

Swindon Borough Council

Schools Forum

Tuesday, 17 March 2015

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

School Members:

Steve Colledge, Chair - Academy Headteacher
Janet Urban, Vice-Chair - Primary Headteacher
Rhian Cockwell, Primary Headteacher
Andrew Henstridge, Primary Headteacher
Ray Williams, Primary Governor
Jackie Smith, Special Headteacher
Lauren Connor, Academy Headteacher
Wendy Conaghan, Academy Headteacher
Ben Slater, EOTAS
Alison Lowe, Primary Headteacher
Sharon Kirwan, Swindon Association of Secondary Heads
Sue Banks, Secondary Headteacher
Jane Wheatley, Primary Headteacher

Non-School Members:

Vacant, Diocese - Bristol
Ruth Lee, Diocese of Clifton
Peter Smith, Trade Unions
Cathy Parker, Early Years Representative (Deputy)
Andrew Miller, 16-19 Partnership
Graham Taylor, 16-19 Partnership
Ram Thiagarajah, BME

Observer Status

Beverley Pennekett, Education Funding Agency

Committee Officer: Rita Glen-Gallo

Telephone: 01793 463611 Email: rglen-gallo@swindon.gov.uk

Swindon Borough Council can be contacted at the Civic Offices, Euclid Street, Swindon, SN1 2JH (Telephone 01793 445500)

AGENDA

- 1. Apologies for Absence**
- 2. Minutes of Previous Meeting** (Pages 3 - 6)
To receive the minutes of the meeting held on 20th January 2015.

3. **2014-15 Dedicated Schools Grant Budget Position** (Pages 7 - 18)
4. **Projected 2014-15 Year End School Balances** (Pages 19 - 28)
5. **2015-16 Dedicated Schools Grant Budget** (Pages 29 - 58)
6. **Schools Financial Value Standard Returns** (Pages 59 - 64)

Date of Despatch: 09 March 2015

Public Question Time - Swindon Borough Council remains committed to increasing its accountability to the public and to promoting active citizenship. 15 minutes will be allowed at the start of all Council meetings for questions to the Chair from the public about the work of the Committee (except for confidential matters, and matters relating to planning and licensing applications). We will give priority to those who submit questions in writing at least two days before the meeting. Questions must be relevant, clear, and concise. You may not use Public Question Time as an opportunity to make speeches or statements.

Questions in writing should be sent to the Committee Officer whose contact details appear on the agenda above or to the Director of Law and Democratic Services, we will publish it, along with the answer, alongside the Minutes. The process associated with asking a public question is set out in the "Public Question Time at Council Meetings Protocol and Guidance" available on the Council's Website (<http://ww5.swindon.gov.uk/moderngov/ecCatDisplay.aspx?sch=doc&cat=13338&path=0>) or from the Committee Officer named above.

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, 20 JANUARY 2015

PRESENT: -

School Members: Steve Colledge, Chair - Academy Headteacher
Janet Urban, Vice-Chair - Primary Headteacher
Rhian Cockwell, Primary Headteacher
Jackie Smith, Special Headteacher
Lauren Connor, Academy Headteacher
Wendy Conaghan, Academy Headteacher
Ben Slater, EOTAS
Sue Banks, Secondary Headteacher
Jane Wheatley, Primary Headteacher
David Bell, Chair of Governors

Non-School Members: Peter Smith, Trade Unions

Also Present: Councillor Fionuala Foley (Cabinet Member for Children's Services)
Bev Pennekett, Education Funding Agency

Apologies for absence were received from Andrew Henstridge (Primary Headteacher), Ray Williams (Primary Governor), Ruth Lee (Diocese of Clifton), Andrew Miller (16-19 Partnership), Ram Thiagarajah (BME), Sharon Kirwan (Academy Headteacher), Andrew Wild (Diocese - Bristol) and Charles Law (Special Governor).

18. Minutes of Previous Meeting

Resolved: That the minutes of the meeting held on 7th October 2014 be confirmed and signed as a correct record.

