

# Swindon Borough Council

## Schools Forum

**Tuesday, 6 June 2006**

Committee Room 1, Civic Offices, Swindon at 4.00 p.m.

(Light refreshments will be available at 4.00 p.m.)

<b>Primary Representatives:</b>	Paul Boyles, Lauren Connor, Gill Llewellyn, David Easter, Terri Menham and Linda Rankin (vacancy)
<b>Secondary Representatives:</b>	Steve Flavin, John Newman, Pat Porter and Peter Wells
<b>Special School Representatives:</b>	Bob Walker
<b>Diocesan Representatives:</b>	Sally Inskip (vacancy)
<b>Elected Members:</b>	Councillor Garry Perkins
<b>Observers:</b>	Councillor Barrie Thompson and Marinos Paphitis

**Committee Officer:** Helen Harris

Telephone: 01793 463604 Email: [hharris@swindon.gov.uk](mailto:hharris@swindon.gov.uk)

Swindon Borough Council can be contacted at the Civic Offices, Euclid Street, Swindon, SN1 2JH (Telephone 01793 463000)

---

## **AGENDA**

- 1. Apologies for Absence**
- 2. Minutes** (Pages 1 - 4)  
To receive the minutes of the meeting held on 21 February 2006.
- 3. Report from Schools Forum Review Group** (DLP-C) (Pages 5 - 10)
- 4. Financial Management in Schools Toolkit / Assessment (oral item)** (DLP-C)
- 5. ASPIRE Project and the Impact on Schools (oral item)**
- 6. Arrangements for Funding Schools for the Costs of Deprivation** (DLP-C) (Pages 11 - 14)
- 7. Review of the DfES School Funding System 2006-07** (DLP-C) (Pages 15 - 20)

8. **Scheme for Financing Swindon Schools - DfES Consultation (DLP-C)**  
(Pages 21 - 26)
9. **Special Educational Needs Transport (DLP-C)** (Pages 27 - 28)
10. **Review of Teachers' Pensions (oral item) (DLP-C)**
11. **Dates of Future Meetings**  
Future meetings of the Forum will be held on:  
Tuesday, 17 October 2006  
Thursday, 11 January 2007  
Tuesday, 13 March 2007

**Date of Despatch:** 26 May 2006

**Key:**

**Officers:**

CE	-	Chief Executive
GDPP	-	Group Director: Partnership & Performance
GDC		Group Director: Children
GDHSC	-	Group Director: Housing & Social Care
GDEL	-	Group Director: Environment & Leisure
GDR	-	Group Director: Resources

**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 HELD ON  
Tuesday 21<sup>st</sup> February 2006  
4:00pm  
COMMITTEE ROOM 2, CIVIC OFFICES**

**Present:**

Action

***Primary Representatives:***

Paul Boyles (Governor – Holy Rood Junior) (Chair),  
Lauren Connor (Head – Moredon Junior),  
Gill Llewellyn (Head – South Marston Primary),  
Linda Rankin (Head – Penhill Primary),

***Secondary Representatives:***

Steve Flavin (Head – Churchfields)  
Peter Wells (Head – St Joseph's)

***Diocesan Representative:***

Sally Inskip

***Officers:***

Ian Bickerton, Director – Local Provision;  
Martin Coles, Director – Quality and Standards  
Lorraine Billis (Clerk) , Deputy Head of Children Services Finance –  
Schools

***Observers:***

Cllr. Barrie Thompson  
Ann Parry  
Helen Harris

**1. Apologies for absence**

Apologies were received from the following:  
Terri Menham (Head – Peatmoor Primary)  
Pat Porter (Governor – Hreod Parkway)

**2. Minutes of the meeting of 17<sup>th</sup> January 2006**

Agreed as accurate and signed by the Chair.

**3. Matters arising not covered elsewhere**

The matter was raised that funding for primary workforce remodelling was not shown on the budget share for 2006-07 and 2007-08 as a discrete line. The reason given was that primary workforce remodelling was already funded at a level above that provided within the Dedicated Schools Grant thus meeting the government priority.

#### **4. Schools Forum Review Group**

Notes from the Review Group Meeting of 10<sup>th</sup> February 2006 were distributed. The Review is work in progress and there is to be a further meeting on 15<sup>th</sup> March 2006. The desired outcomes of the Review so far included that the membership of the Forum be increased to genuinely reflect Swindon pupils, with a standing sub-group that will enable the Forum to act strategically.

**Schools Forum  
Review Group**

**It was agreed that** a comprehensive set of recommendations will be presented at the next Schools Forum meeting to enable a reconstituted Schools Forum to be in place if required by the end of August 2006.

