

Swindon Borough Council

Schools Forum

Tuesday, 15 January 2013

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

School Members:

Steve Colledge, Chair - Academy Headteacher
Paul Boyles, Vice-Chair - Academy Governor
Chris Davis, Primary Headteacher
Janet Urban, Primary Headteacher
Rhian Cockwell, Primary Headteacher
Alison Lowe, Primary Headteacher
David Easter, Primary Governor
Robert Jackson, Primary Governor
Rachael Matthey, Secondary Headteacher
Julie Tridgell, Secondary Headteacher
Jackie Smith, Special Headteacher
Derek Fry, Special Governor
Richard Marshall, PRU
Lynne Fletcher, Academy Headteacher
Nick Capstick, Academy Headteacher
Lauren Connor, Academy Headteacher
Wendy Conaghan, Academy Headteacher
Andy Hazelton, Academy Governor

Non-School Members:

Maureen Harries, Diocese - Clifton
Ian Barron, Diocese - Bristol
Peter Smith, Trade Unions
Debbie Waldron, Early Years Representative
Cathy Parker, Early Years Representative (Deputy)
Andrew Miller, 16-19 Partnership
Graham Taylor, 16-19 Partnership
Ram Thiagarajah, BME

Committee Officer: Sarah Lawrence

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AGENDA

1. **Apologies for Absence**
2. **Minutes of Previous Meeting** (Pages 1 - 8)
3. **Retained Dedicated Schools Grant Budget Position 2012-13** HFEI (Pages 9 - 16)
4. **Dedicated School Grant and local formula issues 2013/14** HFEI (Pages 17 - 82)
5. **Date of Next Meeting**
The next meeting is scheduled for 5th March at 4 pm.

Date of Despatch: 11 January 2013

Key:

Officers:

HFEI - Head of Finance: Education and Innovation

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

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

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

SCHOOLS FORUM

TUESDAY, 9 OCTOBER 2012

PRESENT: -

School Members:

Chris Davis, Primary Headteacher
Janet Urban, Primary Headteacher
Alison Lowe, Primary Headteacher
David Easter, Primary Governor
Rachael Matthey, Secondary Headteacher
Jackie Smith, Special Headteacher
Derek Fry, Special Governor
Richard Marshall, PRU
Steve Colledge, Academy Headteacher (**Chair**)
Wendy Conaghan, Academy Headteacher
Paul Boyles, Academy Governor (**Vice-Chair**)
Andy Hazelton, Academy Governor

Non-School Members:

Peter Smith, Trade Unions
Debbie Waldron, Early Years Representative
Ram Thiagarajah, BME

Officers:

Paddy Bradley (Head of Commissioning – Economy /
Attainment)
Steve Haley (Head of Finance –Education and Innovation)
Sarah Higgins (Finance Manager- Education and
Innovation)

Councillor David Renard was also in attendance.

Apologies for absence were received from Rhian Cockwell (Primary Headteacher), Robert Jackson (Primary Governor), Julie Tridgell (Secondary Headteacher), Peter Crockett (Special Headteacher), Lynne Fletcher (Academy Headteacher) and Maureen Harries (Diocese).

11. Appointment of Chair

Resolved – That Steve Colledge (Academy Headteacher) be appointed as Chair of the Schools Forum.

(Steve Colledge in the Chair)

12. Appointment of Vice-Chair

Resolved – That Paul Boyles (Academy Governor) be appointed as Vice-Chair of the Schools Forum.

13.

Minutes

Resolved – That the minutes of the meeting held on 25 September 2012 be confirmed and signed as a correct record.

14. Retained Dedicated Schools Grant Budget Position 2012-13

Steve Haley (Head of Finance-Education and Innovation) presented a report on the latest position of the 2012/13 retained Dedicated Schools Grant (DSG) budget.

Mr Haley apologised for the late issue of the papers before commenting on the report. He advised that based on information to the end of August 2012, there was a projected underspend of approximately £1.0m against the retained DSG budget for the current year and annex A to the report provided details on the budget areas which were causing the underspend. The main areas were Academy LACSEG (Local Authority Central Services Equivalent Grant) recoupment and Early Years Nursery provision as projected spend on both budgets was substantially lower than was anticipated when the retained budget was set. In addition, there was a balance of £0.33m brought forward from 2010/11 and 2011/12 making a potential sum of £1.33m available for distribution in 2013/14. To mitigate against any uncertainties, the Local Authority (LA) was proposing to redistribute half of this amount across the local formula in 2013/14 with the remainder being allocated in 2014/15 to provide a cushion for schools and academies across the two years.

Members noted that the LA was still pressing for the return of £222,000 from the Education Funding Agency (EFA) which had been recouped from the LA at the start of the year. This sum related to transitional funding allocated to academies which the LA had expected the EFA to then passport on to the five academies during 2013/14 in accordance with current funding arrangements. As a consequence of the Department for Education school funding reform programme the EFA had confirmed that they would not be passing on the transitional funding as Minimum Funding Guarantee (MFG) protection would apply instead. The EFA would not however refund the £222,000 back to the LA and this matter had now been taken up by the Board Director, Finance, Revenues, Benefits and Property. The Forum added its support to the return of this money from the EFA.

Resolved – That the Schools Forum:

- 1) Notes that based on information available at the end of August 2012, an in year underspend of approximately £1.0m is projected against the 2012/13 retained Dedicated Schools Grant budget.
- 2) Notes that a total of £0.3m remains available from 2010/11 and 2011/12.
- 3) Notes that the Local Authority is provisionally forecasting that £1.3m of funding will be carried forward at the end of the current financial year and agrees to the distribution of £0.650m as part of the 2013/14 budget setting process with approximately £0.650m to be redistributed in 2014/15.

15.

School Funding Reform 2013/14

The Forum considered a report by Steve Haley (Head of Finance - Education and Innovation) regarding the Local Authority's proposals for a range of 2013/14

pre-16 formula and funding issues following the September 2012 consultations. The report included information on the indicative impact of the formula changes on individual settings and proposals on how the LA proposed to manage the costs of meeting the Minimum Funding Guarantee.

Derek Fry (Special Governor) commented on the late issue of the report which had not been circulated until the previous afternoon. It was a lengthy and complex report and he felt that the late distribution did not give members time to properly absorb the information. Mr Haley apologised and explained that this was due to the need to consult and agree proposals via the Schools Forum within a challenging DfE imposed timetable. He also confirmed that reports for the January 2013 meeting should be issued at the proper time.

Mr Haley talked members through the report, commenting on the key issues, highlighting the decisions required by the Forum and answering questions on each section. He explained that extensive consultation had taken place on the funding areas open to local determination and the proposals in the report were based on the feedback from those consultations. He thanked all those who had been involved with the process.

Centrally Retained Funding Proposals

Mr Haley presented draft budget proposals in line with the new categories of retained spending established by DfE starting with "Central Items" as listed in Table 2 which totalled £502,000 and were agreed. Mr Haley then referred to "Central Schools Items" which were shown in Table 3 and included pupil growth. For 2013/14 this was focused on the primary sector as that was where growth was currently taking place. Swindon Association of Secondary Heads (SASH) had confirmed that it was happy with the proposals in principle but considered that this area may need to be revisited once the cohort reached secondary age as the amount allocated for set-up costs might not be sufficient. The Forum noted that the sum of £27,000 initially set aside for infant class size funding had not been considered necessary by Swindon Association of Primary Heads (SAPH) and had been deleted resulting in a total of £574,000 for 2013/14 central schools items, which was agreed.

Funding allocated to services which were subject to de-delegation was detailed in Table 4. These amounts had first to be allocated to all settings and whereas academies would keep the funding to buy into LA services if they wished, maintained schools could collectively agree for it to be de-delegated back to the Local Authority (LA) to avoid the need for Traded Service arrangements.

Both SAPH and SASH had disagreed with the sum of £22,100 allocated to Trade Union release funding so this budget proposal had been deleted by the LA. Peter Smith (Trade Unions) expressed surprise at this decision as he felt an alternative process could prove more costly to schools. He asked that a decision on this matter was deferred until the January meeting to enable him to arrange presentations to SAPH and SASH on the subject and so allow for a more informed decision, which was agreed.

The budget proposal for Schools in Challenging Circumstances (SICC) (financial) had been reduced following discussions with SAPH. This was based on the

understanding that the amount available to maintained schools would be approximately £86,000 and would be available to the LA to support the two smallest primary schools that were particularly detrimentally affected by the requirement to allocate a single value lump sum to all settings in 2013/14. A retained budget of £210,800 (excluding Trade Union funding) was provisionally agreed for delegation items.

The Forum noted that SAPH and SASH had requested that schools should directly receive a share of funding to cover Black and Minority Ethnic Support (EMASS), which they might then choose to use to buy support from the Drove School. Accordingly the LA proposal was to stop central funding of this project and to delegate the current funding of £124,000 as an £80 per pupil enhancement for those pupils with English as an Additional Language (EAL) in 2013/14.

Mr Haley commented on Table 5 of the report which set out proposals for the High Needs Block retained funding that affected Swindon schools. There was no specific requirement to include these items within the consultation process but details were provided for information as has been standard practise in recent years. Both SAPH and SASH had supported the retention of a higher Special Educational Needs Resource Allocation Panel (SENRAP) budget so that high needs pupils (those costing above £10,000 per year) could be supported at higher levels than the current £8 per hour basis. Although the Travellers Children Support funding had been agreed in principle, the amount of £77,000 currently allocated for 2013/14 would be reduced to zero following the resignations of LA staff and the overall high needs retained budget was reduced £3,004,000. Mr Haley also reported that the provisional Out of Borough budget used to fund high needs pupils was estimated at £3,242,000.

A summary of the overall draft retained budget, including a provisional £200,000 reduction in corporate overhead charges, was provided at annex C. Mr Haley explained that this would, due to reduced retained spending, release approximately £1.634m in 2013/14 which the Forum noted could be added to delegated budgets. Various cost pressures were however explained later in the report relating to high needs settings which would require a substantial proportion of this funding.

Early Years Funding Proposals

There were very few issues in this area that required amendment as a consequence of the Department for Education (DfE) funding reforms. One change was the requirement that deprivation funding must be allocated to each settings based on pupil level information and the LA was therefore proposing to use the Income Deprivation Affecting Children Index (IDACI) scores to allocate funding across the early years settings in 2013/14.

Table 6 set out the proposed 2013/14 early years funding factors, which were agreed by the Forum, subject to the LA receiving support from providers via the consultation. Table 7 set out the provisional 2013/14 early years budget.

The Forum was advised that funding for disadvantaged two-year old nursery education of approximately £1.6m would be moved into the DSG from next year and further details would be reported to the 15th January 2013 Schools Forum.

Mainstream Funding Proposals

Section 5 of the report set out the proposed 2013/14 mainstream funding factors and Mr Haley was pleased to report that both SAPH and SASH had agreed with the guiding principles established by the LA which were aimed at maintaining stability where possible. It was noted that the provisional details would need to be approved by the Education Funding Agency (EFA) to ensure that the formula structure was in line with the new School Finance Regulations. Schools Forum agreed the provisional factor values in Table 8. Final factor values reflecting the impact of October 2012 census data on Swindon's DSG would require confirmation at the next Forum meeting for submission to the EFA by 18 January 2013.

A summary of the overall impact on Swindon settings was provided at Table 9 of the report. Although the LA had taken steps to minimise funding changes, Mr Haley explained that it was inevitable that any redistribution would result in some schools gaining and some losing. This was anticipated by the DfE and the Minimum Funding Guarantee (MFG) protection system provided a degree of support for those schools which would lose out as a result of the formula changes. Based on October 2011 pupil numbers, overall gains and losses totalled £1,144,421 and an estimated £585,726 of MFG protection would be payable in 2013/14 to limit losses at 1.5% per pupil. Although it was explained that this figure would be amended in line with the October 2012 pupil numbers it was necessary to determine the methodology by which this amount would be funded. There were two options available:

- A) To reduce the overall cash increase in all gaining schools by a fixed %age, provisionally estimated at 51%.
- B) To limit the % increase per pupil in all gaining schools, provisionally estimated at 1.3%

Mr Haley advised that Option B was, in his opinion, inherently fairer and was the one preferred by both SAPH and SASH. Unfortunately an error had been made in the original calculations used for the consultations (which had since been corrected) and full details of the impact on individual schools were included in annex D to the report. The error affected 4 gaining schools and related to an adjustment relating to Special Resource Provision (SRP) pupils which was needed to ensure there was no double funding. Letters had been sent to the 4 schools and the error meant that at the SAPH presentation the LA had significantly underestimated the extent to which gains in these 4 settings would need to be capped. Mr Haley advised the Forum that the joint Head teachers of Eldene School were very unhappy and had written to the LA seeking an explanation as to why the impact of their corrected capping was disproportionate to other schools. Mr Haley explained that this was due to their gain per pupil (7.2%) being higher than other settings and the capping of gains per pupil at 1.3% would therefore have a bigger impact on Eldene than most other settings. This explanation was accepted by the Forum and Option B was agreed

High Needs Funding Proposals

Mr Haley explained that the LA was required to introduce 'place plus' funding for Special Schools, Special Resource Provisions (SRP) and Alternative Provisions. Funding for special schools and SRP's would be £10,000 for every planned place

and was guaranteed whilst locally determined top-up fees would also be payable based on actual pupil numbers. Members noted and agreed the provisional special school place numbers on which calculations were based as shown in Table 10 and the proposed top up banding rates which were included in Table 11. Mr Haley clarified that funding for speech and language therapy provision had been moved from the retained budget and included within relevant top-up amounts. The total projected funding for each of the special schools was noted, as shown in Table 12, and, although it was appreciated that these amounts were only indicative, it was noted that approximately £340,000 extra funding would be required in 2013/14.

Special Resource Provision (SRP) funding was proposed on the same basis as Special Schools with a DfE determined base figure of £10,000 for every planned place plus a locally determined top-up amount based on actual pupil numbers. Following a meeting with representatives from the schools with SRPs, there was concern that some of the additional places required by the LA in 2013/14 could not be accommodated within the existing facilities. Both Lydiard Park and Kingsdown had advised that they would be unable to expand numbers sufficiently to meet the demand for a possible six to eight additional Autistic Spectrum Complex (ASC) places. The LA was therefore exploring alternative options. Schools Forum agreed the provisional place numbers in Table 13, the top up rates in annex E and the indicative funding allocations in annex F. Members were asked to note that approximately £400,000 of additional funding would be required to provide the extra SRP places in 2013/14.

Mr Haley also explained that the LA was proposing to continue funding a range of borough-wide Special Educational Needs (SEN) outreach and support services, including a 5% increase above current year funding to recognise that this only covers direct costs. Schools Forum supported the proposed funding levels shown in Table 14, noting the additional cost of £46,700.

Paddy Bradley (Head of Commissioning, Economy/Attainment) commented on the significant increase in the number of children diagnosed with ASC over the last two years. This increase was putting pressure on the Advisory Outreach Service, based at Ruskin Junior School, which was already overstretched. Again, the LA was investigating options for a long-term solution, one of which could be to extend the service at Ruskin at an estimated cost of £75,000. This was approved in principle by the Forum subject to full details of the proposal being submitted to the January 2013 meeting.

Funding for the Alternative Provision (AP) Pupil Referral Units would need to be based on 'place plus' at £8,000 per place plus locally agreed top-up fees, details of which were set out in Tables 15 and 16 of the report. Schools Forum agreed provisional rates of £3,000 per primary AP pupil and £8,400 per secondary AP pupil, which due to additional places would require an increase in funding of approximately £56,600 in 2013/14. Wendy Conaghan (Academy Head teacher) remarked that when a student moved to an alternative provision setting they were removed from the school roll and funding was stopped but a fee was also payable and she asked where this money went. Mr Bradley advised that he would investigate this as he was not aware of this procedure.

Conclusions and Summary of Decisions

In conclusion, Mr Haley commented on the cost pressures for 2013/14 and the LA's concerns for future years funding. He stressed that all 2013/14 funding levels in the report were indicative amounts only, as they were based on October 2011 information and final proposals would be submitted to the Forum meeting on 15th January 2013, together with a report on post-16 funding.

Resolved – That the Schools Forum:

1) Notes the outcomes of the consultations relating to 2013/14 pre-16 funding and agrees the Local Authority's proposals with regard to

- **Centrally retained funding** (section 3)
 - Central Items - £502,000 (Table 2)
 - Central Schools Items - £574,000 (Table 3)
 - De-delegation items - £210,800 noting that deletion of the Trade Union Duties release funding would be subject to a final decision at the Forum meeting on 15 January 2013 (Table 4)
 - Drove Black & Minority Ethnic (BME Project) – central funding of £124,000 would be deleted and allocated to schools via an £80 uplift to the EAL funding rate (paragraphs 3.10 to 3.12)
 - High Needs spend affecting Swindon Schools with the exception of Travellers Children Support of £77,000. This amount to be reduced to zero resulting in a total budget of £3,004,000 (Table 5)
 - High Needs out of Borough spend - £3,242,000 (paragraph 3.17)
 - Corporate overheads - £660,000 (paragraphs 3.18 to 3.19)
 - The allocation of general savings from reductions to the 2013/14 retained budget - £1,634,000 to supplement 2013/14 delegated budgets (paragraphs 3.20 to 3.23 and Annex C)
 - The allocation of £650,000 carried forward from 2012/13 to supplement 2013/14 and 2014/15 delegated budgets (paragraph 3.22 & separate report)
- **Early Years funding rates** (Section 4 Table 6) and provisional budget.
- **Mainstream funding** (Section 5)
 - Agrees formula factors and provisional funding rates (Section 5 Table 8)
 - Notes the indicative impact of formula changes on individual settings (Annex D)
 - Agrees that MFG costs are to be funded by capping gaining school budget increases by a % per pupil, provisionally estimated at 1.31% (paragraphs 5.7 to 5.10, Option B)
- **High Need Pupils – Special Schools** (Section 6)
 - Agrees the provisional place numbers (Table 10)
 - Agrees the provisional top up fees (Table 11)
 - Notes the indicative impact of the new place plus funding on individual Special Schools which will require additional funding of approximately £340,000 (Table 12).
- **High Need – Special Resource Provision** (Section 6)
 - Agrees the provisional place numbers (Table 13)
 - Agrees the provisional top up fees (Annex E)
 - Notes the indicative impact of the new place plus funding on individual Special Resource Provision settings which will require additional funding of approximately £400,000 (Annex F).
- **High Needs – Outreach and Support Services** (Section 6)
 - Agrees the proposed 2013/14 delegated funding to relevant settings for Borough wide SEN outreach and support services at an additional cost of

- £46,700 (Table 14)
 - Considers and supports the LA developing proposals to enhance the Autistic Spectrum Complex outreach support service at an additional annual cost of £75,000 (paragraph 6.11 and 6.12)
 - **High Need – Alternative Provision** (Section 6)
 - Agrees the provisional place numbers (Table 15)
 - Agrees the provisional top up fees (paragraph 6.15)
 - Notes the indicative impact of the new place plus funding on individual Alternative Provision settings which will require additional funding of approximately £56,600 (Table 16).
- 2) Notes the LA's conclusions and concerns regarding some of the changes (section 7)

16.

Date of Next Meeting

It was noted that the next meeting of the Forum would take place on Tuesday, 15 January 2013 at 4.00 p.m. in Committee Room 6, Civic Offices, Swindon.

Retained Dedicated Schools Grant Budget Position 2012-13
Schools Forum **15 January 2013**

Author: Head of Finance – Education and Innovation

Parish / Wards Affected: All

Purpose

- To advise Schools Forum members of the latest position on the 2012/13 retained Dedicated Schools Grant budget and on the value of funding carried forward from previous years

Recommendations

The Schools Forum is requested to note that:

- *Based on information available at the end of November, an in year underspend of approximately £1.5m is projected against the 2012/13 retained DSG budget.*
- *A total of £0.333m remains available from 2010/11 and 2011/12.*
- *The LA is provisionally forecasting that a total of £1.833m will be carried forward at the end of this financial year.*
- *As previously supported by School Forum, 50% of the available funding (£0.900m) will be distributed to schools as part of the 2013/14 budget setting process and approximately £0.933m will be redistributed in 2014/15.*

1. Reasons

- 1.1 This report provides Forum Members with the latest information on spending against the retained budget. Although there is demand led pressure in some areas, the LA is continuing to take action wherever possible to minimise spending in order to maximise the value of DSG that can be distributed to Schools and Academies via the local fair funding formula.
- 1.2 This report includes proposals to manage risks arising from the 2013/14 school funding reform programme by strategically utilising the projected underspend on the retained budget by enhancing school funding over the next two years.