19. 2014-15 Dedicated Schools Grant Budget Position

The Head of Finance, Education, provided a report on the latest position of the 2014/15 retained Dedicated Schools Grant (DSG) budget. Ian Burbidge, Head of Finance, Education advised that the report reflected the projected year end position against the 2014/15 retained budgets based upon available information at the end of December 2014.

Mr Burbidge referred to reasons for the predicted underspend that would be carried forward as a balance to the 2015/16 budget. Mr Paddy Bradley, Head of Economy, Skills and Property Development, responded to a query regarding the potential use of the forecast underspend to top up the high needs funding.

In response to a query on the possibility of allocating the underspend during the 2014/15 financial year based on the 2014/15 pupil numbers, Mrs Bev Pennekett, Education Funding Agency, confirmed that the regulations did not permit underspends to be allocated during the current financial year and that whilst it could be used to support high need pressures, it could only be distribute within the formula.

Resolved: That the Schools Forum notes that based on the information available at the end of December 2015, an in-year underspend of £0.441m is projected against the 2014/15 retained Dedicated Schools Grant budget.

20. 2015-16 Dedicated Schools Grant Settlement and Budget

The Forum considered a report by Ian Burbidge, Head of Finance, Education seeking the Forum's approval of the Locality Authority's proposals for local formula and funding issues for 2015/16. The report also asked the Forum to consider proposals on the level of expenditure that would be allocated to Early Years, Schools, Academies, High Needs setting and centrally retained budgets and to note the impact of these decisions on individual settings.

Mr Paddy Bradley, Head of Economy, Skills and Property Development referred to the new format of presenting the Dedicated Schools Grant Settlement and Budget report and introduced Mr Ian Burbidge who guided members through key points in the report and commented on the significant applications. He commented on the Dedicated Schools Grant Settlement for 2015 comprising of Early Years, Schools and High Needs blocks and explained that the first part of the report attempted to provide information on future settlements yet to be determined. The Forum considered each recommendation in turn and voted on each element of the funding formula and proposals.

Mr Bradley, Mr Burbidge and Ms Pennekett responded to questions and observations on the following issues:

- Further to 3.16 of the report, evidence would be submitted by the Local Authority to the Minister for Schools on how SEN funding apportioned and utilised.
- Reason for the difference between Education Funding Agency and Local Authority 2014/15 funding allocation figures for academies. It was noted the profile was defined by the local formula and that some schools were adversely affected more than others.
- A modelling exercise to be undertaken determining if any actions would need to be taken prior to funding allocation.
- Confirmation that de-delegation items had to be voted on annually.
- Confirmation that maintained schools were able to vote collectively on de-delegation but academies had to vote individually.

Resolved: That, with regards to the **2015/16 Dedicated Schools Grant Settlement**, Schools Forum notes that:

(1) Swindon expects to receive a total Dedicated Schools Grant settlement of £161.003m in 2015/16.

(2) The Education Funding Agency would fund £0.510m for Uplands Post 16 places.

(3) The estimated Dedicated Schools Grant balance at the end of 2014/15 was £1.154m

(4) In total, £162.667m of Dedicated Schools Grant/ Education Funding Agency funding was available and next year's spending proposals would need to be contained within this figure.

(5) The early years block 2015/16 DSG settlement would be subject to revisions by Department for Education in light of Early Years census information in January 2016.

2015/16 Dedicated Schools Grant Funded Budget

That Schools Forum:

(6) Agrees to the proposed 2015/16 early years funding rates as shown in Table 6 of the report that will take effect from 1st April 2015.

(7) Approves a 2015/16 early years budget of £10.986m as shown in Table 6 of the report.

(8) Notes the 2015/16 mainstream school funding allocations as shown at Annex A of £122.520m, supporting 29,303 pre 16 pupils.

(9) Notes the Notional SEN funding top ups payable in 2015/16 (Shown in Annex B) at a total estimated cost of £0.350m.

(10) Notes the Individual schools average pupil led funding (shown at Annex A), which would be used by the LA to claw back funding for excluded pupils during 2015/16.

