **no budget requirement in 2017/18.**
 - 3.56.2. Infrastructure set up costs at £35,000 per 1 Form of Entry primary school – **no budget requirement in 2017/18.**
 - 3.56.3. Classroom set up costs at £11,500 per primary class – budget requirement of **£46,000**, (4 classes).
 - 3.56.4. Pre-opening and infrastructure set up costs at £40,000 for a new specialist phase of provision i.e. primary, secondary, Post 16 – **no budget requirement in 2017/18.**

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- 3.56.5. Trigger funding is payable at the primary sector average of **£3,320** x 7/12ths per pupil providing a maximum of £58,097 (30 pupils) and minimum of £40,668 (21 pupils) – a budget requirement in 2017/18 of **£533,800**.
- 3.57. Where a school (other than a free school) is opening or has opened in the last 7 years, then authorities estimate the pupil numbers expected to join the school in September and fund accordingly through the schools budget, rather than through the Growth Fund, Tadpole Farm and The Croft fall into this category. Where previously the LA held funds in the Growth fund for the increase in pupil numbers at these schools, this money will now pass directly into the ISB and be paid as part of the Schools Budget Share.

Members of the Schools Forum are asked to:

- **Agree a total 2017/18 pupil growth budget of £0.580m. (Para. 3.56 – 3.57)**

Other Central Costs

- 3.58. Commentaries on the other centrally held budget proposals for 2017/18 are detailed below. The budget for centrally retained budgets are not allowed to be higher than the budget that existed in 2014/15, the exception to this is the school subscription and licences budget which increases based on the number of schools in the borough. For 2017/18 the guidance has been updated and therefore an increase in the Admissions budget no longer needs Secretary of State approval:
- 3.58.1. **Admissions** – For 2017/18 the budget proposal is **£231,100** an increase of £35,800 to reflect the increased demands on the service due to the increasing number of pupils.
- 3.58.2. **School subscriptions and licenses** - Forum members may recall that DfE arranged for a number of licenses (Performing Rights, Copyright etc.) to be nationalised and recharged to LAs in respect of all their schools and academies. In addition the LA still manages the CAPITA SIMS license for maintained schools on a traded service basis. For 2017/18 the budget proposal is **£143,900** for the National Copyright licences.
- 3.58.3. **Schools Forum administration** – This relatively minor budget is held to cover Forum meeting room hire and refreshments plus F40 subscriptions and attendance at regional and national school funding conferences. The

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budget cannot be set above the 2016/17 level of **£2,000** and therefore this is the budget proposal for 2017/18.

- 3.58.4. **Quality Assurance** – This budget is held to help ensure the quality of education provided by schools in Swindon. The budget proposal is **£10,000** for 2017/18.
- 3.58.5. **Travellers' children** – This budget is held to support the education of travellers' children whilst they are in the Swindon area. The 2017/18 budget proposal is **£2,000**.
- 3.58.6. **Equal pay** – There is still an amount of £500k of central equal pay liabilities to be repaid over 16 years, this is equivalent to **£31,000** per annum and therefore this is the 2017/18 budget proposal.
- 3.58.7. **Central overheads** – For 2016/17 the cost of central overheads charged to the DSG as agreed by Schools Forum was **£634,500**. As part of the rebasing exercise the central overheads budget was included within the High Needs Block, it is included here for consistency reasons. When the DSG was created in 2006/07 it was based upon spending decisions taken by schools forum in 2005/06, which included a budget for corporate overheads of £1.426m. This funding was for central support staff and other support costs for Early Years, High Needs, schools and other DSG funded services. Since 2006/07 SBC staff and other costs have reduced in line with reduced government funding and some services have been delegated to schools. Consequently the corporate overhead recharge is at a reduced level. Rather than apportion the overheads across all DSG retained services the LA retains a single budget.
- 3.58.8. A Summary of the proposed Centrally retained DSG funded budgets is shown in the following table

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Table 13 – Summary of Proposed 2017/18 Centrally Retained Budgets			
Other Central Budgets	2016/17	2017/18 Proposal	Variance
Admissions	£195,300	£231,100	£35,800
Schools Subscriptions and Licenses	£140,041	£143,900	£3,859
Schools Forum	£2,000	£2,000	£0
Quality Assurance	£10,000	£10,000	£0
Travellers Children	£2,000	£2,000	£0
Equal Pay	£31,000	£31,000	£0
Central Overheads	£634,500	£634,500	£0
	£1,014,841	£1,054,500	£39,659

Members of Schools Forum are asked to:

- **Agree a total budget for Centrally Retained Services of £1.054m in 2017/18 as shown in Table 13. (Para. 3.58)**