2. Detail

Current Year Budget Position 2012/13

- 2.1 At the 6th March 2012 Schools Forum meeting the value of the retained DSG budget for 2012/13 was agreed at £18.015m. At the 3rd July 2012 meeting the LA reported that following DfE verification, the final 2012/13 DSG settlement provided an additional £0.361m primarily due to increased early years funding. This brings the value of the retained budget to £18.376m.

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk.

Retained Dedicated Schools Grant Budget Position 2012-13
Schools Forum **15 January 2013**

- 2.2 The retained DSG budget is monitored in accordance with standard Swindon Borough Council (SBC) budgetary control procedures and a report is submitted to the Economy and Attainment Leadership Team each month. Updates are also provided to Corporate Board, Cabinet and the Children and Young Peoples Overview and Scrutiny Committee.
- 2.3 Attached at Annex A is the report presented to the Economy and Attainment Leadership Team in December which was based on information at the end of November. This indicates that an underspend of £1.5m is projected due to various factors which are explained in the report. The value of any unspent funding on the retained budget will be automatically carried forward at the end of the financial year. Although the precise amount will not be confirmed until May 2013, it is envisaged that £1.5m will be available for distribution as part of the 2013/14 budget setting process. This is an improvement of £0.5m over the end of August position which was reported to the Schools Forum in October and will continue to be reviewed. A further update will be provided to the March 2013 Forum meeting.

Schools Forum is asked to note that, based on information available at the end of November, an in year underspend of £1.5m is projected against the 2012/13 retained DSG budget

Funding Available from 2010/11 & 2011/12

- 2.4 In the 9th October 2012 Schools Forum report the LA advised that there was provisionally up to £0.333m of funding available from previous years for distribution in 2013/14. The latest information to December 2012 does not suggest that any further potential commitments will be required against the brought forward balance.
- 2.5 The LA is still pursuing the recovery of the £0.222m one off transitional funding that has been recouped by the DfE for Academies. The recovery of this funding is not guaranteed and therefore the LA has continued to exclude this funding from its calculations.

Schools Forum is asked to note that that the LA can now confirm that £0.333m carried forward from 2010/11 and 2011/12 will be available for redistribution to schools via the local formula in 2013/14 and 2014/15

Total Funding Available for distribution in 2013/14

- 2.6 At this stage the LA is provisionally assuming that a substantial amount of one off funding of up to £1.833m will be available from the current and previous years for distribution in 2013/14. The exact value will not however be known until May 2013 after the 2012/13 final accounts have

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk.

Retained Dedicated Schools Grant Budget Position 2012-13

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been closed. If the LA overestimates the 2012/13 underspend, this would have to be repaid from the DSG in 2014/15.

- 2.7 In establishing a new formula in accordance with DfE requirements, despite striving to minimise turbulence, the LA is estimating that a number of schools will be detrimentally affected by the changes and will be eligible for Minimum Funding Guarantee (MFG) payments in 2013/14. This is reported elsewhere on today's agenda and whilst the LA cannot directly fund MFG from the retained budget, any allocation of funding from the retained budget will increase overall school funding thereby reducing losses per pupil and therefore the final cost of MFG.
- 2.8 It is important to recognise that this is one-off funding only and, if used entirely in 2013/14, may result in the LA setting local formula rates in 2013/14 which may not be affordable in 2014/15. There is a possibility therefore that funding rates in 2014/15 would need to be reduced, which in turn may impact upon the cost of the Minimum Funding Guarantee.
- 2.9 To mitigate against uncertainty as previously agreed by the Schools Forum the LA will manage this risk over two years by redistributing only a proportion of the one-off funding available in 2013/14 and allocating remaining funds in 2014/15. This will use the one-off funding over two years and will help to limit the cost of the Minimum Funding Guarantee. There is a high degree of confidence that 50% of the funding (now £0.900m) can be redistributed in 2013/14 – an increase of £0.250m over the October estimate.

Schools Forum is asked to note that the LA is assuming that £0.900m will be carried forward for distribution as part of the 2013/14 budget setting process and that approximately £0.9330m will be available for distribution in 2014/15.

Alternative Options

The LA could distribute the full value of the retained underspend in 2013/14 but this would most likely lead to school funding rates having to be reduced in 2014/15.

Risk Management

Financial and Procurement Implications

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

Legal / Human Rights Implications

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

Links to Corporate Plans and Policies

- Scheme for Financing Swindon Schools

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk.

Diversity Impact Assessments

- As there are no proposals in this report, DIA's have not been completed.

Consultees

The Board Director – Finance, Revenues, Benefits and Property (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

Background Papers and Appendices

Annex A – Budget Monitoring report presented to the Economy and Attainment Leadership Team dated 10th December 2012

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk.

Report to: Commissioning – Economy & Attainment Leadership Team
 From: Steve Haley / Sarah Higgins
 Date: 10th December 2012
 Subject: **Retained DSG Revenue Monitoring Report 2012/2013**
 Period: Period to the end of November 2012

1) Background

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

At the 9th October 2012 Schools Forum meeting an update of the retained DSG position as at the end of August 2012 was provided showing an underspend of £1.007m.

2) Completion of Online Monitoring Forecasts

As part of the budget monitoring reporting process the LA is required to report to Corporate Board how active Budget Managers have been in contributing to the on line information used to collate period end information. For DSG service areas the end of November completion rate was 90%, which is the same as for October (90%).

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

3) High Risk Areas and Latest Projections

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

Item	Notes	Budget 2012/13 £'000	Projected Variance £'000	Projected Variance last month £'000
<u>High-Risk Areas</u>				
Early Years Single Funding Formula Payments	1	7,820	(622)	(626)
Special Education Needs Resource Assessment Panel	2	1,369	0	(49)
Recoupment		182	(24)	(1)
Out of Borough School Fees	3	2,868	52	46
Education Other Than at School	4	1,473	(38)	(63)
The Tuition Service	5	650	(16)	(13)
Pupil Growth- Set up Costs	6	70	93	(7)
Pupil Growth- Croft Set up Costs	7	300	60	0
Pupil Growth- Croft Start-up Costs	8	185	(74)	0
Pupil Growth- Trigger Funding	9	844	(159)	0
Academy LACSEG Recoupment	10	666	(385)	(385)
Total High Risk Areas		16,427	(1,113)	(1,098)

Other Major Variances				
Post 16 SEN Funding	11	(600)	(44)	(44)
Schools and Learning Interventions	12	185	(82)	(82)
Schools in Challenging Circumstances	13	332	(119)	(79)
Travellers Children	14	77	(14)	(15)
50% Contributions towards Equal pay costs	15	224	(90)	0
Total Major Variances		328	(351)	(220)
Other Minor Variances		1,731	(38)	(41)
TOTAL		18,376	(1,500)	(1,359)

At the end of November 2012 an overall net underspend of **£1.500m** has been forecast. The main variances contributing to this underspend are:

1. General underspends on **early years nursery placements** for 3 and 4 year olds continue to be projected. Projected spend is currently estimated at 92% of the budget resulting in an underspend of £0.622m. The main reason for this is that DSG funding is based on notional take up of 3 year olds whereas actual take up is lower.
2. Payments and commitments from the **SEN RAP budget** continue to be closely monitored allowing for a greater level of cost certainty. Reviews are currently underway regarding several potential high cost placements that may be agreed before the end of the final year resulting in the underspend reported in October 2012 of £0.049m being removed.
3. The latest projection for the **Out of Borough budget** has marginally worsened by £6k and an overspend of £0.052m is now projected.
4. The forecast underspend for **EOTAS** is now £0.038m mainly due to spend on teaching staffing being less than anticipated and an assumed inflationary increase on the cleaning contract will not materialize. Pupil numbers are currently lower than expected which has resulted in savings on home to school transport costs.
5. The **Tuition Service** is now forecasting an underspend of £0.016m. There are two main reasons for this:
 1. Two members of permanent teaching staff retired in August and temporary cover has been arranged at a lower cost. As pupil numbers increase through the academic year it is expected that one of the vacant posts will be refilled, this has been factored into projections.
 2. Income from schools for pupils accessing the service is higher than the original budget figure.
6. There is a projected overspend of ££0.093m on the school **set up costs** budget. Following discussions with the Headteacher of Haydonleigh primary school the LA has agreed to provide a total of £0.117m in set up funding which recognises both additional classes and infrastructure costs that will need to be incurred over the next few years. This has been paid in full with the agreement of the Headteacher in the current year to ease future pressure on the annual pupil growth budget.
7. **Croft school set up costs** - The White Horse Federation are assuming that £360,000 of funding will be provided which is £60k above the budget set by the LA. This level of spend has been projected although spending plans are currently being reviewed to assess the position. .

8. **Croft start-up costs** – Pre opening salary costs were originally estimated at £0.185m as presented to the Schools Forum on 6th March 2012. Following the opening of the school the actual funding required by the White Horse Federation was £0.111m resulting in an underspend of £0.074m.
9. Following the October 2012 PLASC the LA has completed the **trigger funding** calculations for expanding schools and general pupil growth figure above the levels defined in the funding policy. The budget is now expected to underspend by £0.159m although this may vary depending on the January PLASC increases. .
10. Slippage on the **Academy conversion** programme has reduced the in-year loss of grant that is recouped from the LA and paid over to the Education Funding Agency to fund Academy LACSEG (Local Authority Central Services Equivalent Grant) payments. In addition to general delays there are legal issues to resolve relating to three PFI schools which were expecting to convert earlier than will now be possible. The values per pupil have also been recalculated and reduced following successful representations to the DfE which has allowed certain elements of retained spending relating to pupil growth to be removed. This funding was set aside for specific settings experiencing pupil growth (set up costs and trigger funding) and after budget setting DfE acknowledged that Academies should not receive an automatic share of this budget. As a result of slippage and reduced LACSEG recovery rates a net underspend of £0.385 continues to be projected
11. To support the LA with its statutory responsibility to provide education support for **Post 16 SEN** pupils the LA receives an annual amount of funding from the EFA. , Funding for 2012-13 has been confirmed and is £0.044m higher than originally anticipated.
12. Due to the every child programmes ending, the **School and Learning Interventions** budget is expected to be underspent by £0.082m
13. The demand for schools being eligible for financial support from the **Schools in Challenging circumstances** budget is less than anticipated and an underspend of £0.119m is now projected
14. An underspend of £0.014m is projected for the **Travellers Children** budget following the service manager retiring. At the 9th October Schools Forum it was agreed that this funding should be delegated from 2013-14.
15. **Retained budget contributions towards Equal pay** have now been finalised for 2012-13 and an underspend of £0.090m is projected. The budget of £0.224m was based upon historic estimates of the annual 50% contribution to match school repayments which have been lower. The 2013-14 proposed budget has been reduced to reflect the reduced repayment figure.

Most other areas of the retained budget are broadly in line with the funding agreed by Schools Forum in March 2012 and although latest projections indicate that underspends are possible this could change before the year end. Any underspend across the retained DSG budget is ring fenced and will be automatically carried forward for use in future years.

Proposals on how and when to allocate the projected in year underspend of £1.5m together with £0.333m from previous years will be presented to the 15th January 2013 Schools Forum.

The Leadership Team is asked to note the risk areas above and the forecast out-turn position – a projected £1.500m underspend.

4) Chief Executive's Announcement

Reminders of the key issues arising from the 11th October 2012 announcement regarding the spending freeze are:

a) Staff pay and temporary staff

- New staffing appointments – all vacant posts are now frozen unless they have been signed off by Corporate Board. If an advert has already been placed then the recruitment can continue, but if this stage has not been reached the approval process through Corporate Board is required.
- Consultants, Temporary and Contract staff (including Pertemps) – no new engagements or extensions to existing arrangements should be entered into without the approval of Board Members. All Tier 2 Managers, with support from HR and Finance, should review existing contract staff arrangements in place within their teams and consider whether there is sufficient business justification for contracts to be continued.
- Honorarium and Pay Increases – in the rare cases where these are felt necessary, the existing sign off process through Tier 1 or 2 Managers plus Finance and HR colleagues continues.
- Overtime - The use of staff overtime should be minimized during this period.

Arrangements have been put in place to ensure staff within HR and Payroll are not processing changes without these new sign off processes being adhered to. Managers should use existing documentation used to approve staffing changes but include a signature on behalf of Corporate Board before sending the form to HR and Payroll.

b) Non-Essential Expenditure

- As well as restrictions around pay budgets, staff are also asked to restrict spending on activities that are not vital to the safe delivery of services and specific Member decisions. Any non-essential spending should be curbed until further notice and the Finance Team has been asked to monitor this.

5) Summary of Recommendations

The Leadership Team is asked to note:-

- ***The compliance rates relating to the on-line monitoring system set out in section 2 (90%) and to remind Budget Managers of their responsibilities in this area***
- ***The Projected Out-turn position as set out in Sections 3 which is that an in year underspend of approximately £1.5m is projected which, together with £0.333m from previous years, will be available for distribution to schools across the local formula in 2013/14 and 2014/15.***
- ***The implications of the Chief Executive's 11th October announcement as summarised in section 4.***

Dedicated Schools Grant and School Funding Reform 2013-14

Schools Forum

15th January 2013

Author: Head of Finance – Education and Innovation

Parish / Wards Affected: All

Purpose

- To advise and seek Schools Forum Members' approval to the Local Authority's (LA's) proposals regarding a range of 2013/14 local formula and funding issues following the release of October 2012 Pupil Census data and the December 2012 Dedicated Schools Grant (DSG) announcement.
- To advise Schools Forum on the impact of the formula and pupil changes on individual settings including proposals on how to allocate funding released from the retained budget to enhance delegated school funding and minimise Minimum Funding Guarantee (MFG) costs in 2013/14.

Recommendations

The Schools Forum is requested to:

- Note that the estimated value of the **2013/14 DSG** notional funding blocks is **£144,584,544** – Section 2 (Table 2)
- Note the values of **Pupil Premium** funding relating to 2013/14 (paragraph 2.6) which will generate funding of approximately £5.4m in respect of Swindon pupils
- **Centrally retained funding** – Section 2 note and agree 2013/14 proposals with regard to;
 - Central Items - **£516,700** (Table 3)
 - Central Schools Items – pupil growth **£577,600** (Table 4)
 - De-delegation items - **£33,300** or £11,000 (Table 5)
 - High Needs items - **£6,267,900** (Table 6)
 - Corporate overheads - a reduction of £200,000 to **£553,100** (excluding Education Other Than At school (EOTAS) - paragraphs 3.9 to 3.10)
- **Early Years funding** (Section 4)
 - Disadvantaged 2 year olds
 - Note and agree that the 2013/14 budget for disadvantaged 2 year olds' is set at the value of the funding allocated - **£1,987,000** (Table 7)
 - Support the LA retaining £55,000 of this sum in 2013/14 to support capacity building and increased take up – subject to annual review (paragraph 4.7).
 - Note that a proposed funding rate for disadvantaged 2 year olds will be presented to the 5th March 2013 Schools Forum after regional discussions
 - 3 and 4 Year Olds
 - Note and agree the 2013/14 funding rates for 3 and 4 year old nursery provision as shown at Table 9
 - Note and agree the 2013/14 budget for 3 and 4 year old nursery provision at **£7,300,000** as shown at Table 10
- **High Need Pupils - Special Schools** (Section 5)
 - Agree the planned place numbers (Table 11)
 - Agree the provisional top up fees (Table 12)
 - Note the indicative impact of the new place plus funding on individual Special

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- Schools (Table 13)
- Note that the indicative net cost of funding Special Schools in 2013/14 is estimated at **£10,217,337** (paragraph 5.6) - subject to final confirmation at the 5th March schools Forum.
 - **High Need - Special Resource Provision** (Section 5)
 - Agree the planned place numbers (Table 14)
 - Agree the provisional top up fees (Table 15)
 - Note the indicative impact of the new place plus funding on individual Special Resource Provision settings (Table 16)
 - Note that the indicative net cost of funding Special Resource Provision in 2013/14 is estimated at **£4,034,947** (paragraph 5.12) - subject to final confirmation at the 5th March schools Forum.
 - **High Need - Outreach and Support Services** (Section 5)
 - Agree the proposed 2013/14 delegated funding to relevant settings for Borough wide Special Education Needs (SEN) outreach and support services at a cost of **£1,108,000** (Table 17) including £50,000 to establish a new British Sign language (BSL) provision at Issambard school (Table 18)
 - **High Need - Alternative Provision** (Section 5)
 - Agree the place numbers (Table 19)
 - Agree the provisional top up fees (paragraph 5.21)
 - Note the indicative impact of the new place plus funding on individual Alternative Provision settings which is provisionally estimated at **£1,626,000** (Table 20) – subject to final confirmation at the 5th March schools Forum
 - Note the basis of charging for permanent exclusions and agree that funding should be recovered for the following financial year if an exclusion takes place after the October Pupil Level Annual School Census (PLASC) date (paragraphs 5.27 to 5.31)
 - Note the basis of charging for non-excluded pupils (paragraphs 5.32 to 5.34).
 - Note the basis of funding for hospital education services and that costs and funding are estimated at **£191,000** (paragraphs 5.36 to 5.37)
 - **High Need – New Post 16 Special Education Needs responsibilities** (Section 5)
 - Note that funding of **£432,000** has been provided within the DSG settlement and has been provisionally allocated as a new budget provision (paragraphs 5.38 to 5.39)
 - Note that proposed funding rates will be presented to the 5th March 2013 Schools Forum
 - **Mainstream funding** (Section 6)
 - Note that funding of **£43,000** has been allocated for Newly Qualified Teachers which will be distributed across schools in 2013/14
 - Note the agreed formula factors and provisional funding rates (Table 21)
 - Note the indicative impact of formula changes on individual settings (Table 22 and Annex E)
 - Support a permanent increase (Proposal 1) in low prior attainment funding to £701.57 per pupil at a cost of £1.5m (funded from available DSG) and note the impact on individual settings (Table 23 and Annex G)
 - Support a temporary increase (Proposal 2) in Primary Basic Per Pupil

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Entitlement (BPPE) funding to £2,642.28 per pupil at a cost of £0.9m (funded from cumulative underspends on the retained budget and note the impact on individual settings (Table 24 and Annex H)

- Confirm that Minimum Funding Guarantee (MFG) costs are to be funded by capping gaining school budget increases by a % per pupil (paragraph 6.15)
- Note the LA's **conclusions** & concerns regarding the school funding reform changes (Section 7)

1. Background

- 1.1 At the last meeting of 9th October 2012, Schools Forum members were presented with a detailed report setting out the LA's proposals for 2013/14 relating to centrally retained, early years, mainstream and pre 16 high need funding. These proposals had been formulated to meet the requirements of the new Department for Education (DfE) School funding reforms and reflected feedback from various local consultation events at which information had been modelled to provide all schools with an indication of how they would be affected by the changes. At that meeting the Schools Forum agreed the structure of the local formula for 2013/14 (including indicative funding values) which was submitted to the Education Funding Agency to ensure proposals complied with the new DSG grant conditions and revised School Finance Regulations.
- 1.2 During December DfE provided the LA with October 2012 pupil census data (which is to be used as the basis for 2013/14 mainstream funding) and confirmed next year's DSG funding levels. This information, together with a review of the retained budget position and high need place requirements has enabled the LA to calculate firm 2013/14 funding allocations for all pre 16 Swindon settings subject to a number of proposals being supported at today's meeting. If LA proposals are supported this will enable the LA to issue firm indicative funding allocations to early years settings, mainstream schools, special schools and Special Resource Provisions over the next few days.
- 1.3 The position regarding new post 16 Special Education Needs funding responsibilities has not been fully assessed yet as the LA is still working through the detail in this area. There is therefore a potential risk in that responsibility for new costs may exceed new funding which would require reductions to pre 16 funding rates.
- 1.4 This report is structured as follows:
 - Section 2 – Estimated DSG Funding Available in 2013/14
 - Section 3 – Retained Budget Update
 - Section 4 – Early Years Budget Update
 - Section 5 – High Needs Budget Update
 - Section 6 – Mainstream Budget Update
 - Section 7 – Conclusions and Related Issues

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2. Estimated DSG Funding Available in 2013/14

- 2.1 Due to changes to the DfE grant system it is not possible to readily provide a like for like comparison of funding between 2012/13 and 2013/14 but Schools Forum are reminded that the current year's DSG funding was calculated as follows:

Table 1 - Calculation of 2012/13 DSG Funding		
	Budget March 2012 Schools Forum	Final Position July 2012 Schools Forum
<u>2012/13 DSG</u>		
School & AP census pupils	27,690	27,708
Early Years census pupils	2085	2144
	29,775	29,852
GUF Rate (All pupils)	£4,696.48	£4,696.48
Total DSG	£139,837,692	£140,199,321
add SEN post 16 Block grant	£600,000	£611,938
Total Funding Available 2012/13	£140,437,692	£140,811,259

- 2.2 As anticipated LA's received their 2013/14 indicative DSG funding blocks from the DfE on 19th December 2012 and the position for SBC is summarised in the table below.