(11) Agree the following de-delegations and proposed length of agreement:

a) Free School Meal eligibility administration will be charged at £4.80 per pupil in 2015/16 and is supported until 31st March 2016.

b) Trade Union release time will be charged at £1.25 per pupil in 2015/16 and is supported until 31st March 2016.

c) Notes that further to (b) above, the Secondary Association of Swindon Headteachers voted against this resolution.

d) Nylands Campus Outreach Team would be charged at £12.33 per primary pupil in 2015/16 and was supported until 31st March 2016.

(12) Approves a total 2015/16 pupil growth budget of £0.281m, as shown at Annex C.

(13) Approves the use of £0.465m from the National Non-Domestic Rates (NNDR) reserve to reduce central equal pay liability.

(14) Agrees a total budget for Centrally Retained Services of £0.943m in 2015/16 as shown in Table 9.

(15) Notes the funding changes to Special School and Special Resourced Provision budgets as described in paragraphs 8 and 9 of the report and which have been consulted on with the High Needs Task and Finish Group as shown in the minutes attached at Annex E.

(16) Notes the proposed Special School and Special Resourced Provision budgets shown at Annex D, subject to the agreement regarding Therapy Supplements.

(17) Agrees a increase in funding by £124,075 to augment the Therapy supplement in 2015/16.

(18) Notes the impact of the Minimum Funding Guarantee on Special Schools and SRPs as shown at Annex D.

(19) Agrees to the Local Authority's proposals for High Needs Budgets as described in paragraphs 12 to 18 of this report, summarised in Table 23 and listed below:

- a) Alternative Provision
- b) Commissioned High Needs Services
- c) Post 16 High Needs Budgets
- d) Mainstream School Top Up Funding
- e) External Placements (Pre 16)
- f) High Needs Contingency
- g) Other Centrally Retained High Needs Services

(20) Notes the under allocation of Dedicated Schools Grant of £0.278m.

(21) That further to (20) above, the Head of Finance, Education be requested to submit proposals for how this funding should be allocated to the Schools Forum in March 2015.

(22) Agrees to the proposed use of £0.080m of DSG balances in 2014/15 as described in paragraph 21.2 of this report.

2014-15 Dedicated Schools Grant Budget Position

Schools Forum

Date: 17th March 2015

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

1. Purpose and Reasons

- 1.1 To advise Schools Forum members of the latest projected 2014-15 DSG retained budget position.
- 1.2 The LA is required to report the position on the DSG budget to the Schools Forum throughout the year and at the financial year end. This report provides Forum Members with the projected year end position against the 2014-15 retained budgets based upon available information at the end of February 2015.
- 1.3 The retained DSG budget is monitored in accordance with standard Swindon Borough Council (SBC) budgetary control procedures and a report is submitted to the Economy and Attainment Leadership Team each month. Updates are also periodically provided to Corporate Board, Cabinet and the Children and Young Peoples Overview and Scrutiny Committee.

2. Recommendations

The Schools Forum is recommended to:

- 2.1 Agree **£0.095m** of additional capital expenditure to support the capital budget of £0.670m and build capacity in the 2 year old provision.
- 2.2 Note that the latest projection on the 2014-15 retained budget is an **underspend of £0.491m**

3. Detail

Latest 2014-15 Retained Budget Position

- 3.1 At the 11th March 2014 Schools Forum meeting the overall value of the 2014/15 centrally retained DSG budget was agreed at £28.5m. As reported to 7th October 2014 Schools Forum Swindon will receive £0.5m of EFA funding to effectively reimburse the DSG for place costs at Uplands Sixth Forum and it was agreed that this will be used to repay £0.5m of equal pay liabilities in 2014/15. Including the EFA funding, the overall value of the 2014/15 centrally retained DSG budget is £29.0m.
- 3.2 Attached at **Annex A** is the report to be issued to the Economy and Attainment Leadership Team, it was produced on 6th March 2015 based on information at the end of January. This shows that an underspend of £0.491m is projected

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

2014-15 Dedicated Schools Grant Budget Position

Schools Forum

Date: 17th March 2015

across the overall budget. The main reasons for the projected variances and commentaries on all high risk areas are provided in Annex A.