#### **5. DfES Review of Deprivation Funding For Schools**

A Briefing Note was tabled which outlined the requirement of the Department for Education and Skills (DfES) that all Local Authorities report to the Department by 5<sup>th</sup> May 2006 on how they fund deprivation. The Report will need to include an explanation of how deprivation is met by the Swindon formula, and the sufficiency and appropriateness of the formula factors. Discussion is encouraged with a wide group of stakeholders and therefore the matter will be an agenda item for the next Education Partnership Board meeting in March. It was noted that Swindon is 49<sup>th</sup> on the national Index of Multiple Deprivation therefore any outcome of the report to the DfES may not be advantageous.

The merits of the factors of free school meal eligibility and postcode data were discussed; also the ability to share information between government and local authority departments.

**It was agreed that** the Schools Forum Review Group will consider the preliminary work on the report, and the proposed report will be circulated to all members of the Forum prior to 5<sup>th</sup> May, as the next meeting of the Forum is not until June.

**Schools Forum  
Review Group**

#### **6. Final Schools Budget 2006-07**

Concern was expressed that a paper confirming the final schools budget allocations could not be presented to the Schools Forum as financial information relating to early years pupil numbers was not yet available. It was noted that PLASC data was provided to the local authority in good time.

**Interim HoF**

**It was agreed that** the issue of returns by early years providers be examined in order to avoid this arising in future years.

**7. Schools Budget – Redundancy Costs**

Due to a concern that the Schools Forum may become involved in individual cases of proposed redundancies in schools, the issue of accountability where schools make redundancies due to mismanagement of their budgets was raised.

**Interim HoF**

**It was agreed that** further investigations be undertaken into the Government's regulation that Schools Forums should make decisions on charging redundancy costs to the schools budget and the outcome be brought to the next meeting of the Schools Forum.

**8. Any Other Business**

None

**Clerk**

**9. Date of next meeting**

Tuesday 6<sup>th</sup> June 2006

Tuesday 17<sup>th</sup> October 2006

Tuesday 11<sup>th</sup> January 2007

Tuesday 13<sup>th</sup> March 2007

**All**

All at Civic Offices, start at 4 p.m.

**Clerk**

*There being no other business, the meeting was closed at 5.17 pm*

**Signed** ..... **(Chair of SSF)**

**Date** .....

This page is intentionally left blank

**SCHOOLS' FORUM - 6 JUNE, 2006**

**REPORT FROM SCHOOLS FORUM REVIEW GROUP**

**BACKGROUND**

1. The Schools' Forum Review Group was established at the meeting of the Forum on 17 January 2006 following consideration of a letter from the DfES which comprised:
  - Amended Schools' Forum Regulations December 2005
  - An 'Operational and Good Practice Guidance' document.
2. The Review Group was asked to review the effectiveness and operation of Swindon Schools' Forum and to come back with recommendations for any changes considered necessary, including those required by the Regulations, with a view to reconstitution, if required, by the DfES deadline of 31 August 2006. This was seen as particularly important given the increasing powers that are being passed to the Forum by Central Government.
3. The Review Group, which comprised 3 head teacher representatives from the primary, secondary, and special phases together with 2 officers, met on two occasions and provided an interim report to the last meeting of the Forum on 21 February.

**RECOMMENDATIONS**

4. A number of unanimous recommendations have emerged from the work of the Review Group, and the rationale for these will, where necessary, be explained more fully at the meeting.

5. Membership:

The Group considered that there were strong arguments for increasing the size of the Forum (currently 15) particularly in order to widen the breadth of membership by introducing some additional Non-Schools' Members (whose number may be no more than 20% of the whole). The DfES Guidance, for example, states that: 'the purpose of Non-Schools' Members is ... to bring greater breadth of discussion to Forum meetings and ensure that stakeholders and partners other than schools are represented'. Linked to this, the Review Group were keen to see the Forum taking on a more strategic role (this will be referred to again later on).

The Group is therefore recommending that: **The size of the Forum be increased to 20 members, comprising 16 Schools' Members and 4 Non-Schools' Members.**

## 6. Schools' Members

As indicated above, the Review group are recommending that the number of Schools' Members be increased to 16. There is a requirement in the Regulations that the membership should be proportionate to the ratio of pupils each phase, with special schools having at least one representative. The Authority then has discretion to divide the groups further to reflect different categories of schools. The Group considered that this should be achieved as far as possible to ensure fairness of representation.