Table 2 – Calculation of Estimated DSG Funding 2013/14		
A) <u>Schools Block</u>		
School PLASC October 2012 (overstated see note 1)		28,012
GUF Rate (School pupils)		£4,102.23
TOTAL SCHOOLS BLOCK FUNDING		£114,911,667
B) <u>Early Years Block</u>		
3 and 4 year old Nursery PLASC October 2012		2,014
GUF Rate (3 and 4 year old pupils)		£3,888.06
TOTAL EARLY YEARS BLOCK FUNDING		£7,830,553
C) <u>High Needs Block</u>		
High Needs Block after baseline adjustments		£21,833,768
Less Post 16 SEN High Needs Block Adjustment		-£611,938
Post 16 - April to July		£208,000
Post 16 - Aug to March		£836,000
TOTAL HIGH NEEDS BLOCK FUNDING		£22,265,830
D) <u>Additional Funding Allocations</u>		

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Disadvantaged 2 year olds (New)	
- Statutory places	£1,425,387
- Trajectory building	£559,569
Total DSG for 2 year olds	£1,984,956
add 90% 3 year old protection funding	£286,419
add new funding for NQTs	£42,772
TOTAL ADDITIONAL FUNDING	£2,314,147
As per DfE Funding Settlement Announcement 19/12/12	£147,322,197
DSG Adjustments not yet included in settlement	
1) Penhill pupil number recalculation - as notified to LA on 20th December 2012	-£2,461,338
2) less overstated Hospital School Grant Funding assumed by SBC	-£276,315
Assumed DSG Settlement Assumed by SBC 04/01/13	£144,584,544

2.3 Although the total annual grant value has increased from £140.8m in 2012/13 to £144.6m in 2013/14 no inflationary increases have been provided and the **additional funding of £3.8m** is made up as follows:

- 348 net increase in school pupils between January 2012 and October 2012 plus an estimated additional 30 pupils between October 2012 and January 2013 - **extra £1.6m**
- Funding for disadvantaged 2 year old nursery education (together with a new statutory duty) - **new £2.0m**
- Funding for additional post 16 high needs funding responsibilities - **new £0.4m**
- Reduction in early years funding to remove 50% of the extra grant we received to provide 90% take up – **loss of £0.3m**
- Other minor changes – **extra £0.1m**

2.4 The DfE have advised that further relatively minor adjustments will be made to the final 2013/14 grant value in respect of high needs pupil growth and to reflect changes in responsibilities for funding non maintained special schools. This will be confirmed at the 5th March 2013 Schools Forum. It is relevant to note that whilst the overall DSG is still ring-fenced for education purposes for children aged 2 -16, the individual DSG blocks are not ring fenced and LAs continue to be responsible for taking decisions on the use of DSG in consultation with their Schools Forum. Furthermore, in allocating funding across the new funding blocks, the DfE made a number of arbitrary adjustments between funding blocks and, as explained in the following sections, proposed spending is not in line with the DfE allocations.

2.5 Over the following sections 3 (Central Budgets), 4 (Early Years), 5 (High Needs) and 6 (Mainstream), commentaries are provided on the 2013/14

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budget positions reflecting the October 2012 census, formula changes and estimated demand which show how the LA is proposing to allocate the £144.6m available in 2013/14.

Pupil Premium Funding

- 2.6 In addition to delegated budgets funded from the DSG maintained schools will also receive Pupil Premium funding via the LA and Academies will receive similar funding via the EFA. The value of disadvantaged pupil funding will be determined by the number of eligible pupils on the January 2013 PLASC. The value of Service Children funding will be based on the higher of January 2011, 2012 and 2013 PLASC. The value of Looked After children will continue to be based on LA statutory children services return data. DfE have announced increased rates for 2013/14 as follows:

Type of Funding	Current rates 2012/13	New rates 2013/14
Disadvantaged pupils – FSM ever 6 (Jan 2013)	£623	£900
Service Children – (Jan 2011 / Jan 2013)	£250	£300
Looked After Children	£623	£900

- 2.7 The funding for disadvantaged pupils is by far the biggest element and based on current eligibility the LA estimates that the total value of Pupil Premium funding payable to Swindon Schools and Academies next year will be approximately £5.4m- a 45% increase over the current year.

3. 2013/14 Centrally Retained Funding Proposals

- 3.1 The majority of items to be included in the 2013/14 centrally retained budgets were agreed by the Forum in October. Where relevant updates are provided below in the new categories set by DfE.

Schools Block - Central Items

- 3.2 Items which fall into the category of central items are as follows and proposed budgets are mostly unchanged apart from the equal pay:

<u>Table 3 – Central Items</u>				
Service	Amount 2012/13	Proposed 2013/14	Final 2013/14	Note
Co-ordination of Admissions	£200,300	£200,000	£194,700	Marginally Reduced
Schools Forum Administration	£2,000	£2,000	£2,000	Unchanged
Termination of employment costs	£100,000	£100,000	£100,000	Unchanged
Equal pay – 50% match funding	£224,000	£200,000	£160,000	See note 1
Licenses and subscriptions (New)			£60,000	See note 2
Totals	£526,300	£502,000	£516,700	

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Note 1 – Equal pay

- 3.3 With regard to equal pay match funding Schools Forum members are reminded that where some schools have chosen to repay their liabilities in lump sums to reduce their loan commitments the LA has matched this to similarly reduce the future loan commitments against the retained DSG. It is possible that some schools may choose to make further such payments and it is difficult to assess what level of matching retained funding will be required next year. In addition there are still a number of unsettled claims outstanding.
- 3.4 Based on existing commitments the provision required next year is estimated at £130,000 but, to provide a contingency of £30,000 for early repayments and new claims arising, the LA is proposing to retain £160,000 in next year's budget which is a reduction of £40,000 to the October 2012 estimate.

Note 2 – Licenses and subscriptions

- 3.5 On 19th December 2012 LAs were unexpectedly advised that licenses for Copyright Licensing Agency (CLA) and Music Publishers Association (MPA) would be managed centrally by DfE on behalf of all Schools and Academies. This will replace existing arrangements whereby local contracts are managed by LAs on behalf of all schools in their areas. Clarification is being sought on how this new arrangement will operate and in the meantime the LA is proposing to retain £60,000 which is based on the LA directly paying subscriptions on behalf of all Swindon schools and Academies. An update will be provided at the March 2013 Schools Forum meeting.

Schools Forum is asked to note and support the final 2013/14 budgets for central items which total £516,700.

Schools Block Central Schools Items – Pupil Growth

- 3.6 Items which fall into the category of pupil growth have been reviewed by the LA and are as follows:

<u>Table 4 – Central Schools Items – Pupil Growth</u>				
Service	Amount 2012/13	Proposed 2013/14	Final 2013/14	Note
Set up costs - £11,500 per primary class	£370,000	£46,000	£34,500	1
Trigger Funding	£844,000	£528,000	£543,100	2
Croft school pre-opening start-up costs	£185,000	0	-	-
Totals	£1,399,000	£574,000	£577,600	

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Note 1 – Primary Set up Costs

- A proposal regarding the funding of Haydonleigh set up costs from the current year retained budget is included elsewhere on today's agenda which enables the LA to reduce next year's budget to £34,500. This is made up as follows:
 - Even Swindon £11,500)
 - Orchid Vale £11,500) £34,500
 - Rodbourne Cheney £11,500)

Note 2 – Primary Trigger Funding

- The LA has recalculated the estimated costs of trigger funding payments which will be payable during 2013/14 based on the estimated additional in year pupil numbers arising from planned additional classes at £543,100 which is close to the previous estimate.
- Values are based on the provisional primary Basic Per Pupil Entitlement (BPPE) rate of £2,589.88 plus a 3% proposed increase which is explained in section 6.
- A breakdown of the estimated trigger funding payments to individual settings is provided at Annex A although actual payments will be determined by the actual number of additional pupils in the expanded classes in October 2013.

Schools Forum is asked to support the revised 2013/14 budgets for central schools items – pupil growth totalling £577,600.

De-delegation Items

- 3.7 Any funding allocated to services subject to de-delegation must be initially allocated (i.e. delegated) to all settings. Academies will receive their per pupil share of this funding (which they may then choose to use to buy back LA services) whereas maintained settings can collectively agree for their funding to be de-delegated back to the LA without the need for traded services arrangements. Items which fall into this category are as follows:

<u>Table 5 – De-delegation Items</u>				
Service	Amount 2012/13	Proposed 2013/14	Final 2013/14	Note
Free School Meals Eligibility Assessment – de-delegated at approximately £0.40 per pupil	£4,300 (net)	£10,800 (gross)	£11,000 (gross)	Full Academy buy back expected
Trade Union Duties release funding				
a) de-delegated at approximately £0.81 per pupil	£9,900 (net)		£22,300 (gross)	<u>Note 1</u> Limited Academy buy

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OR				back expected
b) £22,300 budget deleted		£0	£0	
Former Every Child Programme	£185,000	£0	£0	
Schools in Challenging Financial Circumstances	£322,000	£200,000	£0	<u>Note 2</u>
Totals	£521,200	£210,800	£33,300 Or £11,000	

Note 1 – Trade Union Release Time

- Neither SAPH nor SASH supported the continuation of any central funding for release time at the consultation events which led to the LA proposing the withdrawal of this retained budget in 2013/14
- At the October 2012 Schools Forum meeting it was agreed to defer a decision on this matter until January 2013 to give the Unions an opportunity to discuss the benefits of current arrangements with the Headteacher Associations. The LA's HR Schools Adviser issued a letter to schools on 7th January setting out the implications of withdrawing central funding.
- If de-delegation is agreed this equates to funding of £0.79 per pupil which will be paid to Academies but will be retained by the LA for Maintained Settings. The funding relating to maintained settings (43% of pupils) is estimated at £9.503. If some Academies choose not to buy back into the Borough wide service (as is the case in the current year) the LA will lose up to 57% of funding and either participating schools will have to pay a higher charge to maintain the existing service or the level of release time will need to be reduced.

Note 2 – Schools in Challenging Financial Circumstances

- The DfE is reluctant to see LA's allocate DSG for schools in challenging circumstances (SICC) and there is limited scope for this to continue from 2013/14 onwards.
- Schools Forum members will recall that initial modelling of the new mainstream formula indicated that our two smallest schools would be detrimentally affected by the requirement to introduce a single lump sum and there was a consensus of support for SICC to be used to provide assistance to Bishopstone and South Marston schools allowed by DfE.
- Losses of funding after MFG at these schools were originally estimated at £31,000 and £21,000 respectively but, although over the longer term these schools will gradually experience reduced funding, as explained at section 6, there is scope to provide higher levels of MFG protection in 2013/14 than the LA had originally estimated which negates the need for the LA to retain SICC funding next year.

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Schools Forum is asked to agree the proposed 2013/14 budgets for de-delegation items totalling £33,300 (with funding of Trade union release time) or £11,000 (without funding of trade union release time).

Centrally funded High Needs Block Items

- 3.8 There are no specific consultation requirements relating to retained funding levels within the high needs block as the DfE are allowing LAs to retain local flexibility on the best use of this funding. SBC shared proposals at the recent consultation events and wishes to provide continued transparency to the Schools Forum on the full use of the DSG. Updated proposals for 2013/14 are as follows:

<u>Table 6 – High Needs Block Items</u>				
Service	Amount 2012/13	Proposed 2013/14	Final 2013/14	Notes
Saltway Portage Service	£148,000	£148,000	£149,100	
Education Support Services Monitoring	£10,000	£10,000	£10,000	
Statemented Pupils Equipment	£130,000	£130,000	£130,000	
Speech, Language and Occupational Therapy	£164,000	£100,000	£100,000	
Travellers Children Support	£77,000	£0	£0	
SEN Resource Allocation Panel	£1,369,000	£1,800,000	£1,768,100	1
The Oakfield Project	£46,000	£46,000	£46,000	
Tuition Service	£650,000	£770,000	£787,000	2
Out of Borough Placements	£2,868,000	£3,242,000	£3,277,700	3
Inter LA Recoupment	£182,000			
Totals	£5,644,000	£6,246,000	£6,267,900	

Note 1 – SENRAP

- The LA has revised its estimate of retained funding that will be required in 2013/14 to meet SEN needs (other than in planned Special School, SRP and Out of Borough placements) and a commentary is provided below on the various elements of funding;
- a) **Early Years** – a budget of £80,000 has been earmarked to provide additional funding to enable early years settings to support SEN children in Foundation Stage 1. Some children need additional support in early year's settings to ensure that they are able to transition well into school and to reduce the risk of their needs escalating. Currently funding is allocated at £6.70 per hour and it is proposed to increase this to £8.00 per hour from April 2013.
- Up to £13,000 of the £80,000 above will be used to commission specialist services from the Nyland Behaviour Support Outreach Team whilst the remainder will be allocated directly to early years settings following applications to the SENRAP panel. Where a child meets specific criteria

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk. ¹⁰

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for additional funding this will be allocated to the provider over and above the value of free nursery entitlement.

- A working party is currently reviewing the criteria for additional funding and the referral process itself. Details will be reported to the 5th March Schools Forum meeting and will be issued to all early years settings prior to the start of 2013/14.
- b) Mainstream Top up Fees – a budget of £1,400,000 has been earmarked to meet estimated demand for those mainstream SEN pupils which cost above £10,000 per year.
- This is based on assuming demand is similar to the current year whereby funding above 15 hours is allocated for a total of approximately 390 pupils but that, as agreed by Schools Forum in October, this will be fully paid at £12 per hour (current central funding is at £8 per hour) .
- Detailed operational guidance will be issued shortly but the key requirement will be for Schools and Academies to submit requests for additional top up funding for their high needs pupils which;
 - Show that £10,000 per year is already being effectively spent on the individual pupil from the notional delegated SEN budget
 - Show what additional funding over £10,000 would be effectively spent on to meet the pupil's needs.
- c) Contingency for Additional SEN Pupils in mainstream settings – Funding of £100,000 has been earmarked for schools that may request an increase to their current additional funding for pupils at their school because the pupil's needs have changed and also for any pupils who may already be at the school, are under assessment for a Statement and may require additional resources, or may join the Borough in year. This also covers the resource needed to fund transition arrangements when placements have broken down or interim and/or alternative education packages that are needed for a limited period of time.
- d) Contingency for Additional SEN Pupils in Special Schools / SRPs – Funding of £188,100 has been earmarked to support additional placements or bespoke packages that are required for pupils when it is considered their needs would be best met in a Special School or Special Resource Provision but, currently places are not available due to provision being full. In exceptional circumstances, it may be necessary to negotiate additional placements for pupils at a Special School or a Special Resource provision, or to arrange for a flexible package of support for the pupil in a mainstream school because we do not have a place in a specialist setting in the Borough. For example, this may include pupils who are moving into the Borough from another LA, or who are currently under assessment in Key Stage 1 with a diagnosis of ASC and who would require specialist provision but this is not available.

Note 2 – Tuition Service

- The Tuition Service budget increased from £500,000 (2011/12) to £650,000 (2012/13) and now includes £120,000 of placement fees which

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are commissioned by the Tuition Service but which have previously been included in the Out of Borough Budget. Detailed estimates have been prepared for 2013/14 which total £787,000 which is marginally above the October 2012 estimate of £770,000.

- Although this level of funding was agreed in October a concern was raised that this may be excessive and a summarised budget breakdown with a commentary explaining service provision, cost pressures and indicate costs per pupil is attached at Annex B.

Note 3 – Out of Borough Independent & OLA School Placements

- The LA has revised its 2013/14 out of borough budget to £3,277,700 which reflects both known and anticipated placement costs and assumed price increases next year of 2%.
- A summary of the proposed budget is attached for information at Annex C – this includes pre and post 16 pupils placed in private, voluntary, independent and maintained special schools and includes a contingency provision of £345,000 for up to 5 additional new placements at average annual costs.
- This budget includes other LA maintained school placements which were previously dealt with via inter LA recoupment and as DfE have transferred high need place funding between LAs it is not possible to readily compare the 2013/14 budget with 2012/13.

Schools Forum is asked to note and support the setting of a retained high needs 2013/14 budget of £6,267,900.

Corporate Overheads

- 3.9 As previously reported, over recent years the LA has been reducing the level of corporate overheads charged to DSG services, to reflect staffing and other spending reductions made as a result of Local Government funding cuts and to recognise reduced SBC spend arising from the transfer of services to Schools and Academies. This has eased pressure on the retained budget and a further reduction is planned in 2013/14 as follows:

- 2010/11 £1,426,000
- 2011/12 £1,220,000
- 2012/13 £860,000
- 2013/14 £660,000

- 3.10 The proposed £200,000 reduction in 2013/14 is subject to Swindon Borough Council (SBC) budget and Council tax setting but can be used for DSG planning purposes. The LA is required to allocate these overheads across retained services on the Section 251 budget statement and a total of £106,900 has provisionally been allocated to the EOTAS budget to enable the service to buy back LA support at current levels. As in previous years,

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the balance has been prorated across the new DSG categories as shown in the overall retained budget summary at Annex D.

Schools Forum is asked to note and support the inclusion of £660,000 corporate overheads within the 2013/14 retained budget – a reduction of £200,000 over the current year. Of this sum £106,900 has been provisionally allocated to the EOTAS service leaving £553,100 to be allocated across retained budgets.

Overall Retained Budget Position 2013/14

- 3.10 The construction of the new DSG funding blocks will require the retained budget to be realigned and in order for Schools Forum members to track the overall changes a summary is provided at **Annex D** to this report.
- 3.11 Precise year on year comparisons are difficult but overall retained spend is planned to reduce next year from £19.012m to £16.889m – a net reduction of £2.123m which is £0.588m higher than the £1.535m estimated in the October 2012 Schools Forum report. Main changes since October are:
- Reduced early year 3 and 4 year old budget - £0.520m
 - Reduced Schools in Challenging Circumstances - £0.200m
 - Removal of Drove BME funding + £0.124m
 - Other changes + £0.008m
- Net reduction to retained budget since October estimates - £0.588m
- 3.12 Some of this funding is required to meet increased demand for places in Special Schools and Special Resource Provision (see section 5) but there is scope to permanently enhance delegated funding to mainstream schools which is explained at section 6.

4. Early Years Funding

- 4.1 As previously announced by DfE and reported to the Schools Forum, all early year's funding including nursery education for disadvantaged 2 year olds is moving to the DSG from 2013/14. This reflects legislative changes which place a duty on LAs to secure early years provision for disadvantaged 2 year olds as well as all 3 and 4 year old children. Commentaries on each area of early year funding and proposed locally determined spending levels are provided below.

Disadvantaged 2 Year Olds

- 4.2 In 2012/13 LAs received funding to provide discretionary nursery provision for disadvantaged 2 year olds (and various other services such as Children Centres) within their Early Intervention Grant (EIG) allocations. As the EIG

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was not ring fenced the level of funding allocated to individual services was locally determined as part of the General Fund budget setting process.

- 4.3 The current year budget of £428,100 was set to provide funding for 131 children to access up to 10 hours of provision at a cost of £4.85 per hour. In anticipation of the new government targets, which require take up to rise to 20%) in September 2013 and to 40% by September 2014, the LA has been taking steps to build capacity via a local "Grow2gether" initiative which offers match funding of up to £5,000 per setting where providers commit to extend capacity. This initiative was launched in September and so far has generated 220 additional places.
- 4.4 On 27th November DfE released details of legislative changes relating to early years. Free early education will become a statutory entitlement for eligible two year olds from 1st September 2013, with the LA having a duty to secure provision. Eligible children are those which are Looked After and those who meet free school meals eligibility criteria e.g. from families whose income is below £16,190 and their parents are in receipt of one of a range of benefits. DfE estimate that approximately 130,000 children (20% of the total in England) are eligible and funding for Swindon in 2013/14 is based on an estimate of 600 eligible children.
- 4.5 In October the LA reported that funding of approximately £1.6m would be required in 2013/14 to fund increased provision from September 2013 at a cost of £5.35 per hour which is in line with other South West Local Authorities. On 27th November 2012 DfE released funding allocations for this year which for SBC are as follows:

Table 7 – Disadvantaged 2 year old Funding 2013/14	
Notional amount for statutory places – to fund statutory places for our 20% most disadvantaged children from September 2013	£1,427,387
Notional amount for trajectory building – to create and fund non-statutory places in preparation for the September 2014 increased entitlement to 40% of our most disadvantaged children	£559,569
Total disadvantaged 2 year old revenue funding	£1,986,956

Schools Forum is asked to support the setting of the 2013/14 2 year old disadvantaged budget at £1,987,000 – in line with the notional DfE funding allocation.