- 3.3 The LA Finance team has continued to work with Budget Managers to review the financial position to ensure robust forecasts are projected. In setting the retained budget officers included an element of contingency funding across some of the high risk budget areas to meet for any unexpected placements commissioned before 31st March 2015.
- 3.4 It was agreed at Schools Forum to use £0.200m of the Early Years underspend to support the £0.470m budget (£0.670m in total) to grow capacity in 2 year old provision. A number of projects have been tendered at 15% over budget, requiring a capital budget of £0.765m. Schools Forum are asked to agree the additional £0.095m of expenditure to support capacity building for 2 year old provision.
- 3.5 At this stage the LA is expecting that, although there continues to be a risk associated with the projection, an underspend of £0.491m (1.72%) will occur which will be added to existing unallocated DSG balances. The financial position will continue to be monitored and the final 2014-15 outturn position (subject to external audit) will be represented to the July 2015 Schools Forum after closure of the LAs accounts.
- 3.6 In planning on the allocation of 2015/16 DSG funding the LA will also take into account the DSG balance brought forward from previous years (see separate report on today's agenda regarding 2015/16 DSG Settlement and Budget). It is important that Forum Members bear in mind that this funding can only support one- off spending and cannot sustain permanent increases to local formula funding rates.

Schools Forum is asked to;

- **Agree the £0.095m additional capital expenditure to support the £0.670m budget and build capacity in 2 year old provision.**
- **note that the latest projection on the 2014-15 retained budget is an underspend of £0.491m**

4. Alternative Options

- 4.1 There are no proposals included within this report.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

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

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

2014-15 Dedicated Schools Grant Budget Position

Schools Forum

Date: 17th March 2015

Legal and Human Rights Implications

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

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

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

Links to One Swindon, Plans and Policies

- 5.4 Utilisation of the DSG has a direct link to two of the Council's five priorities – "Right skills, right jobs in the right place" and "Make the best use of Swindon's resources inside and outside the Council".

Diversity Impact Assessment

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

Risk Management

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

6. Consultees

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

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 Annex A – Economy and Attainment Leadership Team budget monitoring reports

This page is intentionally left blank

Report to: **Commissioning – Economy and Attainment Leadership Team**
 From: Anne Mackay, Finance Manager – Education
 Date: 6th March 2015
 Subject: **Budget Monitoring Report – DSG Services**
 Period: Period to end of February 2015

1) Background

The Council's corporate budget monitoring timetable requires each Group to report its forecast outturn position each month and this report is based on information provided at the end of February. In addition to financial forecasts, information is also provided regarding Budget Manager participation in the on line forecasting process. To improve the standardisation of reporting, a subjective analysis of the centrally retained budget is provided this month together with a full listing of all E and A service budgets showing the actual spend at the end of February compared to the budget profiles loaded on the oracle system.

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

The introduction by the DfE of a three block approach to the allocation of DSG has made it harder for the LA to forecast annual DSG funding receivable. As previously reported the EFA have finally confirmed that the costs relating to Swindon Academy pupils will be matched by additional funding and as a result the position would be cost neutral for the LA. This means that the latest estimate of funding is £153.574m, however, we are still working to finalise the Early Years block, so there still remains a degree of uncertainty for the complete funding. Updates will be incorporated into future Leadership Team reports as and when they become known. A summary of how the 2014/15 DSG has been allocated so far is provided below.

Table 1 – DSG 2014/15 Overview

	<u>£m</u>	<u>£m</u>
<u>Delegated</u>		
Mainstream schools & academies	115.7	
Specialist settings (Special Schools and SRP's)	8.2	
Alternative provision settings	1.2	125.1
<u>Centrally retained for provision</u>		
Disadvantaged 2 year old nursery places	2.6	
Free Nursery Entitlement 3 & 4 year olds	7.8	
In Year Pupil Growth	0.7	
High Need SEN		
Portage, SEN equipment, Therapeutic services etc.	0.4	
SBC top ups – mainstream settings	1.7	
SBC top ups - high need specialist settings	8.3	
HN Contingency	0.6	
Tuition Service	0.9	
Out of Borough placements	2.6	
Post 16 provision (new responsibilities)	2.0	
Exclusions income	-0.3	27.3
<u>Centrally retained to cover SBC and other costs</u>		
Admissions, Free School Meal eligibility checks, school licences, equal pay etc.	1.2	
		1.2
Total DSG Allocation		153.6

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 February completion rate was 95% (38/40) a reduction of 5% when compared to January's reported completion rate of 100% (40/40).