- 3.59. A summary of all mainstream school funding is provided in the table below. Please note that the central overheads are included as part of the High Needs Block budget:

Table 14 – Summary of Mainstream Schools Budgets 2017/18		
	£000's	£
Maintained Schools and Academies		
- ISB (Maintained Schools)	42,145	
- ISB (Academy Schools)	82,607	
		125,752
Central School Expenditure		
- Pupil Growth (Trigger funding)	534	
- Pupil Growth (Set-up funding)	46	
- Central Costs (per table 12)	420	
- Statutory Duties (formerly ESG)	498	
		1,498
TOTAL MAINSTREAM EXPENDITURE 2017/18		127,250

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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Summary of Funding and Expenditure	
	Total position £000's
Funding received	£127,250
Expenditure	£127,250
Surplus / (deficit) in funding	£0

Members of Schools Forum are asked to:

- **Note the overall mainstream school budget for 2017/18 as shown in Table 14. NB the central overheads budget is included in the High Needs Block budget (Para. 3.59)**

High Needs Expenditure Proposals 2017/18

- 3.60. The 2016/17 High Needs funding was set at £27.477m and as reported earlier as a result of the rebasing exercise this has now been increased to £30.233m. The remainder of this report will consider each of the budgets that are included within the High Needs block, and present recommendations to Schools Forum for consideration in the run up to the 2017/18 budget settlement.

Special School and Special Resourced Provision - Place Numbers

- 3.61. The LA has anticipated a need for 769.5 places during 2017/18. Final commissioning decisions have not yet been agreed. **In total Swindon will require £7.695m of place funding in 2017/18.**
- 3.62. As well as Place funding the Local Authority will need to identify sufficient additional resource to pay for the top up funding for each place. Officers are still identifying the most appropriate provision for pupils for September, additional work will be carried out on this budget and any changes will be notified to Schools Forum in March, **It is expected that a budget of £9.220m will be required for High Need top-ups for 2017/18.**

Special Schools and Special Resourced Provision – Banding and Top Up Funding

- 3.63. The current banding model provides funding to all specialist settings on the same basis, it is proposed to retain the same banding values as 2016/17. Details of the proposed banding values are provided in the table below.

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Table 15 – Current Band and Supplement Values		
	Proposed 2017/18	
	Primary	Secondary
Band Values	£	£
Band 1	£1,668	£12,282
Band 2	£10,501	£11,054
Band 3	£7,001	£7,369
Band 4	£4,376	£4,606
Band 5	£3,500	£3,685
Band 6	£1,750	£1,842
BESD SEMH Response Assessment Class	£2,550	£2,684
Primary band values are 95% of secondary values		

Supplement Values	£	£
Manual Handling	£1,500	£1,500
Medical Needs	£1,500	£1,500
ASC – SRPs	£6,000	£6,000
ASC – Band 1 Special Schools	£1,000	£1,000
Access to mainstream inclusion	£2,000	£2,000
SEMH High	£4,275	£4,275
SEMH Medium	£3,040	£3,040
SEMH Low	£1,900	£1,900
British Sign Language	£16,750	£16,750

Special School and SRP – Therapy Supplement

- 3.64. In 2016/17 the Local Authority amended the funding to Special Schools and Special Resourced Provisions for Speech and Language, Physio and Occupational Therapy, there is no intention to revisit this arrangement as part of this budget.

Summary of special School and SRP Expenditure and Minimum Funding Guarantee (MFG)

- 3.65. The Local Authority has modelled the impact of the changes that formed part of the 2016/17 budget setting process, this exercise has identified that provision of **£1k** is required for Minimum Funding Guarantee protection.

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Members of Schools Forum are asked to:

- Note the place funding budget for 2017/18 of £7.695m. (Para. 3.61)
- Note the top-up funding budget for 2017/18 of £9.220m. (Para. 3.62)
- Note that the Minimum Funding Guarantee budget for specialist settings will be £1k for 2017/18. (Para. 3.65)

EOTAS Place and top up expenditure / tuition service and exclusions income

- 3.66. There is no change to the place funding requirements for the alternative provision and therefore this remains at £10k per place.
- 3.67. Due to an increase in operating costs it is proposed to increase the top up funding for the Riverside unit from the current £5,500 to **£6,250** per annum with effect from the 1st April 2017. This proposal has been ratified by the EOTAS management board which includes a number of secondary headteachers.
- 3.68. Currently each provision has 45 places available; at present there is no intention to increase this number. However should there be a significant increase in the number of temporary or permanent exclusions this position will need to be reviewed.
- 3.69. In summary EOTAS budgets for 2017/18 will be as shown in the following table. Schools Forum members will note that the overall level of funding has not changed.