- 4.6 With regard to the setting of hourly rates DfE guidance is that decisions are for LAs to take in consultation with their Schools Forums and that they are strongly encouraged to pass all available funding to providers to deliver two year old places. This means that LAs are discouraged (although not prohibited) from using any of the DSG to fund LA early years staffing costs

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despite the new statutory duty being imposed and continued reductions to Local Government funding being made and resulting job cuts.

- 4.7 The LA is concerned that the extra burden to effectively fulfil this new duty and to manage a £2m budget will be extremely challenging in the current financial climate and seeks Schools Forum support to the retention of £55,000 (2.8%) of the 2 year old funding in 2013/14 to ensure sufficient staffing resources can be allocated to this area. This includes development work with providers to create places, working with health visiting and children centre staff to identify vulnerable children to ensure increased take up of places. The LA acknowledges that the workload involved is uncertain and that the initial focus on capacity building may not be a recurring responsibility and seeks approval of funding for one year only subject to Schools Forum review next January.

Schools Forum is asked to support the retention of £55,000 of disadvantaged 2 year old funding to contribute to early year staffing costs in 2013/14 – subject to annual review.

- 4.8 The DfE state that they have allocated funding to LAs at an average rate of £5.09 per hour and that this compares favourably to the Day Care Trust Cost Survey 2012 which shows average hourly child care fees in England are £4.13 per hour for under twos and £3.95 per hour for children aged two and over. There are approximately 3,000 2 year olds in the Borough and to achieve a 20% take up this equates to 600 pupils. SBC would therefore appear to be funded at a lower rate as summarised below:
- Based on SBC's 2013/14 allocation of £1,427,387 if this is funded at £5.09 per hour this provides funding for 280,430 hours which equates to only 492 children accessing 15 hours per week for 38 weeks (570 hours per child).
 - Based on SBC being funded for 600 children accessing 570 hours per year the total number of hours would be 342,000. The 2013/14 allocation of £1,427,387 equates therefore to an hourly rate of only £4.17.
- 4.9 DfE require LAs to fund all places via a single early years funding formula and although they imply we should work with and consult providers they are stipulating that a simple flat hourly rate is introduced without any quality or other subsidies. Government expects LAs to fund places in all settings that are rated good or outstanding by Ofsted and that their aspiration is that only providers in these categories will be used in future. The only matter to determine is essentially therefore to model the impact for March 2013 of the hourly rate although we have flexibility to provide additional support for two year olds with additional education needs and special education needs from the High Needs DSG block. For 2013/14, given the significant amount of 2 year old trajectory funding available, any SEN supplements can be funded

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from this allocation and proposals will be included in the 5th March 2013 Schools Forum report.

- 4.10 The only matter to determine is essentially therefore the hourly rate for 2013/14 to ensure it is sustainable based on the 2012/13 DSG settlement. Early Years officers have been consulting with South West regional colleagues where a regional hourly rate of £5.35 was emerging although this was prior to the DSG funding announcement. The DfE are keen to see a high level of transparency and all LAs will be required to submit details of their 2013/14 early years funding rates as part of their Section 251 statutory returns which will be published.
- 4.11 The hourly rate must be set to ensure the LA can meet the September 2014 target of 1,100 places and further discussions with regional colleagues to assess take up and potential funding rates are scheduled to take place in February 2013. Part of the 2013/4 DSG settlement includes £559,569 for trajectory building which will enable the LA to start funding provision above 20% as a step towards achieving the 40% September 2014 target. Proposals for the basic 2 year old hourly rate will be presented at the 5th March 2013 Schools Forum.

Schools Forum note that a 2013/14 hourly rate for disadvantaged 2 year old nursery education will be presented at the 5th March 2013 Schools Forum

- 4.12 For Schools Forum general information, in addition to the DSG the LA has received a capital grant of £400,859 from a share of £100m which has been made available nationally. This is intended to support implementation of early education for 2 year olds and has been distributed to LAs using the same formula as the DSG. The funding is not however ring fenced and can be used for any capital purpose over any time period. It is understood that SBC's Cabinet is likely to agree in February to use this to fund the following schemes:

<u>Table 8 – 2 Year Old Related Capital Schemes</u>	Approximate Cost
Tick-Tock Early Years condition issues - mobile classroom replacement	£60,000 - £100,000
Grow 2gether dis-advantaged 2 year old Early Years provision – LA match funding of £5,000 for up to 25 providers willing and able to expand capacity by 20 places	£125,000

- 4.13 DfE have not confirmed how disadvantaged 2 year old funding will be distributed beyond 2013/14 but have indicated that this will be via a formula approach. As they have no direct data on the number of eligible two year olds in each LA they will have to use school census and population data as a proxy as has been the case in 2013/14. They see LAs as having a key role to

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk. ¹⁶

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raise awareness of the programme with parents and it is the government's strong intention to reward LAs who achieve high levels of take up by moving to participation funding from 2015/16 onwards. It is crucial therefore that funding rates agreed for 2013/14 are sustainable.

Three and Four Year Olds

- 4.14 At the October 2012 Schools Forum meeting details of the proposed 3 and 4 year old nursery funding values were proposed and agreed subject to satisfactory feedback being received from the early year's consultation process and an affordable DSG settlement. Letters explaining the funding position and limited options available were sent to all settings on 15th October and no issues were raised. Proposed formula factors for 2013/14 are unchanged since the October 2012 Forum and are as follows:

Table 9 – Proposed 2013/14 Early Years (3 and 4 year old) Funding Rates			
Item	2012/13 Funding Rates	2013/14 Proposed Funding Rates	Commentary
Basic hourly rate			
• Standard per child	£3.75	£3.75	Provision over 38 weeks
• Enhanced per child	£3.91	£3.91	Provision over 48 weeks
Quality paid per setting	£500	£500	Where staff are qualified/ training
Deprivation paid per setting	£1,000	£0 to £5,000	Based on IDACI scores
Flexibility payment per setting	£250	£0	Removes as all settings are now delivering flexibility

Schools Forum is asked to confirm the 2013/14 3 and 4 year old early years funding rates as show in table 9

- 4.15 As expected, the additional early years funding allocated to LAs such as SBC where 3 year old take up is lower than 90% is reducing by 50% in 2013/14. In setting the early years DSG funding block, the DfE have included the final low take up allocation of £286,419 (Table 2) – this will cease in 2014/15. It is however important to recognise that unlike all other areas of DSG (where the annual amount of funding is determined by a single census) the 3 and 4 year old funding will be revised on a termly basis based on actual take up. Any cost changes should therefore be directly matched by funding changes and, unlike previous years, no contingency budget needs to be allocated for growth.
- 4.16 The current 2012/13 and proposed 2013/14 budgets for early years' provision for 3 and 4 year olds are summarised below:

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Table 10 – Provisional 2013/14 Early Years Budget (3 and 4 year olds)

Item	2012/13 Budget	2013/14 Proposed	Commentary
Basic hourly rate payments	£6,910,500	£7,169,000	Cost of current placements
Quality payment	£28,500	£61,000	Aligned to 2 year olds.
Deprivation payment	£18,000	£70,000	Increase with introduction of Income Deprivation Affecting Children Index (IDACI)
Flexibility payment	£10,000	£0	Enhancement removed
Sub Total to meet demand	£6,967,000	£7,300,000	
General contingency	£280,030		No contingency required in 2013/14
Contingency – funding up to 90% take up	£572,970		
Total Budget	£7,820,000	£7,300,000	

Schools Forum is asked to support the setting of the 2013/14 3 and 4 year old budget at £7,300,000 – as shown in table 10.

5. High Needs Funding Proposals

- 5.1 As previously reported the LA is required to introduce “place plus” funding for Special Schools, Special Resource Provisions and Alternative Provision settings and has consulted with relevant Schools and Academies. The latest position is summarised below.

Special Schools

- 5.2 Following feedback from the 27th September 2012 ASSSH consultation event and an assessment of parental preferences the LA has revised its special school place numbers as follows:

Table 11 - Current and Planned Special School Places

Setting	2012/13 Funded Places		2013/14 Funded Places	
	Apr-12	Sep-12	Apr-13	Sep-13
St Lukes	68	68	68 (68)	68 (68)
Brimble Hill	70	70	67 (65)	65 (65)
The Chalet	45	48	48 (48)	55 (48)
Crowdy's Hill	128	128	128 (128)	128 (128)
Uplands	103	113	114 (113)	128 (126)
Nylands	36	36	32 (36)	36 (36)
Total Special Schools	450	463	457 (458)	480 (471)
Full Year Equivalent	457.6		470.4	

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk. ¹⁸

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- 5.3 The place numbers above include 46 post 16 placements at Uplands and represent the LA's best estimates, based on discussions with relevant settings, of likely demand during 2013/14 which in some cases are different to previous estimates. All planned places must be funded at £10,000 and where a setting takes additional pupils above the number of funded places the new regulations stipulate that the LA **may** provide part year place funding at £833 per month in addition to the relevant top up fee. Subject to affordability the LA intends to fully fund additional places unless, by mutual agreement with the setting, this is not necessary. Figures in brackets reflect the latest estimated places as presented at the 9th October Schools Forum.

Schools Forum is asked to agree the proposed 2013/14 special school place numbers as show in table 11.

- 5.4 The LA has attempted to set top up fees to maintain stability as far as possible but also to ensure additional funds are provided for planned expansion. The table below shows the proposed 2013/14 top up fees for pupils attending Swindon special schools which are unchanged since the October 2012 Forum meeting. A tentative regional agreement has been reached whereby LAs will, during 2013/14 subject to review, for their pupils continue to pay the top up fee determined by the host LA. Beyond 2013/14 it is likely that LAs will seek to negotiate their own top up fees directly with providers.

Table 12 - Current and Proposed Special School Top Up Banding Values				
Existing Values	Banding	Proposed 2013/14 Funding		
		Place	Top-Up	Total
N / A	Band 1 plus = 35% uplift re 1-2-1 bespoke support packages	£10,000	£20,183	£30,183
£27,244	Band 1 BESD	£10,000	£22,021	£32,021
£22,703	Band 1	£10,000	£14,950	£24,950
£24,518	Band 2 BESD	£10,000	£19,072	£29,072
£20,432	Band 2	£10,000	£13,455	£23,455
£16,346	Band 3 BESD	£10,000	£10,223	£20,223
£13,622	Band 3	£10,000	£5,875	£15,875
£12,259	Band 4 BESD	£10,000	£5,797	£15,797
£10,216	Band 4	£10,000	£2,467	£12,467
Therapy top ups have been included above to transfer existing central contributions a) Uplands @ 220 per pupil b) Brimble Hill @ £220 per pupil				

Schools Forum is asked to agree the proposed 2013/14 special school top up fees as shown in table 12.

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk. ¹⁹

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- 5.5 The table below shows the indicative position for each setting based on the planned place numbers in table 11 and the top up values in table 12. Actual 2013/14 funding allocations will be based on the agreed place numbers (funding is fixed and paid monthly) and the actual band values relating to individual pupils attending each setting (which is variable but will be paid on a monthly basis). For existing pupils top up values are based on the recent moderation exercise and are fixed unless pupils are re-banded due to changing needs. For new pupils which the LA anticipates will enter Special Schools during the year, bandings and top up values have had to be estimated.

Table 13 - Projected 2013/14 Special School Funding - Excluding Pupil Premium					
2012/13 Funding	Setting	2013/14 Indicative Funding			
		Place @ £10,000	Top Up @ Band Values	PFI @ Actual Cost	Total Funding
£1,663,914	St Lukes	£680,000	£1,020,365		£1,700,365
£1,629,931	Brimble Hill	£658,333	£757,203	£96,470	£1,512,006
£892,289	The Chalet	£520,833	£489,701		£1,010,534
£2,287,121	Crowdy's Hill	£1,280,000	£1,046,238		£2,326,238
£2,485,489	Uplands	£1,221,667	£1,557,691	£167,909	£2,947,266
£892,893	Nylands	£343,333	£555,493		£898,826
£9,851,637	Totals	£4,704,167	£5,426,691	£264,379	£10,395,237
Notes 1) Top Up funding is based on the estimated places and assumed banding values 2) Top up funding includes 14 pupils from other LAs who will directly pay placement top ups fees of approximately £177,900 to the providers. 3) Uplands includes Post 16 places – with effect from August 2013 the place element will be directly funded by the EFA					

- 5.6 The projections above indicate that special school funding will need to be £10,395,237 next year although approximately £177,900 will be paid by other LAs or the Education Funding Agency (EFA) leaving the net cost to Swindon's DSG at £10,217,337. The LA was unable to reissue the post moderation indicative funding allocations to Special School Headteachers before Christmas and would wish to secure their confirmation before finalising the proposals. The indicative funding for Uplands is based on an assumption that the 46 post 16 placements will be funded at the same banding values as pre 16 (Table 12). This will need to be reviewed as part of an overall assessment of High Needs post 16 funding when the costs of all new responsibilities are quantified. Any issues relating to special school places and funding will therefore be reported to the 5th March 2013 Forum meeting.

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk. ²⁰

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Schools Forum is asked to agree the indicative 2013/14 funding allocations for special schools which is estimated to be £10,217,337 – subject to Headteacher feedback being reported to the March 2013 Schools Forum.

Special Resource Provision

- 5.7 Following feedback from the 27th September 2012 ASSSH consultation event and an assessment of parental preferences the LA has revised its SRP place numbers as follows:

Table 14 - Current and Planned SRP Places				
Setting	2012/13 Funded Places		2013/14 Funded Places	
	Apr-12	Sep-12	Apr-13	Sep-13
Redoaks - HI SL	12	13	13 (13)	13 (13)
Ridgeway - HI	6	6	4 (4)	4 (4)
Redoaks - LDD	6	6	6 (6)	6 (6)
New Ridgeway - ASD	0	0	0 (0)	4 (6)
Lydiard Academy - ASD	9	12	11 (12)	15 (15)
Ruskin Junior - ASD	6	9	10 (10)	9 (9)
Kingsdown - ASD	15	15	14 (15)	16 (15)
Robert Le Kyng - PD	10	10	8 (10)	10 (10)
Westlea - PD	10	10	9 (10)	10 (10)
Commonweal - PD	15	19	18 (19)	20 (20)
Eldene - CLD	8	9	9 (8)	8 (8)
Millbrook - CLD	8	8	9 (8)	8 (8)
Even Swindon - SSL	14	14	15 (15)	15 (15)
Commonweal - SPLD	24	29	29 (29)	29 (29)
Mountford Manor - BESD	6	6	6 (6)	6 (6)
Total SRP Places	149	166	161 (165)	173 (174)
Full Year Equivalent	159.75		168.00	

- 5.8 The place numbers above represent the LA's best estimates, based on discussions with relevant settings, of likely demand which can be met during 2013/14 which in some cases are different to previous estimates. As with special schools all planned places must be funded at £10,000 and where a setting takes additional pupils above the number of funded places the new regulations stipulate that the LA **may** provide part year place funding at £833 per month in addition to the relevant top up fee. Subject to affordability the LA intends to fully fund any additional places unless, by mutual agreement

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with the setting, this is not necessary. Figures in brackets reflect the estimated places presented at the 9th October Schools Forum.

Schools Forum is asked to agree the proposed 2013/14 Special Resource Provision place numbers as show in table 14.

- 5.9 The move to “Place Plus” has been more difficult for SRPs than for special schools as current levels of funding are based on historic assessments of the cost of provision. Furthermore SRP funding is currently based on the additional not full cost of provision as schools have retained Age Weighted Pupil Unit (AWPU) and other funding estimated at £2,850 per pupil. The move to place plus has, as an initial step, required the harmonisation of per pupil funding across similar settings. Further work will be undertaken during 2013 to produce a more simplified range of SRP top up fees which are more focussed on pupils needs regardless of the setting they attend.
- 5.10 For 2013/14, in line with DfE guidance, the LA has set top up fees to maintain stability but also to ensure additional funds are provided for planned expansion. The table below shows the proposed 2013/14 top up fees for pupils attending Swindon Special Resource Provision which are unchanged. A tentative regional agreement has been reached whereby LAs will, during 2013/14 subject to review, for their pupils continue to pay the top up fee determined by the host LA. Beyond 2013/14 it is likely that LAs will seek to negotiate their own top up fees directly with providers.

Table 15 - Proposed SRP Top Up Banding Values 2013/14				
Prime Need	Band	Place	Top Up	Total
Cognitive and Learning - General and Specific Learning Difficulties <u>Settings</u> - Redoaks, Eldene & Millbrook	A plus	£10,000	£18,900	£28,900
	A	£10,000	£16,493	£26,493
	B plus	£10,000	£14,888	£24,888
	B	£10,000	£10,073	£20,073
	C plus	£10,000	£9,270	£19,270
	C	£10,000	£8,468	£18,468
	D plus	£10,000	£7,665	£17,665
	D	£10,000	£6,863	£16,863
Speech, language and Communication Difficulties <u>Settings</u> - Even Swindon	A plus	£10,000	£10,450	£20,450
	A	£10,000	£9,580	£19,580
	B plus	£10,000	£9,000	£19,000
	B	£10,000	£8,130	£18,130
	C plus	£10,000	£7,550	£17,550
	C	£10,000	£7,260	£17,260
	D plus	£10,000	£6,970	£16,970
	D	£10,000	£6,680	£16,680

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk. ²²

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Speech, language and Communication Difficulties <u>Settings</u> – Commonweal	A plus	£10,000	£8,650	£18,650
	A	£10,000	£7,780	£17,780
	B plus	£10,000	£7,200	£17,200
	B	£10,000	£6,330	£16,330
	C plus	£10,000	£5,750	£15,750
	C	£10,000	£5,460	£15,460
	D plus	£10,000	£5,170	£15,170
	D	£10,000	£4,880	£14,880
Speech, language and Communication Difficulties with ASD (Primary) <u>Settings</u> - Ruskin Junior	A plus	£10,000	£22,200	£32,200
	A	£10,000	£19,500	£29,500
	B plus	£10,000	£18,600	£28,600
	B	£10,000	£16,800	£26,800
	C plus	£10,000	£15,000	£25,000
	C	£10,000	£13,200	£23,200
	D plus	£10,000	£11,400	£21,400
	D	£10,000	£9,600	£19,600
Speech, language and Communication Difficulties with ASD (Secondary) <u>Settings</u> - Lydiard Academy , Kingsdown & Ridgeway (New)	A plus	£10,000	£21,250	£31,250
	A	£10,000	£18,550	£28,550
	B plus	£10,000	£17,650	£27,650
	B	£10,000	£15,850	£25,850
	C plus	£10,000	£14,050	£24,050
	C	£10,000	£12,250	£22,250
	D plus	£10,000	£10,450	£20,450
	D	£10,000	£8,650	£18,650
Behavioural Emotional Social and Difficulties <u>Settings</u> - Mountford Manor	A plus	£10,000	£12,950	£22,950
	A	£10,000	£11,435	£21,435
	B plus	£10,000	£10,425	£20,425
	B	£10,000	£9,415	£19,415
	C plus	£10,000	£8,910	£18,910
	C	£10,000	£7,900	£17,900
	D plus	£10,000	£6,890	£16,890
	D	£10,000	£5,880	£15,880
Physical Difficulties <u>Settings</u> - Robert LeKyg & Westlea	A plus	£10,000	£12,850	£22,850
	A	£10,000	£11,350	£21,350
	B plus	£10,000	£9,850	£19,850
	B	£10,000	£7,850	£17,850
	C plus	£10,000	£7,350	£17,350
	C	£10,000	£6,850	£16,850
	D plus	£10,000	£6,350	£16,350
	D	£10,000	£5,850	£15,850

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Physical Difficulties <u>Settings</u> - Commonweal	A plus	£10,000	£13,250	£23,250
	A	£10,000	£11,750	£21,750
	B plus	£10,000	£10,250	£20,250
	B	£10,000	£8,250	£18,250
	C plus	£10,000	£7,750	£17,750
	C	£10,000	£7,250	£17,250
	D plus	£10,000	£6,750	£16,750
	D	£10,000	£6,250	£16,250
Sensory Difficulties with British Sign Language <u>Settings</u> - Redoaks	A plus	£10,000	£31,450	£41,450
	A	£10,000	£27,160	£37,160
	B plus	£10,000	£22,870	£32,870
	B	£10,000	£20,010	£30,010
	C plus	£10,000	£17,150	£27,150
	C	£10,000	£16,864	£26,864
	D plus	£10,000	£11,430	£21,430
	D	£10,000	£8,570	£18,570
Sensory Difficulties without British Sign Language <u>Settings</u> - Ridgeway	A plus	£10,000	£9,580	£19,580
	A	£10,000	£8,570	£18,570
	B plus	£10,000	£7,560	£17,560
	B	£10,000	£6,888	£16,888
	C plus	£10,000	£6,215	£16,215
	C	£10,000	£6,148	£16,148
	D plus	£10,000	£4,869	£14,869
	D	£10,000	£4,196	£14,196
Notes 1) "Plus premiums" are payable to meet exceptionally high provision costs arising where; - Provision requires British Sign Language - Pupils have high levels of physical difficulties which require constant 1-2-1 personal care 2) Top up fees include the transfer of the following therapy top up fees which are currently centrally commissioned to provide educational assistance over and above PCT health related provision; - £1,800 Speech, language and Communication Difficulties - £1,350 Speech, language and Communication Difficulties with ASD – primary - £400 Speech, language and Communication Difficulties with ASD – secondary - £400 Physical Difficulties				

5.11 The table below shows the indicative position for each SRP setting based on the planned place numbers in table 14 and the top up values in table 15. Actual 2013/14 funding allocations will be based on the agreed place numbers (funding is fixed and paid monthly) and the actual band values relating to individual pupils attending each setting (which is variable but will be paid on a monthly basis).