The Group is recommending that:

**a) There are 10 Headteacher and 6 Governor representatives on the Forum, broken down as follows:**

- **Primary: 5 Headteachers, and 3 Governors (covering, as far as possible, early years, KS1 and KS2)**
- **Secondary: 4 Headteachers, and 2 Governors**
- **Special: 1 Headteacher, and 1 Governor (with an SEN focus from a mainstream school);**

**b) As far as possible, the Headteacher and Governor representatives reflect the different categories of schools in Swindon – ie Community, VC, VA and Foundation;**

**c) Representative Groups be able to formally nominate substitutes to ensure the maximum possible attendance at meetings.**

## 7. Non-Schools' Members

The Group are recommending that there should be 4 Non-Schools' Members, who are appointed by the Authority, with the aim of widening the membership of the Forum as far as possible. The DfES Guidance suggests a number of organisations/groups that could potentially be appointed and these include trades unions, early years and youth groups, parents groups and so on. There is a requirement to consider seeking Diocesan representative.

The Group gave this matter careful thought and are recommending that: **The 4 Non-Schools' Members should be:**

- **a Diocesan representative**
- **a Trade Union representative**
- **an Early Years representative**
- **a Parent or Youth representative.**



## 8. Strategic Role/Sub-Group

The Review Group considered it particularly important that the Forum should develop a more strategic role examining Swindon wide education issues – an example would be the recent debate on the link between deprivation and attainment and the impact of the funding formula. The DfES Guidance, for example, states that: ‘Schools’ Forums are most effective when they take a strategic view of the issues they are considering.....they should be able to consider the needs of the whole educational community...’

It should be strongly emphasised that the Forum would still of course continue to have an essential role in examining more specific budget issues, including the impact on schools and phases of formula changes and budget settlements each year. The Review Group were particularly keen that the Forum is presented with clear options for decision-making, and the impact each option would have on schools.

In order to enable this more strategic role to be developed, the Forum are recommending that a standing Sub-Group be established. It was seen as particularly important that the Forum, when considering reports from that Sub-Group, picks up the key issues but does not do a rerun of the detailed discussions that took place.

The Group is recommending that: **A representative standing Sub-Group of the Forum be established to examine detailed financial issues and report to the Forum.**

## 9. Other Key Issues

As reported at the last meeting, the Review Group also considered the following – all identified in the Guidance as good practice - to be essential for the future direction of the Forum:

- (a) Councillors – the Forum should do all it can to encourage the Cabinet Member for Children's Services and other key Members to be present at meetings.
- (b) Communications - the Forum should consider effective ways to communicate decisions/deliberations to the Council (including (a) above) and to the wider educational community.
- (c) Management of Meetings – meetings of the Forum should be effectively chaired, concise and strategic.
- (d) Agenda/Paperwork – agendas should be open to items from members of the Forum (through the Chair), sent out earlier, there should be less paperwork and there should be a Forward Plan that is regularly updated.

- (e) Induction of New Members – Effective induction for all new members should be provided.

The Group is recommending that: **(a) – (e) above be agreed.**

11. Reconstitution

The Review Group is recommending that: **Swindon Schools' Forum be reconstituted on the above basis, by the DfES deadline of 31 August, 2006.**

**CONCLUSIONS**

12. The two meetings of the Schools' Forum Review Group were both very positive with a genuine desire from all the heads and officers to build on the work that has already been achieved by Swindon Schools' Forum. It was strongly felt that the above recommendations, if adopted, will help to map out the future direction of the Forum and will enable it to be increasingly effective on behalf of all schools and pupils in Swindon.
13. A summary of the recommendations is attached as an appendix.

### **SUMMARY OF RECOMMENDATIONS**

**The size of the Forum be increased to 20 members, comprising 16 Schools' Members and 4 Non-Schools' Members.**

- **In relation to Schools' Members, there should be 10 Headteacher and 6 Governor representatives on the Forum, broken down as follows:**
  - **Primary: 5 Headteachers and 3 Governors (covering, as far as possible, early years, KS1 and KS2)**
  - **Secondary: 4 Headteachers and 2 Governors**
  - **Special: 1 Headteacher and 1 Governor (with an SEN focus from a mainstream school);**
  - **As far as possible, the Headteacher and Governor representatives reflect the different categories of schools in Swindon – ie Community, VC, VA and Foundation;**
  - **Representative groups be able to formally nominate substitutes to ensure the maximum possible attendance at meetings.**
- **The 4 Non-Schools' Members should be:**
  - **a Diocesan representative**
  - **a Trade Union representative**
  - **an Early Years representative**
  - **a Parent or Youth representative.**
- **A standing Sub-Group of the Forum be established to examine detailed financial issues and report to the Forum.**
- **The following be agreed:**
  - a) **Councillors – the Forum should do all it can to encourage the Cabinet Member for Children's Services and other key Members to be present at meetings.**
  - b) **Communications - the Forum should consider effective ways to communicate decisions/deliberations to the Council**

(including (a) above) and to the wider educational community.