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

3) High Risk Areas and Latest Projections

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

Table 2 – Latest Budget Monitoring Position				
Item	Notes	Budget 2014/15 £'000	Projected Variance £'000	Projected Variance last month £'000
High-Risk Areas				
2 year old nursery place funding	1	2,158	(575)	(400)
2 year old nursery place capacity building	1	470	295	200
Free nursery education (3&4 year olds)	2	7,823	(35)	58
High Needs Top ups (Mainstream)	3	1,685	355	354
High Needs Top ups (Specialist)	4	8,313	119	114
Notional SEN supplements (Mainstream)	5	350	15	15
External Placement Fees	6	2,562	(210)	(137)
HN Contingency	7	550	(550)	(550)
Post 16 HN Provision - New Responsibilities	8	2,022	(139)	(127)
School Exclusions / Dual registrations	9	(350)	20	20
Tuition Service	10	890	16	16
Schools Equal Pay Claims	11	170	195	195
Subtotal High Risk Areas		26,643	(494)	(242)
Other Low risk retained budgets	12	1,900	48	14
Unallocated EFA place funding earmarked for Equal Pay		522	0	0
Total Retained Budgets		29,065	(446)	(228)
School Budgets (Mainstream)		115,630	970	970
Less costs of Temporary Primary BPPE increase agreed to be funded from DSG balance at the January 2014 Schools Forum			(970)	(970)
School Budgets (Specialist Settings)		9,401	0	0
Total DSG Budgets		154,096	(446)	(228)
DSG Funding Allocation	2	(153,574)	(45)	(230)
EFA 6 th Form Place Funding		(522)	0	0
Total DSG		0	(491)	(458)

The Leadership Team is asked to note that the forecast out-turn position, a projected underspend of £491,000, will be reported to Corporate Board this month.

The main reasons for the underspend are provided below:

Note 1 – Disadvantaged two year old nursery funding**£0.280m underspend**

The budget of £2.158m for 2 year old places is projecting a £0.575m underspend with a new underspend of £0.175m reported this month. As explained in the last report, the underspend has arisen because a number of infrastructure expansions of nursery provision have slipped much later than originally planned resulting in lower overall take up during the early part of the year.

It has been agreed at Schools Forum to use £0.200m of this underspend to support the existing £0.470m budget (£0.670m in total) for growing capacity in 2 year old provision. A number of projects have been tendered at 15% over the original estimates requiring a capital budget of £0.765m in total, this spend will produce the number of places required by the DfE before the October census target, enabling the early years team to concentrate on marketing the new provision and ensuring the places are filled.

As DfE have confirmed that participation funding will apply from 2015/16 onwards it is important that take up is maximised and Schools Forum have agreed to support the employment of a temporary part time project support officer to help to promote the 2 year offer to disadvantaged parents and provide capacity to the team administering the increasing demand. This appointment has now been made and the cost is now expected to be £0.004m, a saving of £0.002m.

Note 2 – Free nursery education (3 & 4 year olds):**£0.035m Underspend****£0.046m Increased funding**

This is an estimate of the 2014/15 outturn position and a **£0.035m** underspend is forecast. There has been a decrease of £0.031m in the forecast for Maintained settings as some schools are still carrying some surplus places. Previously there had not been a change in the forecast in Private, Voluntary and Independent settings since November. The Maintained setting early years numbers were overestimated by schools and the actual take up is lower than expected (£0.118m). This has also been overestimated in the Private, Voluntary and Independent providers of Nursery Education, which is now apparent as a result of pupil information submitted during the Spring Term, the forecast for this sector has decreased by £0.031m to £0.083m, resulting in an overall underspend of £0.035m. However, the widening of the early education funding to include Childminders has increase the spend over the estimates in this group. Providers have until 13th March to confirm their take up for the January census, so the 3 & 4 year old pupil numbers are still provisional at this time.