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Table 16 - Projected 2013/14 SRP Place Funding				
2012/13 Funding	Setting	2013/14 Indicative Funding		
		Place @ £10,000	Top Up Values	Total Funding
£520,034	Redoaks - HI SL	£130,000	£408,850	£538,850
£105,174	Ridgeway - HI	£40,000	£34,280	£74,280
£169,357	Redoaks – LDD	£60,000	£96,638	£156,638
	Ridgeway – ASD	£23,333	£43,283	£66,617
£327,058	Lydiard Academy – ASD	£133,333	£228,626	£361,959
£246,333	Ruskin Junior - ASD	£94,167	£175,525	£269,692
£356,143	Kingsdown – ASD	£151,667	£272,117	£423,783
£240,963	Robert Le Kyng – PD	£91,667	£148,042	£239,708
£227,644	Westlea – PD	£95,833	£113,396	£209,229
£324,949	Commonweal – PD	£191,667	£206,208	£397,875
£178,621	Eldene – CLD	£84,167	£116,418	£200,585
£164,038	Millbrook – CLD	£84,167	£127,534	£211,701
£266,305	Even Swindon - SSL	£150,000	£140,800	£290,800
£414,200	Commonweal – SPLD	£290,000	£208,220	£498,220
£120,018	Mountford Manor - BESD	£60,000	£58,510	£118,510
£3,660,837	Total SRP's	£1,680,000	£2,378,447	£4,058,447

- 5.12 The projections above indicate that SRP funding will need to be £4,058,447 next year although approximately £23,500 will be paid by other LAs leaving the net cost to Swindon's DSG at £4,034,947. As with Special Schools, the LA was unable to reissue the post moderation indicative funding allocations to Headteachers before Christmas and would wish to secure their confirmation before finalising the proposals. Further work is required in respect of Mountford Manor as users of this service are currently charged. The EFA have advised that this facility should ideally be reclassified as an Alternative Provision setting but as an interim measure they have agreed that the LA can fund top ups directly so that direct charges to home schools can be waived. Any issues relating to Special Resource Provision places and funding will therefore be reported to the March 2013 Forum meeting.

Schools Forum is asked to note the indicative 2013/14 funding allocations for Special Resource Provision which is estimated to be £4,034,947 - subject to Headteacher feedback being reported to the March 2013 Schools Forum

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Special Education Needs Outreach and Education Support Services

- 5.13 In addition to the requirement to fund high needs settings via the “place plus” methodology the LA can continue to commission Borough wide SEN outreach and Support Services and intends to do so in 2013/14. Set out below is a summary of current and proposed spending on these services which include a 5% uplift to recognise that where services transferred from the LA only funding for direct costs was provided. This increase will help these settings to absorb salary progression costs and proposed 2013/14 is as follows:

Table 17 - Proposed 2013/14 Special Education Needs Outreach & Support Services			
Setting – Provision	2012/13	2013/14	Notes
Nylands - Primary Behaviour Support Team	£209,873	£220,400	
Uplands - Education Support Service	£214,416	£225,100	
Even Swindon - Speech and Language	£21,170	£22,200	
Ruskin Junior - ASD	£82,852	£87,000	
Ridgeway - Education Audiologist	£10,580	£11,100	
Redoaks HI Support Service	£214,684	£225,400	
Commonweal PD Support Service	£61,020	£64,100	
Millbrook SLD Support Service	£63,739	£66,900	
Ruskin Junior ASC Support Service	£57,943	£135,800	1
Issambard BSL Provision	£0	£50,000	2
Totals	£936,277	£1,108,000	
Notes 1) 2013/14 includes an additional £75,000 to expand the Ruskin ASC outreach service as proposed at the 9th October 2012 Schools Forum. See update at 5.14 below. 2) 2013/14 includes proposal to establish a British Sign Language (BSL) provision so that pupils currently at Redoaks Primary SRP can effectively transition to a secondary setting at Issambard – see paragraph 5.16 below			

Ruskin ASC Outreach

- 5.14 As proposed at the October 2012 Forum meeting the Education Support Service for ASC based at Ruskin will be permanently extended to meet the growing need, particularly in Early Years and KS1. A 0.6fte teacher (TL2) will be appointed from April 2013; this post will be advertised early in January and will work in partnership with existing FS1/KS1 specialist provision. In addition, a 1.0 fte HTLA Senior Outreach Worker in Autism will also be appointed from April to offer support at all key stages. Interviews for this post will be held week beginning 7th January.

- 5.15 These posts will be used to provide additional intensive support for schools, mentoring packages for ASC/SCID, children at risk of exclusion and, where

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placements come under strain, respite for school and settings to enable long term sustainability of the placement. The additional resource also brings greater opportunity for the service to work in schools and alongside school based staff to support and nurture the development of sustainable ASC friendly environments.

British Sign Language (BSL) Provision at Isambard

- 5.16 Red Oaks Primary school is the host school for a highly regarded and effective SRP for pupils who are deaf and use BSL as their key means of communication. The SRP has 13 pupils and it is anticipated that the first student will transfer to secondary education in September 2014. Red Oaks Primary and the LA are working together with Isambard to establish BSL within the school by 2014. Unless families feel confident that the provision at Isambard will meet the needs of their children they may seek out of borough provision, which would be at considerable expense to the DSG. The risk is that, if one family seek out of borough provision due to lack of confidence in a local offer, other families may follow.
- 5.17 The LA proposes therefore to support Isambard to be BSL ready for September 2014 and must take action now to convince parents the local offer is a strong alternative to out of borough provision. Support will be drawn from Red Oaks Primary school and the Advisory Teacher for the Deaf to build the capacity of the staff and students to develop a bilingual school with bilingual inclusion provision. It is acknowledged that the recruitment of staff with specialist skills is a real challenge and, whilst still seeking to recruit specialist expertise, the strategy is as far as possible to train existing staff and build expertise across the school.
- 5.18 Initial funding of £22,000 is required from April 2013 for Isambard to recruit and train a specialist Teaching Assistant to BSL level 2, and to train 10 existing members of staff to BSL level 1. From September 2013, a further £28,000 will be required for Isambard to recruit a Teacher for the Deaf who will work with staff, students and families to shape the provision at Isambard, to further build capacity so that they are ready to meet the needs of the local BSL community. Costings are summarised below:

Table 18 – Costings for Isambard BSL Provision		
Spending	2013/14 Funding	2014/15 Funding
Teaching Assistant from April 2013 to August 2014	£17,000	£7,100
Training	£5,000	£0
Teacher from September 2013 to August 2014	£28,000	£20,000
Total annual Funding	£50,000	£27,100

- 5.19 From September 2014 Isambard will be established as an SRP and will receive place plus funding for all high needs pupils which are placed with

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them. Part year funding for the two new posts estimated at £27,100 will need to be allocated to meet costs during the first term of 2014/15.

Schools Forum is asked to support the funding of Special Education Needs Outreach and Support Services at a cost in 2013/4 of £1,108,000 (table 17) including £50,000 for a new provision at Isambard (table 18).

Alternative Provision – Pupil Referral Units

5.20 The LA has consulted with the Education Other Than At School (EOTAS) Management Committee and the White Horse Federation regarding Alternative Provision which (other than the hospital education service) must be funded via place plus at £8,000 per place plus locally determined top up fees. Place numbers have been agreed as follows:

Table 19 - Current and Planned Alternative Provision Places					
Setting	2012/13 Funded Places		2013/14 Funded Places		
	Apr-12	Sep-12	Apr-13	Sep-13	FTE
Stratton PRU	46	46	46	50	
Riverside	42	42	42	42	
Marlborough House CAMHS	12	12	12	12	
Sub Total	100	100	100	104	102.33
Nyland PRU	8	8	8	8	
Nyland CAMHS	8	8	8	8	
Sub Total	16	16	16	16	16.0
Total AP Settings	116	116	116	120	118.33

Schools Forum is asked to agree the proposed 2013/14 alternative provision place numbers.

5.21 For each of the above places DfE require place funding to be allocated at £8,000. In line with interim arrangements in most other LAs initial Top Up Fees are being implemented using standard averages for primary and secondary settings and SBC's initial proposals were calculated as follows:

- Primary AP pupils £3,000
- Secondary AP pupils £6,170

5.22 It is relevant to note that the above top up fee is based on covering the current **net costs** of operating the services after exclusion and other income from schools is accounted for. As explained in the following paragraphs the level of exclusions income is likely to increase next year and there is scope to

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locally agree a scheme which would increase the period over which funding can be recovered. Depending on Schools Forum's view on this the LA will need to recalculate exclusions income and potentially, top up fees.

Schools Forum is asked to note the provisional 2013/14 Alternative Provision top up fees subject to final amendments to values being agreed at the March 2013 Schools Forum after a review of exclusions income.

- 5.23 The impact on individual settings, based on the place numbers in table 19 and the provisional top up fees will impact on individual settings as follows:

Table 20 - Projected 2013/14 Alternative Provision Funding				
2012/13 Funding	Setting	2013/14 Indicative Funding		
		Place @ £8,000	Top Up @ Band Values @ £6,170 / £3,000	Total Funding
£1,427,404	Stratton PRU etc. – 102.3 places (excluding hospital service)	£818,640	£631,360	£1,450,000
£157,404	Nylands PRU etc. – 16 places	£128,000	£48,000	£176,000
£1,584,808	Totals for 118.33 places	£946,640	£679,360	£1,626,000

- 5.24 Additional funding for the Stratton PRU of £23,000 reflects the planned increase in places from September 2013. The additional funding at Nylands of £18,600 recognises that when the service transferred from the LA only funding for direct costs was passed over.
- 5.25 Work is on-going with the EOTAS Management Committee to set a 2013/14 net spending plan which is in line with the indicative delegated funding allocation above and a report will be presented to the Committee on 29th January 2013. In addition to needing to establish appropriate budgets to meet costs which have historically been provided by the LA (property maintenance, insurance, central support services) further work is required to estimate the levels of income that will be directly recovered from Schools and Academies for in year exclusions and for short term intervention services provided to minimise the risk of exclusions.
- 5.26 In addition to the difficulty of estimating the number of exclusions and demand for intervention provision (which must be charged to Schools and Academies at the relevant top up rate) there is a degree of local flexibility

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regarding the level of charging for permanent exclusions. This requires a decision to be taken by the Schools Forum as described below.

Charging for Permanent Exclusions

- 5.27 Under the existing school finance regulations, where a pupil is permanently excluded, the LA is required to re-determine the excluding school's budget share based on the value of funding delegated for the pupil proportionate to the number of complete weeks remaining in the financial year. In the case of a KS4 pupil who would be leaving the school at the end of the Academic year, the funding recovered would be to 31st August. This income is allocated to the EOTAS or Tuition Service thereby reducing the amount of DSG that has to be directly allocated to fund them. Effectively the more income that is recovered from excluding schools, the less DSG funding all schools have to forego to directly fund EOTAS and Tuition. In Swindon pro rata AWPU reductions take place for both formal permanent exclusions and "withdrawn permanent exclusions" which are local agreements between the LA, school and parents that a pupil must leave the school without the need for a formal permanent exclusion. This process is managed via the LA's Fair access Panel.
- 5.28 Where exclusions take place after 1st April, but before the following January PLASC date, the amount of funding recovered is for the current year only and is currently limited to the relevant AWPU value. Where exclusions take place after the January PLASC date, it has been established practice at SBC since 2004 for the LA to also recover the AWPU value for the following financial year as the excluding school will receive this funding in their delegated budget. This practise is both logical and reasonable as it ensures funding follows the pupil but is not prescribed in the regulations. The current arrangements are based on a local agreement with SASH, SAPH and ASSSH from 2004 regarding the development of five protocols that supported the management of pupils at risk of permanent exclusion. These protocols were overseen by the Swindon Admissions Forum and have been subsumed in to the Swindon Fair Access Protocol from 2009. Given the relatively short time between January PLASC and 31st March there have however only been a relatively low number of these cases in the past – 17 in 2009/10 out of 48 total cases, 11 in 2010/11 out of 36 total cases and 10 in 2011/12 out of 38 total cases.
- 5.29 From the start of 2013/14 the new finance regulations state that LAs must recover all applicable pupil based funding. For permanent exclusions which occur after 1st April the LA will therefore charge the excluding school or Academy all the pupil led funding that has been included in their delegated budget on a pro rata basis including, where applicable, the Pupil Premium. Charges must be calculated from the sixth school day following the permanent exclusion date through to 31st March unless the pupil is KS4 and

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due to leave secondary education at the end of the summer term. Subject to final values being confirmed the LA is intending to include the following funding factors in the calculations:

Every Pupil

Basic Per Pupil Entitlement – KS1 and 2 (subject to change see section 6)	£2,589.88
Basic Per Pupil Entitlement – KS3	£3,659.60
Basic Per Pupil Entitlement – KS4	£4,464.71

Eligible Pupils only

Low Prior Attainment (subject to change see section 6)	£359.58
English as an Additional Language Funding	£574.11
Deprivation Local formula (FSM ever 6)	£865.86
Local formula IDACI funding - Band 1	£434.00
Local formula IDACI funding - Band 5	£1,215.00
Pupil Premium Funding (FSM ever 6)	£900.00

Statemented Pupils – If a statemented pupil is also attracting high needs top up funding from the centrally retained SENRAP budget to meet agreed costs above £10,000 this will cease to be paid to the excluding school and will also transfer to EOTAS.

Average per pupil funding – As it will not be possible to identify whether individual pupils are eligible for the above funding the LA will, after delegated budgets have been finalised, calculate average pupil led funding for each school. These values will be used to calculate daily charges which will average approximately £17.50 for a primary pupil and £24.00 for a secondary pupil plus actual SENRAP top up funding if applicable.

5.30 From 2013/14 the funding deducted from excluding schools will therefore be approximately 30% higher than current AWPU levels for a primary pupil (£13.50 per day) and 20% higher than current AWPU levels for a secondary pupil (£20 per day).

5.31 As school funding is to be determined by the October rather than January PLASC from 2013/14 onwards there is an increased likelihood that exclusions will take place after the following years funding has been set. So far this year 8 such permanent/withdrawn permanent exclusions have occurred. The LA has received confirmation from the EFA that, if locally agreed, the SBC practice of recovering funding relating to the excluded pupil for the following year can also be recovered. The LA believes that this is appropriate for the following reasons:

- This follows the principle of funding following the pupil
- It avoids a school from receiving funding for a pupil it has excluded

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- It increases EOTAS' income thereby reducing the value of DSG allocated to the service when annual budgets are set.

Schools Forum is asked to note the basis of charging for permanent exclusions and agree that funding should be recovered for the following financial year if exclusion takes place after the October PLASC date.

Charges for provision of services to non- excluded pupils.

- 5.32 At present the LA is required under the School Finance Regulations to recover 80% of the Age Weighted Pupil Unit (AWPU) funding from Schools and Academies in respect of short term placements although charges are pro rated for dual registered pupils .This is typically pupils attending Riverside, Hospital Education, Marlborough House and the Tuition Service and mostly relates to secondary age pupils with few primary exceptions e.g. where pupils attend the hospital.
- 5.33 From 2013/14 where a school or Academy places a pupil at EOTAS, Tuition Service or the Nylands PRU for a short term basis, they will pay the LA determined top up fee directly to the service. Based on the provisional top up rates of £3,000 (primary) and £6,170 (secondary) over 195 school days per year the daily fee payable in 2013/14 will be £15.38 (primary) and £31.64 (secondary). Charges will therefore be higher in 2013/14.
- 5.34 The DfE are recommending that top ups for short term placements should be calculated on a half termly rate and for part time placements on a daily rate.

Schools Forum is asked to note the basis of charging for non - excluded pupils.

- 5.35 Given that a 2013/14 EOTAS budget has yet to be set and that funding will need to be calculated in light of the options regarding charges for permanent exclusions, the LA may need to revise proposed top up fees accordingly.

Schools Forum is asked to note the provisional 2013/14 funding allocations for Alternative Provision settings is estimated at £1,626,000 (table 20) subject to final amendments to top up values being agreed at the March 2013 Schools Forum.

Alternative Provision – Hospital Education

- 5.36 The DfE have decided to introduce a separate element of DSG aimed at providing LAs with an annual cash allocation which meets the costs of operating their hospital schools. For 2013/14 this has been based on individual LAs estimates of 2012/13 costs and funding of £191,000 has been included in our High Needs DSG block.

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- 5.37 The LA has yet to finalise the 2013/14 EOTAS budget but the direct costs of operating the hospital education service, which is primarily dedicated staffing is estimated to be in line with the grant value.

Schools Forum is asked to note the basis by which DSG is allocated to meet the costs of hospital provision and that funding of £191,000 is being provided in 2013/14.

Post 16 Provision – New responsibilities

- 5.38 The LA has historically funded post 16 provision in Special Schools (Uplands) and in Out of Borough placements by using an element of DSG funding plus the notional SEN Block Grant. The 2013/14 budget proposals above already include these items but from next year the LA will also have to fund high needs post 16 provision in Further Education Colleges and Independent Specialist Providers. In addition new arrangements will be implemented whereby the EFA will, from August 2013 directly fund the £10,000 place funding in Special Schools.
- 5.39 The LA will therefore need to liaise with post 16 providers over the next few weeks to establish top up rates and details will be presented to the 5th March 2013 Schools Forum. In the meantime it is assumed that extra DSG funding of £432,000 included in our 2013/14 grant will be fully allocated to meet new costs.

Schools Forum is asked to note that the LA is provisionally allocating £432,000 of DSG funding to cover new post 16 responsibilities in 2013/14 and that details of proposed funding rates will be presented to the 5th March 2013 Schools Forum.

6. Mainstream Funding Proposals

Funding for Newly Qualified Teachers

- 6.1 Funding previously included within the local government grant settlement for Newly Qualified Teacher inductions has now been transferred to the DSG for delegation to all schools through the local formula to allow them to pay for the services of their preferred appropriate body. This transfer of funding follows the September 2012 change to induction regulations for Newly Qualified Teachers (NQTs) where teaching schools became eligible to monitor and quality assure NQT inductions. The allocation for Swindon is £43,000 which is the LA's pupil based share of the national allocation of £10.2m. This will be allocated per pupil via a minor increase to the 2013/14 BPPE rates.

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Schools Forum is asked to note that £43,000 has been included in the 2013/14 DSG settlement in respect of Newly Qualified Teacher funding for distribution across schools.