- c) **Management of Meetings** – meetings of the Forum should be effectively chaired, concise and strategic.
  - d) **Agenda/Paperwork** – agendas should be open to items from members of the Forum (through the Chair), sent out earlier, there should be less paperwork and there should be a Forward Plan that is regularly updated.
  - e) **Induction of New Members** – Effective induction for all new members should be provided.
- **Swindon Schools' Forum be reconstituted on the above basis, by the DfES deadline of 31 August, 2006.**

## **SWINDON BOROUGH COUNCIL**

### **ARRANGEMENTS FOR FUNDING SCHOOLS FOR THE COSTS OF DEPRIVATION**

#### **Introduction**

1. Following the letter from the DfES dated 22 December 2005, the current arrangements for funding schools in Swindon for the cost of deprivation have been reviewed. This review has taken place through debates at the Schools' Forum, at the Education Partnership Board, which comprises a wide range of partners, and "internally" between relevant officers of the Council.

#### **Historical Perspective**

2. Swindon Borough Council became a Unitary Authority in April 1997 and, at that time, adopted formula funding factors for school budgets from its predecessor, Wiltshire County Council. A factor called "Social Factor" made provision for schools with pupils in receipt of Free School Meals (FSMs) of more than 15% of numbers on roll (NOR) in primary schools and 10% of NOR in secondary schools, with an increase in funding in steps of 10% NOR.
3. In 2000, funding for FSMs was delegated to schools based on the number of meals served in the previous calendar year.
4. In 2002, a review of formula funding took place, with schools being consulted on replacing a "local approach" to special needs funding (based on NFER reading test results) with additional educational needs (AEN) funding based on:
  - Key Stage (KS) results
  - English as an additional language (EAL)
  - FSM eligibility

This was implemented in 2003/04.

5. In the following three years further formula funding reviews/changes took place, as set out below:-

<b>Year</b>	<b>Formula Funding Reviews (subsequently implemented)</b>
2003	<ul style="list-style-type: none"> <li>• Funding for FSM based on eligibility</li> <li>• A Social factor to provide funding for all schools based on FSM eligibility</li> <li>• AEN funding based on FSM eligibility</li> </ul>
2004	<ul style="list-style-type: none"> <li>• Merging the two elements of AEN funding and delegating based on: <ul style="list-style-type: none"> <li>-Secondary: 60% FSM eligibility, 20% EAL, 20% KS results</li> <li>-Primary: 80% FSM eligibility, 20% KS results</li> </ul> </li> <li>• A separate EAL factor</li> </ul>
2005	<ul style="list-style-type: none"> <li>• Increasing funding for EAL</li> <li>• Introduction of new factor to deliver the Government's personalised learning priorities with the introduction for the first time for an Index of Multiple Deprivation (IMD) as the cost driver.</li> </ul>

6. In relation to Special Schools, place funding does not separate out the individual elements for EAL and AEN, although schools receive a FSMs delegation based on eligibility for the provision of meals service.
7. Throughout the period since 1997, therefore, there has been an increasing focus by the Authority, in consultation with schools – and more recently, the Schools' Forum – on targeting a degree of formula funding on schools with higher levels of pupils in deprived circumstances, largely measured by FSMs. More recently, an IMD has been developed to target funding, derived from a range of factors including income, employment, health deprivation and disability and living environment. The Schools' Forum wish to explore further whether or not more accurate measures of deprivation based, for example, on the analysis of postcodes, would be worth pursuing.
8. In this context, the current formula delivers the amounts and percentage of funding as set out below:

<b>Funding</b>	<b>Primary</b>	<b>% Budget</b>	<b>Secondary</b>	<b>% Budget</b>
AEN	1,552,759	4	550,696	2
EAL	475,912	1	94,088	1
Personal Learning (Deprivation)	356,855	1	558,771	2
FSM	555,307	2	400,949	1
Social Factor	136,060	1	208,711	1

9. The Schools' Forum have agreed that for 2006/07 and 2007/08:

- 40% of the new deprivation factor (Personalised Learning) should be distributed to all schools and 60% of the funding to schools with IMD factor of greater than 18.02;
- 52% EAL funding is delivered to all schools with 48% going to schools with EAL pupils of more than 10% NOR;
- All other factors are delivered to all schools who meet the criteria for the factor;
- FSM eligibility data is collected three times a year; January PLASC, April and September, and is averaged for the purpose of calculating FSM eligibility. April and September data is collected from parents via schools and is therefore dependent on schools sending the Authority the relevant information. From 2006 for secondary and 2007 for all schools, the new school census arrangements will provide a formal means of collecting FSM eligibility data from Schools.