As reported last month, this element of DSG is based on participation and the LA anticipates that the underspend will be offset by a decrease in the amount of Dedicated Schools Grant receivable. Early Years DSG is calculated based on 5/12ths of the January 2014 and 7/12ths of the January 2015 Early Years Census. The latest projection on the January 2015 census has been received and the updated DSG calculation compared to the 2014/15 budget agreed by Schools forum in January 2014 is summarised below;

Table 3 – Early Years 3 and 4 year old 2014/15 DSG Funding

	2014/15 Budget	2014/15 Projection
January 2014 Census (5/12)	2,108	2,104
January 2015 Census (7/12)	2,227	2,250
Full Year Equivalent	2,177	2,189
3 and 4 year old funding rate	£3,888.06	£3,888.06
Total DSG receivable	£8,465,927	£8,511,612
Difference		£45,685

The estimated net increase in early years' pupils of 12 will attract additional DSG of **£0.046m**, so this means that the additional £0.230m DSG previously reported is not expected to be received based on the January census, this is a decrease of £0.184m since the January report.

Note 3 – High Needs Top ups (Mainstream): **£0.355m Overspend**

The projected overspend of **£0.355m** reflects a slight increase compared with the indicated pressure identified in the end of January report. The large variance against plan is as a result of the new SENRAP policy implemented in September 2013 whereby monetary requests must be submitted to secure funding over and above the delegated notional SEN budget of £6,000. As a result of the moderation, an increased number of packages and additional SENRAP payments being agreed, an additional pressure of £0.001m in primary schools and primary academies has been identified this month.

As previously reported a review of the process indicates that there are inconsistencies in the amount of additional resource provided for pupils with similar levels of need and that average funding exceeds the values assumed when the budget was set. The 2014/15 budget assumed 384 pupils would be supported at an average annual cost of £3,818. The number of pupils has increased in year to 414 and average annual costs since September 2013 are £4,509 per pupil in schools.

Note 4 – High Needs Top ups (Specialist): **£0.119m Overspend**

The latest projections indicate an overspend of **£0.119m**. All specialist providers are completing a self-audit and moderation exercise, the outcome of which is an additional pressure of £0.005m identified this month. Caution should therefore be applied to the current position as some pupils going through the current system may have to be re-banded and costs applied retrospectively.

Note 5 – Notional SEN: **£0.015m Overspend**

The final Notional SEN payments were made to schools in January based on the numbers of statemented pupils in the October 2014 census; this resulted in the pressure of **£0.015m** reported last month.

Note 6 – External Placement Fees: **£0.210m Underspend**

The latest projections indicate an underspend of **£0.210m**. The projected underspend follows the audit of every provider where individual pupils have been checked and education plans agreed. The latest month on month favourable movement of £0.073m reflects four new placements £0.022m, an amendment of the move date for two placements (£0.009m), the extension of a secure placement (£0.015m), one main reduction relates to a placement ending (£0.058m), receipt of funding from the EFA (£0.010m) and the actual costs incurred are lower for one placement (£0.002m). All placements will be reflected on our monitoring reporting system which will enable under and overspends to be more readily tracked.

Note 7 – High Needs Contingency: **£0.550m Underspend**

During the 2014/15 budget setting process Schools Forum agreed that a contingency of £550,000 would be held to cover additional top up and placements costs. At this stage in the year the contingency is expected to be underspent in full and this is a change in reporting as previously the contingency has been to net to nil with the under/overspends in notes 3, 4 and 6. The **£0.550m** underspend should prove sufficient to cover the projected overspends at notes 3 £0.355m and note 4 £0.119m and which are partly offset by underspend at note 6 £0.210m above, i.e. a net underspend across all of these cost centres of £0.264m. Should this prove not to be the case this could require use of the DSG balance unless offsetting savings occur in other parts of the retained budget.