New Formula Factors

6.2 As the Schools Forum has previously been advised the range of factors that can be used to allocate mainstream funding in the new formula are being intentionally constrained by the DfE to simplify allocation methods by reducing them from a maximum of 37 under the existing School Finance Regulations to 12. In recognition that the changes required will only apply to 2013/14 and 2014/15 pending introduction of a national school funding formula the LA established the following guiding principles which were supported by both SAPH and SASH:

- Methods of allocation for each factor would be harmonised across sectors
- Funding rates for each factor would also be harmonised across sectors (apart from Basic Per Pupil Entitlement (BPPE) rates)
- Existing sector funding totals would be maintained by increasing or decreasing BPPE values as necessary in each sector

6.3 Following consultations with SAPH and SASH on the above principles proposed funding factors and indicative values were reported and agreed at to the October 2012 Schools Forum as shown below:

Table 21 – Proposed 2013/14 Mainstream Formula Factors		
Factor – per pupil unless otherwise stated	Primary £	Secondary £
BPPE KS1-2	2,589.88	
BPPE KS3		3,659.60
BPPE KS4		4,464.71
Lump sum values - per school	106,700.00	106,700.00
EAL (1,2 & 3yrs) – includes £80 per pupil from the reallocation of £124,000 Drove BME project funding)	574.11	574.11
IDACI Band 1	434.00	434.00
IDACI Band 2	529.00	529.00
IDACI Band 3	608.00	608.00
IDACI Band 4	781.00	781.00
IDACI Band 5	955.00	955.00
IDACI Band 6	1,215.00	1,215.00
FSM Ever 6	865.86	865.86
Low Cost High Need SEN (lower prior attainment)	359.58	359.58
NNDR (Business Rates)	Actual cost	Actual Cost
PFI Affordability Gap funding	Actual cost	Actual Cost

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- 6.4 The LA presented its proposed 2013/14 local formula factors and indicative values to the EFA at the end of October as a result of which clarification was requested regarding two areas - pupil growth and PFI funding. This was subsequently provided and accepted and the structure of our new formula is therefore in line with the new School Finance Regulations. The LA will however need to re-submit by 22nd January 2013, four days later than previously announced, a final proforma reflecting the October 2012 census data and final 2013/14 factor values which are affected by the DSG settlement (section 2) and the scope to redistribute savings arising from reductions to the retained budget (section 3).
- 6.5 Based on the October 2012 pupil details and characteristics arising from the census and the provisional funding values in table 21, the LA has calculated that total funding allocations to mainstream schools in 2013/14 will total £108.161m. The October census reflected the continued trend of increasing primary pupils and reducing secondary pupils:

	January 2012 Pupils	October 2012 Pupils	Change
Primary	16,629	17,177	+ 548
Secondary	10,411	10,211	- 200
Total	27,040	27,388	+ 348

- 6.6 The impact across mainstream schools is summarised below and a school by school breakdown is attached at Annex E. It is important to recognise that previous modelling presented at Headteacher Consultation events and to the Schools Forum were based on October 2011 pupil data (as was stipulated by DfE) whereas the latest figures reflect pupil changes between January 2012 (the basis of 2012/13 funding) and October 2012 (the basis of 2013/14 funding).

Table 22 - 2013/14 Proposed Mainstream Funding compared to 2012/13 Actual Funding			
	Primary	Secondary	Total
2012/13 Total Delegated Funding - Jan 2012 PLASC & current formula	£59,052,870	£48,085,463	£107,138,333
2013/14 Proposed Delegated Funding - Oct 2012 PLASC & new formula	£60,820,933	£47,339,780	£108,160,713
Year on Year change	£1,768,063	-£745,683	£1,022,380
Number of Gaining Schools (<i>Oct 2011 estimate</i>)	41 (31)	2 (4)	43 (35)
Number of Losing Schools (<i>Oct 2011 estimate</i>)	20 (30)	8 (6)	28 (36)
Average Gain	£51,327	£44,019	
Average Loss	-£16,818	-£104,215	
Maximum Gain	£163,888	£63,102	
Maximum Loss	-£66,237	-£273,881	

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk. ³⁵

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Total Formula & Pupil Increases - Gaining Schools	£2,104,427	£88,039	£2,192,466
Total Formula & Pupil losses - Losing Schools	-£336,364	-£833,722	-£1,170,086
Value of MFG Protection included above	£613,388	£36,803	£650,191
Topslice of gaining schools to fund MFG protection at 2.8% reflected above	-£619,201	-£30,991	-£650,191

- 6.6 The MFG protection cost of £0.650m is in line with the October 2012 estimate of £0.585m and a number of schools will lose funding as a result of the formula changes and/or fewer pupils. The cost of MFG will need to be met by capping gaining schools increases at 2.8% per pupil. The table above and Annex E reflect MFG funding and the capping of gaining schools.

Remaining Funding Available

- 6.7 In section 2 Forum Members were advised that the total DSG funding available in 2013/14 is estimated at **£144,584,544** and, subject to Forum members' support, proposed funding allocations so far are as follows:
- Central Items - **£516,700** (Table 3)
 - Central Schools Items – pupil growth **£577,600** (Table 4)
 - De-delegation items - **£33,300** or £11,000 (Table 5)
 - High Needs items - **£6,267,900** (Table 6)
 - Corporate overheads - **£553,100** (paragraphs 3.9 to 3.10)
 - Disadvantaged 2 year olds - **£1,987,000** (Table 7)
 - 3 and 4 year old nursery provision - **£7,300,000** (Table 10)
 - Special Schools - **£10,217,337** (paragraph 5.6).
 - Special Resource Provision - **£4,034,947** (paragraph 5.12).
 - SEN outreach and support services - **£1,108,000** (table 17)
 - Indicative Alternative Provision settings - **£1,626,000** (table 20)
 - Hospital education services - **£191,000** (paragraphs 5.36 to 5.37)
 - Post 16 New responsibility funding - **£432,000** (paragraphs 5.38 to 5.39)
 - Newly Qualified Teachers - **£43,000** (paragraph 6.1)
 - Mainstream settings - **£108,160,703** (table 22)
- 6.8 The above services are estimated to require funding totalling £143.0049m – leaving £1.536m for distribution. An overview to pressures on the services funded by the DSG is provided below which culminates in proposals to delegate a further £1.5m to mainstream settings.

Early Years

- Disadvantaged 2 year old funding has been provided to cover the costs of achieving 20% take up throughout 2013/14 and it is highly unlikely that spending will reach this level in the early part of the year. Furthermore part year trajectory building funding has also been provided to increase take up to 40% of disadvantaged children

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- Although 3 and 4 year old funding is reducing next year the proposed budget will fund all existing demands and the levels of DSG will increase each term if take up increases
- There are therefore no obvious funding pressures in 2013/14 Early Years budgets.

High Needs

- Additional funding has been earmarked to meet extra places in September 2013 in both Special Schools and Special Resource Provision and these settings will automatically receive higher funding if pupils with higher needs are placed with them. No High Needs setting is attracting MFG funding next year although some settings with fewer pupils will need to reduce spending to remain sustainable.
- Funding has also been increased for commissioned SEN Outreach and Support Services.
- Within the retained budget contingency provision has also been made for increased mainstream pupils, increased out of Borough placements and also for additional Special School / Special Resource Provision placements.
- There are therefore no obvious funding pressures in 2013/14 pre 16 High Needs Budgets although the full implications of post 16 have yet to be clarified

Mainstream

- Additional funding has been allocated to reflect pupil growth between January 2012 and October 2012 and trigger funding will be made available for September 2013 planned expansions. Those schools with fewer pupils will however need to reduce spending to remain sustainable.
- The enforced formula changes have however caused funding reductions to a number of mainstream settings requiring MFG funding to be allocated of £650,000 which is being met by the capping of gains at 2.8%
- A number of mainstream settings are therefore facing challenging funding settlements in 2012/13.

- 6.9 Although the LA cannot provide funding to directly offset MFG costs any increases to mainstream funding will reduce the level of MFG payable. The LA is proposing therefore to increase the overall value of delegated school funding both on a recurring basis (from reductions to the 2013/14 retained budget (by using £1.5m of remaining DSG) and on a temporary basis (by using £0.9m of cumulative underspends on the retained budget - see separate report). Proposals on how this funding should be allocated are as follows;

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PROPOSAL 1 - Increase low prior attainment funding from £359.58 per eligible pupil by £341.99 to £701.57

- This is proposed as a permanent increase at a cost of £1.5m and is based on the LA's concern that under the new arrangements, mainstream schools will be required to fund the first £10,000 of costs for each of their SEN pupils from their notional delegated SEN budget.
- Although this is not dissimilar to current arrangements whereby schools submit requests for the SENRAP panel for funding to meet costs of provision above 15 hours, the make up of the notional SEN budget is rather arbitrary. For 2013/14 the LA's calculation is that each school will have funding available to meet the first £10,000 of costs from the following factors:
 - BPPE funding
 - Lump sum funding
 - EAL funding
 - IDACI funding
 - FSM deprivation funding
 - Low prior attainment funding
- It is relevant to recognise that not all SEN pupils cost £10,000 per year to educate and also that not all SEN pupils attract deprivation and EAL funding. The LA would suggest that the majority of SEN pupils will attract low prior attainment funding and that a tangible increase to this factor will provide targeted proportionate support to schools to meet SEN costs up to £10,000.
- A regional benchmarking exercise showed that Swindon is considerably below the South West average with regard to Low Prior Attainment Funding (see Annex F).
- The allocation of £1.5m will provide an additional £341.99 in 2013/14 to each of the 4,387 mainstream pupils recognised as having low prior attainment in the October 2012 census

6.10 The addition of £1.5m will increase funding allocations to mainstream schools in 2013/14 from £108.161m to £109.661m. The impact across mainstream schools is summarised below and a school by school breakdown is attached at Annex G.

Table 23 - 2013/14 Proposed Funding compared to 2012/13 Actual Funding with extra £1.5m prior attainment funding			
	Primary	Secondary	Total
2012/13 Total Delegated Funding - Jan 2012 PLASC & current formula	£59,052,870	£48,085,463	£107,138,333
2013/14 Proposed Delegated Funding - Oct 2012 PLASC plus increased prior attainment	£61,960,581	£47,700,409	£109,660,990
Year on Year change	£2,907,711	-£385,054	£2,522,657

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk ³⁸

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Number of Gaining Schools	50	4	54
Number of Losing Schools	11	6	17
Average Gain	£60,791	£55,896	
Average Loss	-£11,985	-£101,440	
Maximum Gain	£186,729	£131,939	
Maximum Loss	-£57,209	-£273,881	
Total Formula and Pupil Increases - Gaining Schools	£3,039,550	£223,584	£3,263,134
Total Formula and Pupil losses - Losing Schools	-£131,839	-£608,638	-£740,477
Value of MFG Protection included above	£412,518	£10,930	£423,447
Topslice of gaining schools to fund MFG protection @ 7.9% reflected above	-£423,447	£0	-£423,447

- 6.11 After allocating the additional low prior attainment funding the MFG protection cost reduces from £0.650m to £0.423m and would require the capping of gaining schools at 7.9% per pupil. The table above and Annex G reflect the payment of MFG funding and the capping of gaining schools - the majority of MFG is payable to primary settings

Schools Forum is asked to agree the proposed permanent increase to low prior attainment funding increasing the 2013/14 per pupil value to £701.57.

PROPOSAL 2 - Increase the primary BPPE rate from £2,589.88 by £52.40 to £2,642.28

- This is proposed initially as a temporary increase at a cost of £0.9m funded by using 50% of the cumulative underspends on the retained budget (see separate report).
- This is based on the benchmarking of proposed primary sector BPPE funding which showed that Swindon is below the South West average whereas secondary BPPE rates are very much in line. (see Annex F)
- The addition of £0.9m will increase funding allocations to mainstream schools in 2013/14 from £109.661m to £110.561m. Funding to maintain this increase should be available in 2014/15 from the balance of cumulative underspends and proposals will be presented to the Schools Forum during 2013 after the LA has obtained updated regional comparison data
- The impact across mainstream schools is summarised below and a school by school breakdown is attached at Annex H.

Further information on the subject of this report can be obtained from Steve Haley on 01793 465794 or Email shaley@swindon.gov.uk. ³⁹

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Table 24 - 2013/14 Proposed Funding compared to 2012/13 Actual Funding with £1.5m increased prior attainment funding and £0.9m primary BPPE increase

	Primary	Secondary	Total
2012/13 Total Delegated Funding - Jan 2012 PLASC & current formula	£59,052,870	£48,085,463	£107,138,333
2013/14 Proposed Delegated Funding - Oct 2012 PLASC plus increased prior attainment & increased primary BPPE funding	£62,860,656	£47,700,409	£110,561,065
Year on Year change	£3,807,786	-£385,054	£3,422,732
Number of Gaining Schools	56	4	60
Number of Losing Schools	5	6	11
Average Gain	£69,458	£55,896	
Average Loss	-£16,367	-£101,440	
Maximum Gain	£204,352	£131,939	
Maximum Loss	-£36,825	-£273,881	
Total Formula and Pupil Increases - Gaining Schools	£3,889,620	£223,584	£4,113,205
Total Formula and Pupil losses - Losing Schools	-£81,835	-£608,638	-£690,472
Value of MFG Protection included above	£279,997	£10,930	£290,927
Topslice of gaining schools to fund MFG protection @ 11.5% reflected above	-£290,927	£0	-£290,927

6.12 After allocating the additional low prior attainment funding and increasing primary BPPE funding the MFG protection cost reduces from £0.423m to £0.290m and would require the capping of gaining schools at 11.5% per pupil. The table above and Annex H reflect MFG funding and the capping of gaining schools - only 9 primary schools are due to receive funding increases above this level. Despite the allocation of additional funding 11 settings will still experience year on year funding reductions but this is mainly due to pupil reductions, particularly in secondary settings, which does not attract MFG protection.

Schools Forum is asked to agree the proposed temporary increase to primary BPPE funding increasing the 2013/14 per pupil value to £2,642.28.

Options to Apply Capping

6.13 At the Headteacher consultation events and October Schools Forum meeting the LA presented two options which were available under the School Finance Regulations to cap gaining schools in order to fund the costs of MFG. These options are:

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- A) To reduce the overall cash increase in all gaining schools by a fixed % age - this was originally calculated at 51% and remains accurate
- B) To limit the % increase per pupil in all gaining schools – this was originally calculated at 1.3% but is now much higher.

6.14 At both consultation events option B was preferred and this was supported at the October Schools Forum meeting. Both before and after the Forum meeting the LA received letters from the Headteachers at Eldene primary school raising concerns that the LA had misled SAPH at the consultation event regarding the merits of the two capping options and that SASH had expressed a preference for option B because the gaining secondary schools all benefited from this. In responding to this letter the LA contacted regional colleagues to ascertain which approach to capping they were using and 85% are using option B. The LA maintains that option B is the most logical and fairest way of dealing with this matter and the copy of the letter sent to Eldene explains this and is attached at Annex J.

6.15 As shown in table 24 the additional funding allocated to mainstream schools has significantly reduced the cost of MFG thereby allowing gains per pupil to be at 11.5% compared to the October estimate of 1.3%. This should therefore be positively received by Eldene and those other schools who stand to gain significant per pupil funding increases arising from the formula changes. In the circumstances, the LA would however still wish Schools Forum to review which of the two capping options is preferred and to reiterate support for option B.

Schools Forum is asked to agree that 2013/14 gains are capped by a % per pupil and not a % of the cash increase.

7. Conclusions and LA Concerns

Overall Financial Position 2013/14

- 7.1 Although the LA has yet to finalise its post 16 SEN funding arrangements the 2013/14 DSG settlement, together with reduced retained spending next year, would appear to provide a generally satisfactory 2013/14 funding position for pre 16 settings. Substantial funding is being provided for disadvantaged 2 year old children to access free nursery education and, although reduced due to a formula change, funding for 3 and 4 year olds will be provided to meet take up. Significant funding increases are being proposed for high needs settings next year, partly to recognise increased pupils.
- 7.2 The LA's approach to the mainstream funding changes required under the school funding reform programme, supported by the Schools Forum, has minimised turbulence to individual school budgets. Even though additional funding has been provided from the retained budget to enhance mainstream funding levels, it is acknowledged however that a number of Swindon

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settings will receive reductions next year due to funding redistributions and/or, in some cases, pupil reductions. As explained in section 6 the LA has formulated proposals to minimise MFG protection costs and allow significant increases to be allocated to gaining schools. Over the next few years further funding will transfer from the losing schools to the gaining schools as MFG costs reduce. This will be particularly challenging for some schools which will need to reduce their staffing levels and cost bases to remain sustainable. The sustainability of small schools remains uncertain although MFG is avoiding immediate funding reductions.

- 7.3 As previously reported the sustainability of all high needs setting will largely be determined by their popularity and occupancy as they will only receive a limited amount of guaranteed “place” funding. The cessation of inter LA recoupment also passes an administrative responsibility to all schools with high needs pupils which will need to maintain detailed records to ensure top up funding is collected from Local Authorities.
- 7.4 Due to the late issue of information and guidance the LA has so far focussed on pre 16 funding issues but work has recently commenced to assess the implications of the transfer to DSG of post 16 High Need pupil funding. It is unfortunate that national guidance is not being issued leaving individual LAs to locally determine banding and top up values for high needs pupils.
- 7.5 Over recent years Swindon has had to subsidise post 16 placement costs at Uplands and Out of Borough providers from the DSG as annual costs have exceeded the value of the £0.6m notional SEN post 16 block grant. Initial 2013/14 estimates indicate that this position may be exacerbated as the costs of meeting new responsibilities (i.e. the top up fees payable to Further Education colleges and Independent Non Maintained Specialist providers) could exceed the value of extra funding included in the DSG. Further DSG is expected to be received in 2013/14 for growth in high needs places but there is a risk that final post 16 costs may result in a budget pressure. If necessary this may need to be temporarily funded from the balance of retained budget underspends which the LA expects to carry forward at the end of the current financial year. Further details on post 16 funding will therefore be reported to the March 2013 Schools Forum.
- 7.6 On a related matter the LA is pursuing guidance on how the Schools Forum should be constituted to best represent the view of FE colleges and ISP providers in discussion about budgets for Post 16 High Needs SEN going forward.

2014/15 Issues

- 7.7 Although the EFA have not raised any concerns with the LA regarding its new formula so far, despite the more prescriptive school finance regulations,

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there are still wide implementation differences even across the South West region and it is possible that further changes may be imposed by DfE in 2014/15. They will be using the LA January 2013 proformas to look for patterns and anomalies between 2012-13 and 2013-14 and, as opposed to a further consultation, are seeking to work with 11 LAs (including 4 F40 Authorities) between mid-January and mid- February to review the following questions:

1. Are we moving towards national consistency?
2. Are there any unintended consequences as a result of the changes we made in 2013-14?
3. What are the main issues for Local Authorities and providers in implementing the high need reforms?

7.8 A November 2012 presentation by DfE to the Association of Directors of Children Services included the following items which DfE are likely to explore as part of this review:

- **Primary to Secondary funding ratios** – this was considered by DfE in earlier consultation documents but subsequently deferred. LAs may therefore be required to set secondary funding at a level which is nationally determined to be a defined percentage above primary funding in 2014/15.
- **Pupil Led Thresholds** – DfE are striving for simplicity and a model which is essentially pupil led as reflected in the new School finance regulations which have only 2 mandatory factors (BPPE and deprivation) plus 10 other optional factors (including lump sums, EAL, SEN etc.) LAs may therefore be required to either reduce the number of optional factors or the value of funding that can be allocated via optional factors in 2014/15.
- **Prior Attainment** – DfE are aware that a replacement measure to the Early Years Foundation Stage Profile is required on which to base primary prior attainment funding.
- **Deprivation** – DfE are looking at whether deprivation funding should be targeted in a way which moves us towards each deprived pupil receiving the same amount. This implies that DfE may wish to cease the use of IDACI bandings and to allocate local deprivation funding along with the Pupil Premium using FSM data. This would have a very significant impact on those schools whose pupils are from deprived households but whose parents choose not to access free school meals.
- **Efficiency and Small Schools** – A number of LAs made representations to DfE about the cessation of small school protection models which resulted in the eventual softening of regulations in mid-December to allow a degree of continued funding for these schools over and above MFG protection. It remains to be seen however whether this will be sustainable in 2014/15 and thereafter when a national school funding formula is expected to be introduced. DfE are therefore reviewing the threat of

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closure of good, essential small schools in rural areas. In the meantime all small schools in Swindon are encouraged to explore all options to reduce their cost bases including possibilities to federate or amalgamate.

- 7.9 The LA's main concern regarding the school funding reform programme is still the continuing disparity in DSG funding levels across the country which has been exacerbated since the introduction of the Pupil Premium. The LA has, via the F40 consortium of low funded LAs, continued to lobby for an early resolution to this position and is pleased that four F40 LAs have been selected by DfE (North Yorkshire, Somerset, Staffordshire and Worcestershire) as case studies for their imminent review. Given the Chancellor's autumn statement, which signalled the continuation of austerity measures up to 2018, Schools Forum is advised that there is a stronger likelihood that other LA funding levels will reduce rather than Swindon and other F40 LAs funding increasing in the short to medium term.
- 7.10 The LA is disappointed at the level of core funding that will transfer to Academies under the terms of the new Education Services Grant which will provide the LA with £15 for all pupils in the Borough plus £132 for all pupils in maintained settings. The EFA will reduce SBC core funding by £132 per Academy pupil in 2013/14 although it is understood that funding at £150 per pupil will actually be provided to Academies. The LA and indeed LAs across the country feel strongly that the level of funding transferring to Academies is disproportionate. The loss of SBC core funding equates to £2.0m next year and contributes to an overall budget gap for the LA of £17.5m.