### **Impact on Individual Schools**

10. Examples of the highest and lowest levels of funding of individual schools (excluding schools in special circumstances eg with specialist units, new schools etc):

<b>Funding Level</b>	<b>School</b>	<b>IMD</b>	<b>FSM</b>	<b>EAL</b>
Highest Funding Primary	Mountford Manor	IMD 46.44	FSM 20.7%	EAL 6.4%
Highest Funding Secondary	Headlands	IMD 34.43	FSM 23.6%	EAL 2.3%
Lowest Funded Primary	Grange Junior	IMD 11.05	FSM 2.1%	EAL 1.7%
Lowest Funded Secondary	Greendown	IMD 12.9%	FSM 7.6%	EAL 4%

### **Conclusions**

11. As already indicated, there has been an increasing focus over recent years on targeting a degree of formula funding on schools to meet

extra costs arising from social deprivation, and also on exploring further whether or not there is more accurate and sophisticated way of measuring levels of deprivation.

12. However, stakeholders consulted were also very aware that Swindon receives the 17<sup>th</sup> lowest level of per pupil funding nationally, and does not receive, for example, Area Cost Adjustment. There were concerns, therefore, that until Swindon receives a higher level of funding from Central Government, by increasing further the levels of formula funding to some schools to meet the costs arising from social deprivation, the core funding levels of other schools could be put at risk.



**Author:** Group Director, Children

**Parish / Wards Affected:** All

#### **Purpose**

The Department for Education and Skills is consulting with Local Authorities on the impact of the new funding arrangements for 2006-07, to inform the funding system from 2008 onwards.

#### **Recommendation**

Schools Forum is requested to

Note the response of the Council to the Review.

#### **1. Reasons**

The Local Authority is requested to respond to the DfES consultation by 31<sup>st</sup> May 2006.

#### **2. Detail**

All Local Authorities have been invited by the DfES to respond to a review of the funding arrangements introduced for 2006-07 and 2007-08, by 31<sup>st</sup> May 2006.

The Terms of Reference of the Review are attached at Appendix A.

The Chair of the Schools Forum has been invited to consider the response and make recommendations prior to it being sent to the DfES to meet the required deadline.

The response will be provided to the Schools Forum at its meeting of 6<sup>th</sup> June 2006.

#### **Alternative Options**

#### **Risk Management**

##### *Financial and Procurement Implications*

The outcome of the Review may have an impact on funding for schools from 2008 onwards, to be advised to Local Authorities within the timeframe of the government's Spending Review being undertaken this year.

Further information on the subject of this report can be obtained from Peter Sykes on 465739 or Email [psykes@swindon.gov.uk](mailto:psykes@swindon.gov.uk).

---

*Legal / Human Rights Implications*

As above

*Links to Corporate Plans and Policies (in particular to Swindon 2010 Promises)*

- The Funding for Schools is determined by the School Finance (England) Regulations 2005

**Consultees**

- 

**Background Papers and Appendices**

- Appendix A – Terms of Reference of DfES School Funding Review.

## School funding review 2006 to 2007: Terms of Reference – Appendix A

Download a [word version of the Terms of Reference](#) of the school funding review

Download the [letter to education partners](#) about the school funding review

### Review of new recurrent funding arrangements for schools: Terms of Reference

#### Introduction

1. Jacqui Smith's statement to Parliament of 21 July 2005 announcing the new recurrent funding arrangements for schools from April 2006 made clear that the first two years of the new arrangements would be regarded as transitional, and that various aspects of the system would be reviewed in time for the next set of grant allocations covering the period 2008-11. The Minister's statement of 7 December 2005 announcing the details of Dedicated Schools Grant allocations for 2006-08 made clear that that review would also cover the method of distribution of the DSG. This note sets out the government's proposals for the coverage of that review.

#### **Purpose of the review and objectives**

2. The purpose of the review is to evaluate the impact of key aspects of the new recurrent funding arrangements for schools from April 2006; to make recommendations on any adjustments needed to those arrangements in the light of experience; and to consider what further developments in the school funding system are needed to support the government's wider policies for schools and children's services, including provision for 14-19 year olds. The review will look at issues relating to distribution both to local authorities and to schools, and also at issues relating to the administration of the new arrangements. It will make recommendations to Ministers by the summer of 2007: those will then be considered alongside the outcome of the Comprehensive Spending Review and decisions will be announced in time for the school funding settlement for 2008-11 in late 2007.