Table 16 – EOTAS Budget Proposal 2017/18			
AP Establishment	Places	Rate	Total
Hospital Education	10	Fixed Grant	£191,500
Marlborough House	12	Fixed Grant	£276,800
Stratton PRU - Places	45	£10,000	£450,000
Stratton PRU - Top Up	45	£8,700	£391,500
Riverside - Places	45	£10,000	£450,000
LA Centrally Held AP Funding Total			£1,759,800
Secondary Schools have been delegated the budget to cover Riverside Top Up costs	45	£6,250	£281,250
Total Funding			£2,041,050

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- 3.70. In addition to the above budgets the Local Authority holds two further Alternative Provision budgets for the Tuition Service **£0.880m** and for Income received from exclusions **£0.335m**.

Local Authority Commissioned High Needs Services

- 3.71. None of the Commissioned High Needs services have submitted a business case for additional funding in 2017/18, therefore the LA is proposing to maintain the budgets for these services at their 2016/17 levels.

Table 17 – Local Authority Commissioned and Centrally Retained High Needs Services		
Service	2016/17	2017/18
	Allocation	Proposed Allocation
Commonweal – Physical Impairment Advisory Service	£77,100	£77,100
Even Swindon – Speech and Language	£22,200	£22,200
Millbrook – Specific Learning Difficulties Support Service	£66,900	£66,900
Nylands – Therapeutic services primary SEMH support	£87,410	£87,410
Redoaks – Education Audiologist	£77,500	£77,500
Redoaks – Hearing Impaired Support Service	£239,700	£239,700
Uplands – Autistic Spectrum Disorder	£87,000	£87,000
Uplands – Junior Autistic Spectrum Condition Support Service	£135,800	£135,800
Uplands - Visually Impaired and Assistive Technology Support Service	£240,650	£240,650
Total	£1,034,260	£1,034,260
Nylands – Outreach Service - NCOT	Delegated to Primary Schools	

Post 16 Expenditure Proposals

- 3.72. The 2017/18 financial year budget for Post 16 High Needs pupils educated within Swindon is **£3.401m**. This is made up of the Top-up funding paid to providers of **£1.875m** (2016/17 £2.0m), and the Element 2 funding of **£1.484m** for post 16 FE Colleges (historically this has been paid by the EFA directly to the FE Colleges but is now part of Swindon's DSG High Needs Block allocation, and as noted at Para. 3.19). This funding will be recouped by the EFA and paid to the FE Colleges. The LA also pays Element 1 funding of **£0.042m** for 7 post

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16 places at Swindon secondary schools for High Needs pupils that are educated as part of their school sixth forms. This funding will be recouped by the EFA and paid to the academies directly. The post 16 top-up values are shown in the table below.

Table 18 – Post 16 High Needs Top-up rates		
	2016/17	Proposed 2017/18
Band 1	£8,155	£8,155
Band 2	£7,340	£7,340
Band 3	£4,893	£4,893
Band 4	£3,058	£3,058
Band 5	£2,447	£2,447
Band 6	£1,223	£1,223
Bespoke	No change	No change

Mainstream Schools High Needs Top Up expenditure proposals

- 3.73. In 2016/17 SBC held the following budgets for mainstream schools SEN. The LA has based the top-up funding required for mainstream top-ups on the current cohort of pupils, a budget requirement of **£2.121m** has currently been identified, and details are contained in table 19 below. There is also a proposal to increase the Early Years top-up funding budget by £12k to £200k. There is no proposal to increase the Notional SEN budget in 2017/18. The proposed Mainstream Top-up rates are noted in Table 19 below.

Table 19 – Mainstream Schools High Needs Budgets			
Service	2016/17 Budget	Proposed Budget 2017/18	Variance
Notional SEN Additional School Funding	£400,000	£400,000	£0
SEN RAP Statemented Pupil Top Up	£2,279,500	£2,121,400	(£158,100)
Early Years Top Up Funding	£188,000	£200,000	£12,000
Total Top Up Funding	£2,867,500	£2,721,400	(£146,100)

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Table 20 – Mainstream High Needs Top-up rates

	2016/17 Budget	Proposed Budget 2017/18
Band 1	£8,285	£8,285
Band 2	£6,845	£6,845
Band 3	£5,405	£5,405
Band 4	£3,965	£3,965
Band 5	£2,525	£2,525
Band 6	£1,085	£1,085
Bespoke	No change	No change

External Placements

- 3.74. The LA aims to provide places for high need pupils in Swindon settings but there are a number of pupils for which external placements are agreed following consideration by the LA's Multi Agency Panel.
- 3.75. In recent years there has been a significant reduction in the number of external placements because more places have been offered by Swindon schools which, even with bespoke levels of funding, are usually at a lower cost to the LA than if they were placed externally. However during 2016/17 it has proved necessary to place more pupils in Out Of Borough provision, this has resulted in a requirement to increase the budget by £225k, and the breakdown of this is detailed below.