Alternative Options

The LA is required to implement the changes detailed in this report from 2013/14 and any scope for local discretion has been highlighted throughout this and previous reports to the Schools Forum on the school funding reform programme.

Risk Management

Financial and Procurement Implications

- These are set out through the report and in the Annexes attached.

Legal / Human Rights Implications

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

Links to Corporate Plans and Policies (in particular One Swindon Priorities)

- Scheme for Financing Swindon Schools and the local fair funding formula.

Diversity Impact Assessments

- The DfE School funding reform is aimed at simplifying fair funding and although funding changes at individual settings are inevitable the DfE believes that the Minimum Funding Protection scheme will be sufficient.

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Consultees

The Board Director – Finance, Revenues, Benefits and Property (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

Background Papers and Annexes

Annexes to support the 2013/14 retained budget proposals:

Annex A – Estimated Trigger Funding

Annex B – Tuition Service Overview and Budget Statement

Annex C – Out of Borough, Independent and Other LA Placements

Annex D – Retained Budget Summary

Annexes to support 2013/14 school funding proposals:

Annex E – Summary of 2013/14 mainstream funding

Annex F – Regional Benchmarking comparisons

Annex G – Summary of 2013/14 mainstream funding with increased low prior attainment funding

Annex H – Summary of 2013/14 mainstream funding with increased low prior attainment and increased primary BPPE funding

Annex J – Letter to Eldene Primary school regarding capping of gains

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Trigger Funding Calculation for Planned Expansion

	BPPE Rate @ £2,589.98	Estimated Trigger Funding for planned expansions
Primary Schools		
Abbey Meads	£ 2,589.88	£ 51,366
Catherine Wayte	£ 2,589.88	£ 34,748
Drove	£ 2,589.88	£ 34,748
East Wichel	£ 2,589.88	£ 83,092
Even Swindon	£ 2,589.88	£ 46,834
Haydonleigh	£ 2,589.88	£ 46,834
Oakhurst	£ 2,589.88	£ 37,769
Orchid Vale	£ 2,589.88	£ 46,834
Red Oaks	£ 2,589.88	£ 42,301
Rodbourne Cheney	£ 2,589.88	£ 55,898
St Francis	£ 2,589.88	£ 46,834
Total Trigger Funding @ BPPE rate submitted to DfE October 2012		£ 527,256
Assumed 3% uplift to reflect potential increase in BPPE value		£ 15,818
Total Trigger Funding with 3% uplift		£ 543,100

Funding is based upon the estimated number of additional pupils in expansion classes from September 2013

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Aims of the Tuition Service: The aim of Swindon Tuition Service is to provide personalised educational support for pupils who are unable or sometimes unwilling to access a school environment. The education provided should be for the briefest period possible with the clear intention of reintegration to full time educational provision as soon as a placement is available.

Service capacity: At the end of academic year 2011/12 the service was supporting over 80 pupils. This academic year we began with 30 pupils and are currently running at 60.

The net budget for 2013/14 is £787k which is £137k above the current year budget of £650k. The main reason for the increase is the budget transfer of Wizard placement funding which is currently included within the Out of Borough Budget. A summary of the proposed 2013/14 budget plan is shown below with commentaries on the main year on year changes.

Budget Plan 2013/14: A summary of the 2012/13 and 2013/14 budget is provided below

Description	Budget 2012/13 (£'000)	Proposed Budget 2013/14 (£'000)	Comments
Staffing Management costs	133	160	Increase due to additional resource 0.5 Curriculum Lead.
Administration costs	19	19	
Teaching Costs	392	406	Increase for teaching supply costs
Total Staffing costs	544	585	This increase is due to development of the service in recruiting an Administration Assistant and soon a SENCO as well as incorporating the Curriculum Lead to this budget area in order to present a 'stand-alone model'.
Commissioned work	24	24	SBC Traded Services- Education Welfare, Youth Engagement Worker, Educational Psychologist.
	80	235	Contracted- Increase in this budget area supported by £120k transferred from Out of Borough budget to pay for placements at Wizard Independent School. Additional commissioned projects e.g. The Shed to support bespoke programmes totalling £35k
Supplies and services	88	69	The main reduction is due to Home to school transport (statutory provision) being funded by general fund from April 2013
Gross spend	736	913	Year on Year Spending Increase of £177k
Income	86	126	See breakdown below
Net budget	650	787	Year on Year Net Budget Increase of £137k

Income Estimate 2013/14: Tuition Service Income (assuming average occupancy of 40 pupils). Percentages of pupils are based on a snapshot of pupil list actual profile 21/12/13. This is based on the LA's understanding of the 2013/14 charging arrangements within the recently issued revised school finance regulations and is subject to confirmation by the EFA.

Percentage/pupil numbers/from where	Description of potential funding 2013/14	Total potential income
Approximately 20 pupils still on roll of a school not permanently excluded	Charge of 80% of BPPE and other pupil led funding provisionally estimated at an average of £3.2k per year	£64k
Approximately 8 permanent exclusion/permanent exclusion withdrawal pupils between April 2013 and 31 st March 2014. Not able attend Stratton Education Centre. Subject to Schools' Forum agreeing the principle full year funding may also be receivable by the Tuition and EOTAS service for pupils which were excluded October 2012 Plasc date and 31 st March 2013.	BPPE and funding related to the pupil. 8 pupils to be charged during the year at an average of £4k each. Additional funding may be receivable for these pupils.	£32k
Approximately 4 pupils with a statement of special educational needs. Previously attending mainstream or special school or special resourced provision.	Receipt of additional SENRAP funding allocated to mainstream settings which would follow the pupil transferring to Tuition Service. Receipt of proportionate top up funding either when a pupil is referred to the Tuition Service by a high needs setting or when the LA commissions a new placement.	£20k £0k
Approximately 8 pupils who are either on the Tuition Service as at October 2012 Plasc or who join the Borough after Plasc date	Not chargeable - costs must be met from the Tuition Service base budget.	£0k
Income from Bespoke Packages	Wizard Placements	£10k
Projected total income		£126k

Summary of Spending Changes: The above provides detail on the budget structure for the Tuition Service. There is a projected rise in total expenditure budget from £736k to £913k. This is a rise of £177k. As noted above there has been a transfer of funds in to the budget of £120k for places at Wizard Education Independent School. This leaves £57k and the table below summarises the expenditure that has led to this increase.

Description of expenditure	Cost (£'000)
Curriculum lead post (0.5fte) previously funded from core budgets	30
Supply cover	10
Staffing inflation at an assumed 1%	5
Commissioned work (contracted)	35
Home to school transport	(-12)
Other minor changes	(-11)
Total	57

Indicative Costs per Pupil: Gross spend of £913k will provide a tuition service for an average of 40 pupils which equates to an approximate unit cost of £22,800. It is however relevant to note that the service must be resourced to provide places for up to 70 pupils as there is a very high level of pupil mobility. After bringing in income from charges the net cost to the DSG is £787k which equates to £19,700 per pupil.

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Schedule of Out of Borough, Independent & Other Local Authority Placements 2013/14 Budget Annex C

Pupil Initial	Pre 16 Placements in non maintained settings	Start date	End date	Type of Provision	Estimated 2013/14 cost
KC	Mulberry Bush	01/04/2013	31/03/2014	specialist residential therapeutical behaviour, emotional and social difficulties	£47,877
TF	St Edwards, Hampshire	01/04/2013	31/03/2014	specialist residential behaviour, emotional and social difficulties (boys)	£69,399
KF	Cotswold Chine	01/04/2013	31/03/2014	specialist residential behaviour, emotional and social difficulties	£118,264
SF	Farleigh College	01/04/2013	31/03/2014	specialist residential autistic spectrum continuum	£97,451
TG	Chelfham Senior School	01/04/2013	31/03/2014	specialist residential complex autistic spectrum continuum with behaviour, emotional and social vulnerabilities	£80,986
MH	Southlands	01/04/2013	31/03/2014	specialist residential autistic spectrum continuum or aspergers with other associated difficulties	£125,970
AJ	Chelfham Senior School	01/04/2013	31/03/2014	specialist residential complex autistic spectrum continuum with behaviour, emotional and social vulnerabilities	£139,041
LL	North Hill House	01/04/2013	31/03/2014	specialist residential aspergers and associated difficulties	£87,437
MGW	Grateley House School	01/04/2013	31/03/2014	specialist residential aspergers and associated difficulties	£130,290
SP	Queenswood School	01/04/2013	31/03/2014	specialist residential behaviour, emotional and social difficulties	£61,320
SP	Wilds Lodge School	01/04/2013	31/03/2014	specialist residential behaviour, emotional and social difficulties	£80,000
CS	Mark College	01/04/2013	31/03/2014	specialist residential specific learning or language difficulties (eg dyslexia)	£25,059
MS	Mark College	01/04/2013	31/03/2014	specialist residential specific learning or language difficulties (eg dyslexia)	£24,657
RS	Phoenix School	01/04/2013	31/03/2014	specialist Autistic Spectrum Continuum	£24,700
DS	Mulberry Bush	01/04/2013	31/03/2014	specialist residential therapeutical behaviour, emotional and social	£12,000
TS	Crossways	01/04/2013	31/03/2014	education setting attached to a residential childrens home offering bespoke packages of education	£39,107
JT	Mary Hare	01/04/2013	31/03/2014	specialist residential hearing impairment	£52,500
WV	Cruckton Hall School (Kisimul)	01/04/2013	31/03/2014	specialist residential complex autistic spectrum continuum with behaviour, emotional and social vulnerabilities	£70,782
PW	Chelfham Senior School	01/04/2013	31/03/2014	specialist residential complex autistic spectrum continuum with behaviour, emotional and social vulnerabilities	£75,870
LW	Farleigh College	01/04/2013	31/03/2014	specialist residential autistic spectrum continuum	£109,770
TW	Priors Court	01/04/2013	31/03/2014	Specialist residential autism spectrum disorder and severe and complex learning difficulties.	£97,641
MR	Mark College	01/04/2013	31/03/2014	specialist residential specific learning or language difficulties (eg dyslexia)	£76,035
22	Total known placements at current costs				£1,646,156
	Contingency provision for inflation @ 2%				£32,923
	Contingency provision for 3 new places at average annual cost of £69,075				£207,225
	Total pre 16 Out of Borough Budget 2013/14				£1,886,304
Pupil Initial	Post 16 Placements in non maintained settings	Start date	End date	Type of Provision	Estimated 2013/14 cost
TC	Bladen House School	01/04/2013	31/03/2014	specialist residential autism, speech and language disorders, moderate to severe learning difficulties and associated behavioural difficulties.	£50,000
AF	Chelfham Senior School	01/04/2013	31/03/2014	specialist residential complex autistic spectrum continuum with behaviour, emotional and social vulnerabilities	£157,923
MG	Cotswold Chine	01/04/2013	31/03/2014	specialist residential behaviour, emotional and social difficulties	£117,781
LK	Cotswold Chine	01/04/2013	31/03/2014	specialist residential behaviour, emotional and social difficulties	£134,821
RL	Maranatha Christian School	01/04/2013	31/03/2014	independent non-selective co-educational day school	£7,700
JLL	Chelfham School	01/04/2013	31/03/2014	specialist residential complex autistic spectrum continuum with behaviour, emotional and social vulnerabilities	£6,281
SPN	Mary Hare	01/04/2013	31/03/2014	specialist residential hearing impairment	£35,064
DR	Wessex College	01/04/2013	31/03/2014	specialist residential behaviour, emotional and social difficulties	£25,276
GR	NCH Penhurst School	01/04/2013	31/03/2014	specialist residential complex disabilities associated with p	£92,185
WR	Exeter Royal Academy for Deaf Education	01/04/2013	31/03/2014	specialist residential hearing impairment	£61,000
DS	Cotswold Chine	01/04/2013	31/03/2014	specialist residential behaviour, emotional and social difficulties	£136,385
RT	Mary Hare	01/04/2013	31/07/2013	specialist residential hearing impairment	£11,563
DV	Crossways	01/04/2013	31/03/2014	education setting attached to a residential childrens home offering bespoke packages of education	£40,671
JV	Mary Hare	01/04/2013	31/03/2014	specialist residential hearing impairment	£32,628
LW	Exeter Royal Academy for Deaf Education	01/04/2013	31/07/2013	specialist residential hearing impairment	£18,867
MW	Queenswood School	01/04/2013	31/03/2014	specialist residential behaviour, emotional and social difficulties	£50,560
16	Total known placements at current costs				£978,704
	Contingency provision for inflation @ 2%				£19,574
	Contingency provision for 2 new places at average annual cost of £69,075				£138,150
	Total post 16 Out of Borough Budget 2013/14				£1,136,428
	Pre 16 placements in other LA maintained settings				
31	29 x pre16 and 2 x post 16 placements previously managed via the inter LA recoupment process - LAs must now pay top up fees for their pupils after DSG baseline adjustments				£255,000
69	Total Out of Borough Placement Budget 2013/14				£3,277,732

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Summary of Retained DSG Budget 2012-13 to 2013-14**Allocation of existing centrally retained budgets across new DSG categories**

Directorate / Service Description	2012-13 Budget	Budget changes	Budget Transfers	Proposed 2013-14 Draft Budget	2013-14 Central Items	2013-14 Central Schools (Pupil Growth)	2013-14 Schools Block (Delegation)	2013-14 High Needs Block	2013-14 Early Years Block	2013-14 High Needs Block (Delegated-PRU)
Central Items	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Admissions	200,000			194,700	194,700					
Schools Forum	2,000	-5,300		2,000	2,000					
Redundancy Costs	100,000			100,000	100,000					
School Equal pay costs	224,000	-64,000		160,000	160,000					
Licences- new cost		60,000		60,000	60,000					
Central School Items (Pupil Growth)										
Pupil Growth (Set up costs)	370,000	-335,500		34,500		34,500				
Primary Pupil Growth (Croft pre- opening costs)	185,000	-185,000								
Pupil Growth (Trigger Funding)	844,000	-300,901		543,100		543,100				
Pupil Growth (Infant Class Size)										
De-Delegation Items										
Free school Meals Eligibility Assessment	10,800	200		11,000			11,000			
Trade Union Facilities	22,100	200		22,300			22,300			
Schools and Learning Interventions	185,000	-185,000								
Schools in Challenging Financial Circumstances	322,000	-322,000								
High Needs Block items Affecting Schools										
Portage Sallway	148,000	1,100		149,100				149,100		
Education Support Service	10,000			10,000				10,000		
Statemented Pupils Equipment	130,000			130,000				130,000		
Speech and Language Therapy	164,000		-64,000	100,000				100,000		
Travellers Children	77,000	-77,000						-		
Special Education Needs Resource Assessment Panel	1,369,000	399,100		1,768,100				1,768,100		
The Oakfield Project	46,000			46,000				46,000		
Tuition Service	650,000	17,000	120,000	787,000				787,000		
Out of Borough School Fees & OLA Placements	3,050,000	347,700	-120,000	3,277,700				3,277,700		
Early Years Block										
Early Years Single Funding Formula 3 & 4 year olds	7,820,000	-520,000		7,300,000					7,300,000	
Alternative Provision										
Education Other Than At School - to be delegated	1,473,000	61,100		1,534,100						1,534,100
Other Budgets - no longer required										
Academy LACSEG Recoupment- Ceasing	666,000	-666,000								
Additional DSG 2012/13 - retained as a contingency	84,000	-84,000								
Subtotal retained budget	18,151,900	-1,858,301	-64,000	16,229,600	516,700	577,600	33,300	6,267,900	7,300,000	1,534,100
Corporate Overheads charged to DSG	860,000	-200,000		660,000	19,491	21,789	0	236,443	275,377	106,900
Total Retained Budget including overheads	19,011,900	-2,058,301	-64,000	16,889,600	536,191	599,388	33,300	6,504,343	7,575,377	1,641,000

Notes

A	B
	16,889,600

A - The net effect of retained changes between 2012/13 and 2013/14 is that funding of £2.058m can be permanently released and added to delegated schools budgets. Some of this funding is required to meet increased costs in special schools and special resource provision (see section 5 of the SF report) whilst the balance can be added to enhance mainstream budgets (see section 6 of the SF report)

B - The transfer relates to the movement in budget between Out of Borough and the Tuition Service (£120,000) and the movement of Therapy service funding to special schools and SRP's (£64,000)

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Summary of individual school budgets based on October 2012 pupils and existing BPPE rates etc

Pupil Numbers			School Name	2012 Adjusted Budget Share to reflect mainstream funding only (Jan 2012 Pupils)	2013/14 Provisional Budget Share Mainstream funding only (Oct 12 Pupils)	Gaining Schools after capping where appropriate	Losing Schools loss after MFG protection where payable
Jan-12	Oct-12	Variance					
330	362	32	Abbey Meads Community Primary	£1,154,452	£1,248,576	£94,124	
253	252	-1	Beechcroft Infants	£915,013	£911,289		-£3,724
35	35	0	Bishopstone School	£273,834	£271,631		-£2,203
242	262	20	Bridlewood Primary School	£806,508	£862,581	£56,073	
403	405	2	Brook Field County Primary	£1,310,294	£1,287,317		-£22,977
368	386	18	Catherine Wayte Primary School	£1,167,003	£1,215,897	£48,894	
154	166	12	Chiseldon Primary School	£536,672	£576,030	£39,358	
131	136	5	Colebrook Infant Academy	£500,411	£513,410	£12,999	
154	173	19	Colebrook Junior School	£517,977	£584,570	£66,593	
330	345	15	Covingham Park Primary School	£1,101,856	£1,139,811	£37,955	
506	543	37	Drove Primary School	£1,841,368	£1,925,369	£84,001	
126	162	36	East Wichel Community Primary School	£540,154	£699,009	£158,855	
168	169	1	Eastrop Infants	£579,676	£575,095		-£4,581
303	310	7	Eldene Primary School	£1,091,793	£1,121,245	£29,452	
390	417	27	Even Swindon Primary School	£1,414,240	£1,484,728	£70,488	
362	368	6	Ferndale Community Primary	£1,276,623	£1,300,392	£23,769	
406	422	16	Goddard Park Primary School	£1,572,923	£1,672,490	£99,567	
390	389	-1	Gorse Hill Primary	£1,463,909	£1,397,672		-£66,237
267	269	2	Grange Infants	£896,101	£895,180		-£921
335	338	3	Grange Junior School	£1,078,692	£1,086,766	£8,074	
243	264	21	Greenmeadow School	£797,592	£872,649	£75,057	
260	271	11	Haydon Wick Primary School	£890,990	£926,977	£35,987	
393	428	35	Haydonleigh Primary School	£1,245,523	£1,311,710	£66,187	
271	283	12	Holy Family Catholic Primary	£1,004,539	£1,081,209	£76,670	
183	182	-1	Holy Rood Catholic Infant Sch	£679,620	£675,355		-£4,265
272	272	0	Holy Rood R.C. Junior	£926,843	£929,428	£2,585	
169	185	16	King William Street Ce	£594,122	£651,168	£57,046	
340	354	14	Lainesmead Primary School	£1,315,639	£1,359,807	£44,168	
416	410	-6	Lawn Primary School	£1,383,614	£1,376,716		-£6,898
478	481	3	Lethbridge Primary School	£1,496,919	£1,477,036		-£19,883
303	296	-7	Liden Primary School	£1,080,531	£1,049,302		-£31,229
299	301	3	Millbrook Primary	£1,083,968	£1,092,708	£8,740	
412	412	0	Moredon Primary & Nursery School	£1,601,954	£1,649,281	£47,327	
184	206	22	Mountford Manor Primary School	£771,988	£827,103	£55,115	
171	169	-3	Nythe Primary School	£624,988	£637,456	£12,468	
320	378	58	Oakhurst Community Primary School	£1,070,177	£1,234,065	£163,888	
260	288	28	Oaktree Primary School	£1,111,399	£1,251,263	£139,864	
149	141	-8	Oliver Tomkins C.E. Infant School	£577,736	£554,034		-£23,702
169	160	-9	Oliver Tomkins C.E. Junior	£620,215	£607,876		-£12,339
239	268	29	Orchid Vale Primary School	£907,777	£988,493	£80,716	
192	193	1	Peatmoor Community Primary	£665,454	£670,509	£5,055	
259	245	-14	Penhill (Swindon Academy)	£1,108,365	£1,076,604		-£31,761
419	445	26	Red Oaks Primary School	£1,512,121	£1,545,595	£33,474	
404	403	-1	Robert Le Kyng Primary School	£1,403,299	£1,382,369		-£20,930
197	226	29	Rodbourn Cheney Primary School	£734,748	£839,928	£105,180	
368	348	-20	Ruskin Junior	£1,255,025	£1,220,522		-£34,503
260	262	2	Seven Fields Primary School	£1,120,296	£1,117,922		-£2,374
363	356	-7	Shaw Ridge Primary School	£1,243,681	£1,257,911	£14,230	
105	107	2	South Marston C Of E Primary	£466,406	£475,555	£9,149	
228	230	2	Southfield Junior	£734,419	£753,185	£18,766	
196	195	-1	St Catherine'S Primary	£669,157	£683,408	£14,251	
329	366	37	St Francis C Of E	£1,042,546	£1,134,463	£91,917	
186	199	13	St Leonard'S Ce Primary Academy	£607,140	£644,082	£36,942	
283	286	3	St Mary'S Rc School	£945,970	£960,812	£14,842	
166	172	6	Toothill School	£679,402	£707,781	£28,379	
206	202	-4	Tregoze Primary	£701,587	£692,210		-£9,377
199	198	-1	Wanborough Primary School	£662,700	£656,154		-£6,546
296	300	4	Westlea School	£1,012,103	£1,037,064	£24,961	
197	196	-2	Westrop Primary	£692,510	£682,597		-£9,913
270	260	-10	Wroughton Infants School	£920,319	£898,316		-£22,003
323	331	8	Wroughton Junior School	£1,049,989	£1,061,250	£11,261	
924	898	-26	Churchfields Academy	£4,571,152	£4,548,891		-£22,261
1,021	943	-78	Dorcan Academy	£4,781,791	£4,516,853		-£264,938
923	894	-29	The Lydiard Park Academy	£4,291,478	£4,189,597		-£101,881
915	918	3	Highworth Warneford School	£3,972,494	£3,928,679		-£43,815
1,166	1161	-5	Isambard Community School	£5,446,854	£5,434,806		-£12,048
1,233	1205	-28	Kingsdown School	£5,414,321	£5,339,185		-£75,136
1,052	1034	-18	Nova Hreod	£5,376,409	£5,401,346	£24,937	
1,085	1075	-10	St Joseph'S Catholic College	£4,879,367	£4,839,605		-£39,762
1,047	1078	32	The Commonweal School	£4,678,190	£4,741,292	£63,102	
1,049	1005	-44	The Ridgeway School	£4,673,407	£4,399,526		-£273,881
16,629	17,177	547	Primary Total	£59,052,870	£60,820,933	£2,104,427	-£336,364
10,411	10,211	-200	Secondary Total	£48,085,463	£47,339,780	£88,039	-£833,722
27,040	27,388	348	Total	£107,138,333	£108,160,713	£2,192,466	-£1,170,086