3. In evaluating the impact of the new arrangements and considering options for the future we will take into account the following objectives — recognising that in some cases there are tensions between different objectives and it will be necessary to strike an appropriate balance:

- **Simplicity** — school funding arrangements should be transparent and easy for schools to understand, with the number of separate funding streams kept to a minimum;
- **Flexibility** — school funding arrangements should deliver sufficient flexibility to respond to national, local and school level priorities;
- **Stability** — school funding arrangements should provide schools with stability, with certainty over long term forward budgets and transitional arrangements to ensure that any distributional changes remain manageable at school level;
- **Equity** — school funding arrangements should deliver resources in line with need, recognising the different costs of educating particular groups of pupils (eg those from more deprived backgrounds) and in providing schooling in different areas;
- **Value for money** — school funding arrangements should deliver funding in a way that enables schools and local authorities to make the best use of available resources to raise standards in every area.

4. The remainder of this note sets out the detailed issues which we propose to consider as part of the review.

#### **The Dedicated Schools Grant**

5. In relation to the Dedicated Schools Grant, we propose to consider:

- whether to continue with a distribution methodology which starts from a baseline of existing DSG allocations, adds a basic increase and then allocates funds according to Ministerial priorities, as in 2006-08; move to a formula-based approach; or some combination of the two;
- within any formula-based element, the balance between formula factors and the relevant indicators for each factor;
- if appropriate, priorities for distributing headroom within a methodology which starts from existing DSG allocations (as above), and the appropriate distribution methodology for each element;
- what transitional protection is needed if we move to a new approach to distribution;
- whether any changes are needed to the scope of the DSG or the conditions of grant.

### **Specific grants**

6. In relation to specific grants, we propose to consider:

- whether any specific grants should be merged with the DSG from 2008-09, and if so which; and the distributional implications and transitional arrangements needed;
- if neither is merged into the DSG, the scope for merging the School Development Grant and School Standards Grant into a single standards grant, the distribution of any such grant and any transitional arrangements needed; and
- the scope for merging or ending any further specific grants, and the distributional implications and transitional arrangements needed.

### **Deprivation funding at school level**

7. As part of the review process we will take forward the programme of work set out in the action statement published alongside the Deprivation Funding Review on 7 December 2005. This will include in particular:

- a technical review of deprivation indicators; and
- the collation and analysis of the deprivation statements which local authorities are required to produce by 5 May 2006.

8. We also propose to consider whether further action is needed to ensure that local authorities recognise the costs of dealing with deprivation in their local funding formulae. The impact on schools of any changes in the way funding was distributed would need careful assessment.

### **Minimum funding guarantee**

9. In relation to the minimum funding guarantee, we propose to consider:

- whether or not there should continue to be a nationally determined MFG, and if so the level at which it should be set (in particular whether it should continue to cover average cost pressures, or should be set at a lower level which gives greater scope for redistribution between schools); and
- assuming the MFG continues, whether any changes are needed to the detailed operation of the guarantee.

### **Academic year budgets**

10. Ministers have made clear that they have no plans to introduce academic year accounting for schools. However, we propose to look again at the issue of academic year budgeting (which essentially means presenting schools' budget allocations on an academic year as well as a financial year basis). In particular we propose to consider:

- the benefits, costs and practical implications for schools and local authorities of moving to

- academic year budgets in the context of multi-year settlements; and
- if the benefits appear worthwhile in principle, the implications of moving to academic year budgeting for the distribution of the DSG and specific grants, for the setting of schools' budgets by local authorities, and for the allocation across years of the Department's Comprehensive Spending Review settlement for schools.

### **Operation of multi-year budgets**

11. We propose to look at the detailed operation of the new school funding arrangements (particularly multi-year budgets) at local authority level in 2006-08 and make recommendations for, and implement, any changes needed for 2008 and beyond. We will consider, in particular:

- to what extent multi-year budgets delivered greater predictability for schools, and whether and how this could be enhanced: in particular whether the balance between central prescription and local flexibility in the current regulations is right;
- whether any changes are needed to the operation of the central expenditure limit;
- the scope for ensuring that schools are aware of key pressures — particularly teachers' pay — across the same time period for which they are given budget allocations;
- whether any changes are needed to the regulations governing pupil counts — in particular whether and when to move to using a September pupil count, which would enable budgets to be finalised earlier;
- the incentives on schools to under or over-spend their budgets; and
- any other changes needed to the School Finance Regulations or the guidance governing local authority schemes — in particular what changes would be needed if Ministers decided to move to academic year budgeting.