Table 21 – Out of Borough Education fees

Service	2016/17 Budget	Proposed Budget 2017/18	Variance
Other Local Authority (OLA) Special Schools - Pre 16	£156,600	£454,800	£298,200
OLA Special Schools - Post 16	£70,000	£7,800	(£62,200)
OLA Mainstream Schools - Pre 16	£72,800	£44,600	(£28,200)
OLA Mainstream Schools - Post 16	£0	£61,000	£61,000
Non Maintained Special Schools - Pre 16	£216,600	£280,900	£64,300
Independent Special Schools - Pre 16	£1,445,600	£1,875,000	£429,400
Non Maintained Special Schools - Post 16	£25,200	£0	(£25,200)
Independent Special Schools - Post 16	£472,100	£162,500	(£309,600)
Children's Social Care and Health Contributions	(£277,300)	(£480,000)	(£202,700)
TOTAL Out of Borough Education fees	£2,181,600	£2,406,600	£225,000

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High Needs Contingency

- 3.76. Currently the DSG supports £252k of High Needs Contingency funding. This funding acts as a release valve for all of the High Needs costs that are not place or top up costs for Special Schools or Special Resourced Provisions. In particular it covers overspends on mainstream SENRAP Statemented expenditure, External Placements and Post 16 High needs expenditure. In order to balance the High Needs element of the budget it is proposed to reduce the contingency to **£41k**.

Other Centrally Retained High Needs Budgets

- 3.77. In 2016/17 the Local Authority holds the following additional High Needs budgets. It is proposed to increase the Speech, Language and Occupational Therapy budget by £20k to cover the additional staffing required to meet the demands of statutory assessments for Education, Health and Care Plans (EHCP) and increased needs of pupils in Swindon.

Table 22 – Other High Needs Budgets			
Service	2016/17 Budget	Proposed Budget 2017/18	Variance
Saltway Portage Service	£151,700	£151,700	£0
Speech, Language and Occupational Therapy	£105,000	£125,000	£20,000
Statemented Pupils Equipment	£130,000	£130,000	£0
Central Overheads (following the rebasing exercise is now part of High Needs base funding)	£0	£634,500	£634,500
TOTAL Other SEN Budgets	£386,700	£1,041,200	£654,500

Members of the School Forum are asked to comment on the Local Authority's proposals for High Needs Budgets as described in paragraphs 3.66 to 3.77 of this report, and listed below:

- **Alternative Provision (Para. 3.66)**
- **Commissioned High Needs Services (Para. 3.71)**
- **Post 16 High Needs Budgets (Para. 3.72)**
- **Mainstream School Top Up Funding (Para. 3.73)**
- **External Placements (Para. 3.74)**
- **High Needs Contingency (Para. 3.76)**
- **Other Centrally Retained High Needs Services (Para. 3.77)**

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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Summary of High Needs Budgets (with Year on Year Comparison)

3.78. The following table summarises the 2016/17 and proposed 2017/18 High Needs Budgets, as discussed in the preceding paragraphs.

Table 23 – Summary of High Needs Budgets 2017/18					
	2016/17		Proposed 2017/18		Variance
	£	£	£	£	£
Special Schools and Academies					
- Place Funding (Maintained Schools)	4,926,600		5,384,100		457,500
- Place Funding (Academy)	420,000		420,000		0
- Top Up Funding (Maintained and Academy)	6,393,400		6,699,700		305,600
- PFI Top Up Funding	299,700		365,000		65,300
		12,039,700		12,868,100	828,400
Special Resourced Unit (SRP)					
- Place Funding (Maintained Schools)	660,000		606,700		(53,300)
- Place Funding Academy	1,333,000		1,284,200		(48,400)
- Top Up Funding (Maintained and Academy)	2,405,900		2,521,000		115,100
		4,398,900		4,411,900	13,000
Minimum Funding Guarantee		10,300		1,000	(9,300)
Alternative Provision					
- Place Funding	900,000		900,000		0
- Top Up Funding	391,500		391,500		0
- CAMHS and Hospital Education Service	468,300		468,300		0
- Exclusions Income	(335,000)		(335,000)		0
- Tuition Service	880,800		880,800		0
		2,305,600		2,305,600	0
Other High Needs Provision					