Note 8 – Post 16 HN Provision (New Responsibilities): **£0.139m Underspend**

The timescales for allocating budgets to FE colleges, ISP's and other post 16 training providers require academic year funding to be agreed and indicative figures were presented to the July 2014 Schools Forum. Since the July Forum the EFA have confirmed that they will be providing element 1 and 2 funding (estimated by the LA at £0.220m) directly to the UET which reduced the commitments that need to be met from the DSG. This provides an opportunity to boost the indicative post 16 band values after a review of likely ISP and other costs is undertaken including a realistic assessment of outstanding placements.

Learning providers have confirmed the result of the KS5 moderation and pupil attendance. An update has been provided on the pupils reported in January as being without a confirmed placement. There are 38 in learning, employment or training with all costs projected where appropriate. The remaining learners are not included in the projections, 15 are currently NEET and confirmation is still needed on 3 learners. Monitoring work is being undertaken with locality teams, providers and commissioners to determine the pathways back to education for these young people.

In ISPs (includes the UET), the forecast has decreased this month by £0.018m due to lower costs being agreed for two pupils so the total ISP underspend forecast is **£0.006m**.

In FE Colleges and Training providers, there has been an increase in the underspend by £0.006m across a number of settings due to element 2 funding not being incurred and a pupil moving to another provision. Following the completion of the work to identify outstanding placements a pupil has joined one provision. Following this decrease the total FE Colleges and Training Providers underspend is now **£0.188m**. The underspend relates to learners being in apprenticeships or mainstream 6th forms or ESF funded packages, 5 learners have also moved out of the LA and there are learners who are NEET or in unconfirmed placements as above. These learners were included in the budgeted spend but the costs will not be realised.

There is a new pressure this month of £0.012m due to a reduction in social care recharges, the total recharges forecast is **£0.055m** less than budgeted. The net position for ISP and FE providers is an underspend of **£0.139m**.

Note 9 – School Exclusions / Dual Registrations **£0.020m Overspend**

The current income trend for School Exclusions is lower than expected and a pressure of **£0.020m** was identified in October. This is due to a high proportion of pupils that are referred to the Tuition Services that are not chargeable as they are not currently within the school system.

Note 10 – Tuition Service: **£0.016m Overspend**

The Tuition Service is currently projecting a **£0.016m** overspend. Due to changes in the staffing structure and also in elements of the provision for pupils this is continually monitored. Bespoke pupil intervention will be a factor going forward as will the effect of using different commissioned providers. In addition income for pupils who move in to the service from other EOTAS areas is being reviewed and is likely to increase service income.

Note 11 – Equal Pay: **£0.195m Overspend**

The October schools Forum had supported a request to use £2.0m from the following sources:

- £0.8m from NNDR reserves;
- £0.7m of the DSG balance and
- £0.5m from EFA funding towards SEN sixth form funding at Uplands,

to pay off £2.0m of outstanding DSG equal pay liabilities in the current financial year. This would improve the DSG annual central budget as the equal pay amount would reduce to £0.034m from £0.170m due to the repayment of the loan balance. This additional amount could then be freed up to allow a greater amount of DSG to be delegated to schools and other providers. This decision recognises the current overspend of **£0.195m**.

Note 12 – Other Low Risk Items:

£0.034m Overspend

The projected overspend has increased by £0.013m following the allocation of corporate recharge costs.

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

4) DSG Balance

In accordance with DfE grant conditions the DSG must be treated by the LA as being ring fenced for specified educational purposes and, in addition to consulting the Schools Forum on how each year's grant is allocated, the Forum must also be advised on any year end surplus or deficits. The latest position incorporates agreements made at the October 2014 Schools Forum is as follows;

Table 3 – DSG Balance	Latest Position
Opening DSG balance bfwf from 2013/14	£2.470m
Less – Primary £54.77 BPPE increase payable in 2014/15 and included in delegated school budgets (January 2014 Forum)	-£0.970m
Less – Additional double top up payments to Ridgeway ASC unit (March 2014 Forum)	-£0.058m
Less – Red Oaks SRP premises alterations to expand unit places (July 2014 Forum)	-£0.029m
Less – Repayment of equal pay liability (October 2014 Forum)	-£0.700m
Plus – projected in year surplus (see table 2)	+£0.491m
Projected DSG balance unallocated	£1.204m

The Leadership Team is asked to note that the unallocated DSG balance is £1.204m and that all expenditure funded from this balance will need to be allowed under the early years and school finance regulations and be agreed by Schools Forum.