### **Schools Forums**

12. We propose to review the effectiveness of Schools Forums in delivering the school funding arrangements for 2006-08, and consider:

- whether the remit of Schools Forums remains right, including in particular whether they should be given a role in considering capital funding issues;
- whether Forums should be given any further decision-making powers, or whether any of those already granted should be amended or removed;
- whether any further changes are needed to the rules governing Forums' constitution or proceedings, or to the Department's Good Practice Guide;
- what further advice and guidance should be provided to Forums, including whether there is scope to ensure that all Forums have access to independent advice.

### **Comments on the issues for the review**

13. Comments on the issues set out in these Terms of Reference, or any questions about the review, should be emailed to us at [schoolfunding.review@dfes.gsi.gov.uk](mailto:schoolfunding.review@dfes.gsi.gov.uk) by **31 May** if possible.

Department for Education and Skills  
6 April 2006

This page is intentionally left blank

**Author:** Group Director, Children

**Parish / Wards Affected:** All

#### **Purpose**

The Department for Education and Skills is consulting on proposed amendments to Departmental Guidance on the Scheme for Financing Schools.

#### **Recommendation**

Schools Forum is requested to

Recommend that its standing committee considers and responds to the Consultation together with Local Authority officers.

#### **1. Reasons**

The Local Authority is requested to respond to the DfES consultation by 30<sup>th</sup> June 2006.

#### **2. Detail**

The DfES is consulting on proposed amendments to the guidance it provides to Local Authorities for the implementation of their Schemes for Financing Schools.

The consultation closes on 30<sup>th</sup> June 2006.

The Schools Forum is requested that its standing committee considers the proposed amendments together with officers of the Local Authority, to provide a joint response to the DfES by the required deadline.

The Consultation Response Form is attached at Appendix A, and the full consultation document can be found on [www.teachernet.gov.uk/schoolfunding](http://www.teachernet.gov.uk/schoolfunding)

#### **Alternative Options**

#### **Risk Management**

##### *Financial and Procurement Implications*

The financial impact of the outcome of the Consultation will not be known until formal publication later this year.

Further information on the subject of this report can be obtained from Peter Sykes on 465739 or Email [psykes@swindon.gov.uk](mailto:psykes@swindon.gov.uk).

---

*Legal / Human Rights Implications*

As above

*Links to Corporate Plans and Policies (in particular to Swindon 2010 Promises)*

- The Swindon Scheme for Financing Schools is determined by the School Standards and Framework Act 1998 and subsequent amendments.

**Consultees**

- 

**Background Papers and Appendices**

- Appendix A – Consultation Response Form



**SCHEME FOR FINANCING SCHOOLS – CONSULTATION ON  
REVISIONS TO DEPARTMENTAL GUIDANCE**

**CONSULTATION RESPONSE FORM**

This form should be returned by 30 June to:

John Hall  
School and LEA Funding Division  
Area 5A  
Department for Education and Skills  
Sanctuary Buildings  
Great Smith Street  
Westminster  
London  
SW1P 3BT

Or [John.Hall@dfes.gsi.gov.uk](mailto:John.Hall@dfes.gsi.gov.uk)

**Name of organisation responding:**

--

**Consultation question 1: do you agree with the inclusion of provision to enable local authorities to require schools to submit a financial forecast covering each year of a multi-year budget beyond the current year. Do you have any comments on the proposed wording of the draft scheme guidance?**

<b>YES</b>		<b>NO</b>		<b>NO VIEW</b>	
------------	--	-----------	--	--------------------	--

**Comments**

--

**Consultation question 2a: do you agree with the proposal to allow a local authority to issue a notice of concern to a school identified as having weaknesses in its financial management? Do you have comments on the proposed working of the guidance?**

<b>YES</b>		<b>NO</b>		<b>NO VIEW</b>	
------------	--	-----------	--	----------------	--

**Comments**

**Consultation question 2b: do you have any comments on kinds of requirements a local authority may impose on a governing body subject to a notice of concern set out in the draft text? Do you have suggestions as to any further requirements that may be included in a notice of concern?**

**Comments**

**Consultation question 3: do you agree with the proposal to allow local authorities to declare external assessment of the Financial Management Standard in Schools compulsory? Do you have any comments on the draft scheme guidance?**

<b>YES</b>		<b>NO</b>		<b>NO VIEW</b>	
------------	--	-----------	--	----------------	--