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- Commissioned High Needs Outreach and Support Services	1,034,300		1,034,300		0
- Post 16 High Needs provided within Swindon	2,000,000		1,875,000		(125,000)
- Post 16 High Needs Element 2 funding recouped by the EFA			1,484,000		1,484,000
- Post 16 High Needs Element 1 funding recouped by the EFA			42,000		42,000
- Mainstream Top Up Funding (including equipment)	2,279,500		2,121,400		(158,100)
- Early Years Top Up Funding	188,000		200,000		12,000
- Mainstream Notional SEN Funding	400,000		400,000		0
- Out of Borough Independent and Non Maintained Special Schools	2,181,600		2,406,600		225,000
- High Needs Contingency	252,400		41,600		(210,800)
- Central Support Costs (previously part of Schools Block)			634,500		634,500
- Other High Needs Services					0
- Portage	151,700		151,700		0
- Therapy	105,000		125,000		20,000
- Statemented Pupils Equipment	130,000		130,000		0
		8,722,500		10,646,100	1,923,600
TOTAL HIGH NEEDS EXPENDITURE 2017/18		27,477,000		30,232,700	2,755,700
High Needs Funding 2017/18		24,884,100		30,232,700	
Funding Gap for High Needs provision		(2,592,900)		0	

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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Summary of overall DSG / EFA Settlement and Proposed Expenditure 2017/18

- 3.79. Based on the proposals included in this report the overall DSG position for 2017/18 can be summarised as follows:

Table 24 - Overall DSG Funding and Expenditure 2017/18	
	£m
Total DSG and EFA Funding receivable (Section 3.22)	171.115
Early Years Expenditure (Para. 3.24)	13.633
Mainstream School Expenditure (Para. 3.32)	126.751
Former ESG Funding (Para. 3.46)	0.498
High Needs Expenditure (Para. 3.61)	30.233
Total Expenditure	171.115
DSG in balance	(0.000)

Other Funding Streams

- 3.80. In addition to receiving a delegated allocation of DSG funding from the local formula, schools and Early Years setting will receive other sources of funding which are determined by the EFA without any LA or Schools Forum influence. These are briefly described below for information.
- 3.80.1. Pupil Premium (schools) – schools have experienced stepped increases in the funding per pupil values as DfE have increased the national Pupil Premium grant allocations since its introduction in 2011/12. The LA is not anticipating any further increases and schools are reminded that their final Pupil Premium grant values will be determined by DfE based on January 2017 PLASC details. The following values are assumed for 2017/18;
- Looked After Child £1,900
 - Disadvantaged (FSM6) child (primary) £1,320
 - Disadvantaged (FSM6) child (secondary) £935
- 3.80.2. Universal Infants Free School Meals – As previously reported to the Schools Forum DfE will be providing funding for all infant meals at £2.30 per meal using the October and January censuses to determine take up levels and no increases are anticipated.

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3.80.3. Devolved Formula Capital – Schools will continue to receive a fixed amount per school and an amount per pupil with different values for each sector which at the time of writing have still to be announced, but we expect little change on the 2014/15 values which were:

- Primary lump sum of £4,000 plus £11.25 per pupil
- Secondary lump sum of £4,000 plus £16.88 per pupil
- Special lump sum of £4,000 plus £33.75 per pupil

4. Alternative Options

4.1. There are various alternatives on how the DSG could be allocated. The LA has a statutory duty to manage and distribute the DSG in accordance with prevailing grant conditions and the school finance regulations. Although under the school funding reform programme DfE are more prescriptive in terms of options and approaches in most cases funding values are locally determined.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

5.1. These are fully detailed within the body of the report.

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.

Links to One Swindon, Plans and Policies

5.4. 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".

Diversity Impact Assessment

5.5. The proposals within this report are designed to allocate funding to all Pupils in Swindon, whilst ensuring that disadvantaged pupils, pupils with low prior attainment and / or special education needs are funded at an appropriate level 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

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

6. Consulters

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

7. Background Papers

- 7.1. Previous reports to the Schools Forum and documents posted on the DfE web site.

8. List of Annexes

- Appendix 1 – Schools Revenue Funding 2017 to 2018 extract – ESG
- Appendix 2 – Schools Revenue Funding 2017 to 2018 extract – IDACI
- Appendix 3 – Letter to schools regarding ESG proposals
- Annex A – IDACI & funding changes summary
- Annex B – Schools Budget 2017/18 and comparison with 2016/17