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Local Authority	Basic Per Pupil Element			Commentary re BPPE's	Prior Attainment			Commentary re Prior Attainment
	Primary	KS3	KS4		EYFSP 73 points	EYFSP 78 points	KS2 < level 4	
Bath & North East Somerset	£2,551.95	£3,438.13	£4,352.56		£820.56	£0.00	£2,607.56	
Dorset	£2,388.76	£3,522.02	£4,246.42		£1,500.00	£0.00	£1,500.00	
Herefordshire	£2,756.00	£3,982.00	£3,982.00		£0.00	£228.00	£355.00	
Torbay Council	£2,789.80	£3,786.00	£4,016.25		£0.00	£793.02	£2,143.81	
South Gloucestershire	£2,337.84	£3,729.26	£3,972.87		£0.00	£999.92	£3,405.04	
Bristol	£2,487.00	£3,631.02	£3,837.40		£1,100.00		£1,944.00	
Worcestershire	£2,888.00	£3,642.00	£4,479.00		£0.00	£1,087.90	£2,726.80	
Poole	£2,426.21	£3,290.29	£4,391.16		£0.00	£1,094.60	£1,739.90	
Gloucestershire	£2,876.00	£3,748.00	£4,497.00		£0.00	£1,608.00	£4,525.00	Gloucestershire is very much above region
Wiltshire	£2,845.14	£3,843.06	£4,702.93		£0.00	£606.66	£960.82	
Cornwall	£2,741.00	£3,506.01	£4,670.94		£662.00	£0.00	£1,088.00	
TOTAL	£29,087.70	£40,117.79	£47,148.53	Lowest and highest funding rates highlighted	£4,082.56	£6,418.10	£22,995.93	Lowest and highest funding rates highlighted
Swindon	£2,594.18	£3,652.18	£4,455.65		£0.00	£359.58	£359.58	
Swindon KS3 / KS4 Average		£4,053.92						
Comparisons								
SW AVERAGE - exc SBC	£2,644.34	£3,647.07	£4,286.23		£954.61		£2,090.54	
SW AVERAGE - unofficial	£2,730.00	£3,910.00	£4,392.00		£818.00		£2,158.00	
Overall AVERAGE	£2,687.17	£3,778.54	£4,339.12		£886.30		£2,124.27	Most LAs fund KS3/4 at higher levels than KS1
Overall KS3 / KS4 Average		£4,058.83						
SBC v Average £ difference	£92.99	£4.91		SBC is paying £90.90 below average @ KS1	£526.72		£1,764.69	SBC is paying well below average for prior attainment

SBC Proposal

Although other LA rates are provisional there would appear to be strong evidence that all prior attainment funding should be increased - suggest this is done using all available surplus DSG to implement permanent increases. This will ease pressure on all schools which have SEN pupils (assuming prior attainment targets this) and will help provide the notional SEN budget available to meet the first £10k of costs for all high needs pupils.

Funding Available

Based on the information available there is £1,500,000 available for allocation in 2013/14

Impact on SBC funding rates

This would allow all prior attainment funding to increase from £359.58 per pupil to £701.57 an increase of £341.99

Impact on school funding

This would reduce the overall cost of MFG and allow all gaining schools to receive higher per pupil funding increases

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Individual school budgets based on October 2012 pupils, existing BPPE rates plus £1.5m increased prior attainment funding

School Name	2012 Adjusted Budget Share to reflect mainstream funding only (Jan 2012 Pupils)	2013/14 Provisional Budget Share Mainstream funding only (Oct 12 Pupils)	Gaining Schools after capping where appropriate	Losing Schools loss after MFG protection where payable
Abbey Meads Community Primary	£1,154,452	£1,266,715	£112,263	
Beechcroft Infants	£915,013	£921,728	£6,715	
Bishopstone School	£273,834	£271,631		-£2,203
Bridlewood Primary School	£806,508	£862,581	£56,073	
Brook Field County Primary	£1,310,294	£1,300,140		-£10,154
Catherine Wayte Primary School	£1,167,003	£1,215,897	£48,894	
Chiseldon Primary School	£536,672	£581,021	£44,349	
Colebrook Infant Academy	£500,411	£513,410	£12,999	
Colebrook Junior School	£517,977	£607,939	£89,962	
Covingham Park Primary School	£1,101,856	£1,139,811	£37,955	
Drove Primary School	£1,841,368	£1,986,325	£144,957	
East Wichel Community Primary School	£540,154	£699,009	£158,855	
Eastrop Infants	£579,676	£584,109	£4,433	
Eldene Primary School	£1,091,793	£1,170,945	£79,152	
Even Swindon Primary School	£1,414,240	£1,551,281	£137,041	
Ferndale Community Primary	£1,276,623	£1,310,830	£34,207	
Goddard Park Primary School	£1,572,923	£1,727,700	£154,777	
Gorse Hill Primary	£1,463,909	£1,406,700		-£57,209
Grange Infants	£896,101	£895,180		-£921
Grange Junior School	£1,078,692	£1,086,766	£8,074	
Greenmeadow School	£797,592	£881,742	£84,150	
Haydon Wick Primary School	£890,990	£933,282	£42,292	
Haydonleigh Primary School	£1,245,523	£1,318,014	£72,491	
Holy Family Catholic Primary	£1,004,539	£1,122,711	£118,172	
Holy Rood Catholic Infant Sch	£679,620	£681,014	£1,394	
Holy Rood R.C. Junior	£926,843	£943,179	£16,336	
King William Street Ce	£594,122	£661,713	£67,591	
Lainesmead Primary School	£1,315,639	£1,405,461	£89,822	
Lawn Primary School	£1,383,614	£1,397,811	£14,197	
Lethbridge Primary School	£1,496,919	£1,477,036		-£19,883
Liden Primary School	£1,080,531	£1,073,548		-£6,983
Millbrook Primary	£1,083,968	£1,139,958	£55,990	
Moredon Primary & Nursery School	£1,601,954	£1,668,467	£66,513	
Mountford Manor Primary And Nursery School	£771,988	£862,973	£90,985	
Nythe Primary School	£624,988	£663,455	£38,467	
Oakhurst Community Primary School	£1,070,177	£1,254,722	£184,545	
Oaktree Primary School	£1,111,399	£1,298,128	£186,729	
Oliver Tomkins C.E. Infant School	£577,736	£576,358		-£1,378
Oliver Tomkins C.E. Junior	£620,215	£632,585	£12,370	
Orchid Vale Primary School	£907,777	£989,359	£81,582	
Peatmoor Community Primary	£665,454	£676,991	£11,537	
Penhill (Swindon Academy)	£1,108,365	£1,106,637		-£1,728
Red Oaks Primary School	£1,512,121	£1,564,383	£52,262	
Robert Le Kyng Primary School	£1,403,299	£1,436,139	£32,840	
Rodbourne Cheney Primary School, Broadway, Swindon	£734,748	£865,594	£130,846	
Ruskin Junior	£1,255,025	£1,252,194		-£2,831
Seven Fields Primary School	£1,120,296	£1,167,965	£47,669	
Shaw Ridge Primary School	£1,243,681	£1,257,911	£14,230	
South Marston C Of E Primary	£466,406	£475,555	£9,149	
Southfield Junior	£734,419	£766,417	£31,998	
St Catherine'S Primary	£669,157	£712,070	£42,913	
St Francis C Of E	£1,042,546	£1,137,299	£94,753	
St Leonard'S Ce Primary Academy	£607,140	£666,625	£59,485	
St Mary'S Rc School	£945,970	£973,337	£27,367	
Toothill School	£679,402	£718,307	£38,905	
Tregoze Primary	£701,587	£709,121	£7,534	
Wanborough Primary School	£662,700	£656,154		-£6,546
Westlea School	£1,012,103	£1,070,467	£58,364	
Westrop Primary	£692,510	£697,565	£5,055	
Wroughton Infants School	£920,319	£898,316		-£22,003
Wroughton Junior School	£1,049,989	£1,070,300	£20,311	
Churchfields Academy	£4,571,152	£4,593,471	£22,319	
Dorcan Academy	£4,781,791	£4,561,584		-£220,207
The Lydiard Park Academy	£4,291,478	£4,229,307		-£62,171
Highworth Warneford School	£3,972,494	£3,951,179		-£21,315
Isambard Community School	£5,446,854	£5,461,299	£14,445	
Kingsdown School	£5,414,321	£5,392,646		-£21,675
Nova Hreod	£5,376,409	£5,431,289	£54,880	
St Joseph'S Catholic College	£4,879,367	£4,869,977		-£9,390
The Commonweal School	£4,678,190	£4,810,129	£131,939	
The Ridgeway School	£4,673,407	£4,399,526		-£273,881
Primary Total	£59,052,870	£61,960,581	£3,039,550	-£131,839
Secondary Total	£48,085,463	£47,700,409	£223,584	-£608,638
Total	£107,138,333	£109,660,990	£3,263,134	-£740,477

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Individual school budgets - October 2012 pupils, existing BPPE rates plus £1.5m increased prior attainment funding and £0.9m increased primary BPPE funding

School Name	2012 Adjusted Budget Share to reflect mainstream funding only (Jan 2012 Pupils)	2013/14 Provisional Budget Share Mainstream funding only (Oct 12 Pupils)	Gaining Schools after capping where appropriate	Losing Schools loss after MFG protection where payable
Abbey Meads Community Primary	£1,154,452	£1,285,683	£131,231	
Beechcroft Infants	£915,013	£934,933	£19,920	
Bishopstone School	£273,834	£271,631		-£2,203
Bridlewood Primary School	£806,508	£862,581	£56,073	
Brook Field County Primary	£1,310,294	£1,321,362	£11,068	
Catherine Wayte Primary School	£1,167,003	£1,229,487	£62,484	
Chiseldon Primary School	£536,672	£589,719	£53,047	
Colebrook Infant Academy	£500,411	£513,410	£12,999	
Colebrook Junior School	£517,977	£624,201	£106,224	
Covingham Park Primary School	£1,101,856	£1,141,869	£40,013	
Drove Primary School	£1,841,368	£2,014,778	£173,410	
East Wichel Community Primary School	£540,154	£699,009	£158,855	
Eastrop Infants	£579,676	£592,965	£13,289	
Eldene Primary School	£1,091,793	£1,205,530	£113,737	
Even Swindon Primary School	£1,414,240	£1,597,595	£183,355	
Ferndale Community Primary	£1,276,623	£1,330,113	£53,490	
Goddard Park Primary School	£1,572,923	£1,749,813	£176,890	
Gorse Hill Primary	£1,463,909	£1,427,084		-£36,825
Grange Infants	£896,101	£895,180		-£921
Grange Junior School	£1,078,692	£1,097,551	£18,859	
Greenmeadow School	£797,592	£895,576	£97,984	
Haydon Wick Primary School	£890,990	£947,482	£56,492	
Haydonleigh Primary School	£1,245,523	£1,340,441	£94,918	
Holy Family Catholic Primary	£1,004,539	£1,137,540	£133,001	
Holy Rood Catholic Infant Sch	£679,620	£690,550	£10,930	
Holy Rood R.C. Junior	£926,843	£957,432	£30,589	
King William Street Ce	£594,122	£671,407	£77,285	
Lainesmead Primary School	£1,315,639	£1,424,011	£108,372	
Lawn Primary School	£1,383,614	£1,419,295	£35,681	
Lethbridge Primary School	£1,496,919	£1,477,036		-£19,883
Liden Primary School	£1,080,531	£1,089,058	£8,527	
Millbrook Primary	£1,083,968	£1,172,839	£88,871	
Moredon Primary & Nursery School	£1,601,954	£1,690,056	£88,102	
Mountford Manor Primary And Nursery School	£771,988	£887,935	£115,947	
Nythe Primary School	£624,988	£675,771	£50,783	
Oakhurst Community Primary School	£1,070,177	£1,274,529	£204,352	
Oaktree Primary School	£1,111,399	£1,313,219	£201,820	
Oliver Tomkins C.E. Infant School	£577,736	£591,893	£14,157	
Oliver Tomkins C.E. Junior	£620,215	£649,781	£29,566	
Orchid Vale Primary School	£907,777	£1,003,402	£95,625	
Peatmoor Community Primary	£665,454	£687,105	£21,651	
Penhill (Swindon Academy)	£1,108,365	£1,119,475	£11,110	
Red Oaks Primary School	£1,512,121	£1,587,701	£75,580	
Robert Le Kyng Primary School	£1,403,299	£1,457,256	£53,957	
Rodbourne Cheney Primary School, Broadway, Swindon	£734,748	£877,437	£142,689	
Ruskin Junior	£1,255,025	£1,270,429	£15,404	
Seven Fields Primary School	£1,120,296	£1,202,790	£82,494	
Shaw Ridge Primary School	£1,243,681	£1,263,753	£20,072	
South Marston C Of E Primary	£466,406	£475,555	£9,149	
Southfield Junior	£734,419	£778,469	£44,050	
St Catherine'S Primary	£669,157	£732,015	£62,858	
St Francis C Of E	£1,042,546	£1,156,478	£113,932	
St Leonard'S Ce Primary Academy	£607,140	£677,053	£69,913	
St Mary'S Rc School	£945,970	£988,323	£42,353	
Toothill School	£679,402	£727,320	£47,918	
Tregoze Primary	£701,587	£719,706	£18,119	
Wanborough Primary School	£662,700	£666,059	£3,359	
Westlea School	£1,012,103	£1,086,187	£74,084	
Westrop Primary	£692,510	£707,835	£15,325	
Wroughton Infants School	£920,319	£898,316		-£22,003
Wroughton Junior School	£1,049,989	£1,087,644	£37,655	
Churchfields Academy	£4,571,152	£4,593,471	£22,319	
Dorcan Academy	£4,781,791	£4,561,584		-£220,207
The Lydiard Park Academy	£4,291,478	£4,229,307		-£62,171
Highworth Warneford School	£3,972,494	£3,951,179		-£21,315
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The Ridgeway School	£4,673,407	£4,399,526		-£273,881
Primary Total	£59,052,870	£62,860,656	£3,889,620	-£81,835
Secondary Total	£48,085,463	£47,700,409	£223,584	-£608,638
Total	£107,138,333	£110,561,065	£4,113,205	-£690,472

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Children Services

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Susan Joslin and Heather Kellett
Joint Headteacher
Eldene Primary School

Please ask for: Steve Haley
e-mail: shaley@swindon.gov.uk

Our ref: Consultation Modelling

5th November 2012

Dear Susan and Heather

Capping Gains to fund MFG

Thank you for your letter of 25th October concerning the capping of gains. I am pleased to hear that my last letter at least explained the calculations but I note that you remain unhappy at the wider issue of how MFG is proposed to be funded and in particular whether capping gains per pupil rather than overall cash is the fairest option.

Set out below are my responses to the various points raised in your letter but I will start by assuring you that, in light of your assertion that SAPH members may have voted differently if more accurate information had been provided, I will circulate final figures to all schools prior to the January Schools Forum and will ask SAPH and SASH to review whether they support Option A or B as the preferred method of capping gains. If there is a consensus view to go with option A the LA will reconsider this.

You mention in the first paragraph of your letter that SAPH were being asked to “approve final payments” and I must reiterate that it was impossible for SBC or any LA to present anything other than indicative October 2011 based projections during the September consultation process. Even now we have yet to receive the October 2012 PLASC data and as I explained in my presentation we also have scope to increase some or all school funding rates from a reduction in reduced centrally retained budgets. This will reduce the overall cost of MFG and therefore allow greater increases to be passed on to gaining schools.

You mention that in my September letter to schools I had not made reference to the extent by which gains would have to be capped which is correct. This was indicative information aimed at assisting the consultation process by providing SAPH and SASH with an estimate of the financial impact of individual and cumulative formula changes if all LA proposals were supported. This statement showed that the cost of MFG payable to primary school was estimated at £534,000 and I apologise for assuming that schools would realise that this cost would have to be funded by somehow capping gains. This was explained at the SAPH and SASH events and I did not sense too much surprise that this was necessary.

With regard to the issue of whether “per pupil” capping is fairer than a % cash reduction I would ask you to consider how MFG operates. This is a long standing method of

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protecting schools from losing more than a prescribed %age of funding per pupil each year and it seems logical to me that this is also applicable to the capping of gains. On the day of receiving your last letter I emailed round my regional education finance colleagues to see how they were approaching this matter and the feedback I received was as follows;

- 17 Local Authorities are capping gains per pupil
- 1 Local Authority is capping gains in cash
- 2 Local Authorities are adjusting down AWPU and other funding factors until the overall costs are affordable so that significant gains do not occur

There is therefore a significant majority of LA's (85%) who are applying a cap per pupil.

I disagree with your statements implying that capping gains per pupil after establishing high minded principles is contradictory and would suggest this is a little short sighted. The LA has taken great steps to ensure sound principles have been followed because this will determine how the limited cash allocated to Swindon will be distributed after the short term cost (approximately 1 to 3 years) of MFG is borne. During that initial period it will be necessary to fund MFG by limiting gains but thereafter, unless there are further nationally imposed changes, the gains will be fully funded.

I also dispute your statement that "less needy schools are allowed to keep all their gain and through an anomaly end up with a larger amount". Under option B a school with less need per pupil will after capping not end up with a larger increase in funding per pupil than a more needy school. Given the huge uncertainty relating to school funding I would suggest that any school receiving a 1.3% per pupil increase in 2013/14 is doing relatively well. This is 2.8% greater than all those school which will be receiving MFG next year to limit their losses per pupil at 1.5%.

I doubt we will ever agree on this matter but I maintain that a "per pupil" approach is more appropriate but as mentioned above I will ask SAPH, SASH and the Schools Forum to review this when we have more definite October 2012 based figures and final funding levels to work with which should be mid-December.

I have tried to provide explanations on all the matters raised in your letter and if you feel that a visit to your school would help do not hesitate to contact me.

Yours sincerely

Steve Haley

Head of Finance – Education and Innovation

Copies to

John Gilbert – Board Director Commissioning (Director of Children & Adult Services)

David Renard – Deputy Leader of the Council & Cabinet member for Children Services

Paddy Bradley – Head of Commissioning (Economy & Attainment)

Steve Colledge – Headteacher Ridgeway School & Chair of the Swindon Schools Forum

Bob Buckley – Chair of SAPH

Mike Boshier – Chair of Governors, Eldene Primary School