**Comments**

**Consultation question 4a: do you agree with the proposal to make the inclusion of a balance control mechanism compulsory in local authority schemes? Do you have any comments on the amendments to the model scheme?**

<b>YES</b>		<b>NO</b>		<b>NO VIEW</b>	
------------	--	-----------	--	----------------	--

**Comments**

**Consultation 4b: do you agree with the proposal to make the thresholds in the model scheme of 5% and 8% for secondary schools and primary/special schools respectively a mandatory aspect of every local authority's scheme?**

<b>YES</b>		<b>NO</b>		<b>NO VIEW</b>	
------------	--	-----------	--	----------------	--

**Comments**

**Consultation question 5: do you have any comments on these miscellaneous revisions or any other aspects of the scheme guidance?**

**Comments**

## Special Educational Needs Transport

**Schools Forum**

**Date: 6 June 2006**

---

**Author:** Group Director Children

**Parish / Wards Affected:** All

### **Purpose**

- To consider whether the expenditure on Special Educational Needs transport meets the criteria laid down by legislation, whether processes are clear and transparent, and whether it can be charged to the schools' budget.

### **Recommendation**

*The Schools Forum is requested to*

- To agree in principle that SEN Transport costs as defined by Regulation 1 of the School Finance (England) Regulations 2006 can be charged to the schools' budget in 2006-07 and 2007-08 up to a value of £50,000 per annum;
- To determine the procedures to be undertaken before the charge of the costs of individual cases to the schools' budget.

## **1. Reasons**

- 1.1 Where revenue savings can be achieved by placing pupils with special educational needs in a school maintained by the Local Authority (rather than an independent school for example) this saving accrues to the schools budget.
- 1.2 Without exercising the option provided in the new legislation, the costs of transporting that pupil to the Local Authority's school would fall on the LA budget.
- 1.3 It is considered more equitable for the costs in these circumstances to be offset against the savings in the schools' budget.

## **2. Detail**

- 2.1 Regulation 1 of the School Finance (England) Regulation 2006 allows "SEN transport costs" to be charged to the schools' budget. The approval of the Schools' Forum or the Secretary of State is required if the amounts exceed those budgeted as coming from the Schools Budget in 2005-06 (Regulation 7(3)).
- 2.2 "SEN transport costs" are defined as "the costs of home to school transport for pupils with special educational needs in schools maintained by the Authority, where revenue savings that will be achieved by placing such children in a school maintained by the authority are equal to, or greater than, the cost of such transport."

---

Further information on the subject of this report can be obtained from *Peter Sykes* on 01793 465794 or Email [psykes@swindon.gov.uk](mailto:psykes@swindon.gov.uk).

# Special Educational Needs Transport

**Schools Forum**

**Date: 6 June 2006**

- 2.3 As regulations for 2005-06 made no provision for such transport costs to be met from the schools' budget, any costs which now meet this criteria can only be charged to the schools' budget with the approval of the Schools' Forum or by reference to the Secretary of State.
- 2.4 Although no sum has been included in the initial schools' budget for 2006-07, there are likely to be funds carried forward from 2005-06, some of which could be allocated for this.
- 2.5 It is proposed that a budget of £50,000 in both 2006-07 and 2007-08 be set aside from the schools' budget carry forward for the SEN transport costs matching the criteria.
- 2.6 The Forum are asked to consider whether they wish to be involved in agreeing individual cases for charge to the schools' budget, or alternatively if they are happy for the Group Director to agree these within the legislation and budget.

## Alternative Options

- **That SEN transport costs (as defined) are met from the LA budget.**

This could lead to lack of funds within the LA Budget prejudicing greater savings for the schools' budget and to the overall public purse.

## Risk Management

### *Financial and Procurement Implications*

- The proposals in this report can be accommodated within the budgets and funds available within the Schools' Budget in 2006-07 and 2007-08. Budgets for future years cannot be determined until the announcements of the Dedicated Schools Grant for 2008-2011 in the autumn/winter of 2007.

### *Legal / Human Rights Implications*

- There are no specific implications from this report. It is advantageous for children to be educated as close to their home as possible.

### *Links to Corporate Plans and Policies (in particular to Swindon 2010 Promises)*

- 

## Consultees

- **Director of Finance and Director of Law & Democratic Services**

## Background Papers and Appendices

- Schools Finance (England) Regulations 2006
- Appendices - None

Further information on the subject of this report can be obtained from *Peter Sykes* on 01793 465794 or Email [psykes@swindon.gov.uk](mailto:psykes@swindon.gov.uk).