5) Subjective Analysis

A summary of the latest projected year-end variance of (£0.447m) across the £28.5m centrally retained budget by type of expenditure compared to the budget profiles is shown below. This presents a different view to the more traditional analysis by service area. This is a standard table used by the Finance Team which has been included in the DSG report to improve consistency.

Group Budget position by expenditure type	Year to date budget £'000	Year to date actual £'000	Year to date variance £'000	Total Budget 2014/15 £'000	Forecast Variance 2014/15 £'000
Employees	1,145	1,138	(7)	1,256	(31)
Premises	103	79	(24)	125	(1)
Transport	9	9	(0)	10	(0)
Supplies & Services	366	1,148	782	922	(507)
3rd Party Payments	24,976	23,403	(1,574)	26,404	(342)
Internal Recharges	779	1,103	324	779	246
Capital Financing	0	346	346	470	295
Income	(937)	(1,170)	(233)	(1,423)	(105)
Total	26,442	26,056	(386)	28,543	(446)

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

- **Annex A** – this shows a breakdown of all the 2014/15 retained budgets by type of expenditure and income and produces the totals in the “Total budget 2014/15” column in table 4 above
- **Annex B** – this shows a breakdown of each services profiled budget to date compared with actual spend to date. This will present useful information for both year to date actuals and full year projections. The aim is to highlight and address variances now, rather than wait until nearer the year end where late changes undermine confidence in our reporting.

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

6) Improving Forecasting

The Leadership Team is reminded that in year forecasting of the centrally retained DSG proved to be inaccurate during 2013/14 and that the final underspend figure of £1.0m was £0.5m higher than the end of January figure reported to the Schools Forum in March.

Similar levels of unplanned underspends occurred in other service areas and Budget Managers across the LA will be regularly invited to attend discussions on what the barriers to effective forecasting are and how they can be alleviated.

Given that we are accountable to the Schools Forum regarding the effective management of the DSG, monthly meetings with senior Budget Managers (Gill and Sally) have been scheduled through to the end of 2014/15 to take place shortly after the month end forecasting deadlines. This will enable all high risk forecast figures to be challenged and enable the wider budget position to be assessed, particularly on high need budgets, prior to reporting through to corporate board and in some months the Schools Forum.

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

7) Summary of Key Recommendations

The Leadership Team is asked to:-

- *Note that the forecast out-turn position, a projected underspend of £491,000, will be reported to Corporate Board this month.*
- *Note the risk areas above, the forecast out-turn positions and the suggested actions*
- *Note that the unallocated DSG balance is currently £0.901m*
- *Note the steps proposed aimed at improving forecasting*

Agenda Item 4 Projected 2014/15 Year End School Balances

Schools Forum

Date: 17th March 2015

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

1. Purpose and Reasons

- 1.1 The LA is required to monitor the level of school balances held by schools to provide assurance to the LA's Chief Financial Officer, Director of Children Services and Cabinet Member for Children Services regarding the financial sustainability of individual schools.
- 1.2 The Schools Forum is asked to note the indicative position regarding the level of projected 31st March 2015 School revenue balances compared to the levels assumed when 2014/15 school budgets were set in June 2014.
- 1.3 As part of the LAs control of balances scheme, schools are encouraged to embed effective financial management procedures so that their forecasting of year end balances is accurate. Schools are measured on how effective they are and this report provides a summary of movements between the estimates provided when 2014/15 school budgets were initially set in June and more recent forecasts received from schools in December.

Recommendations

- 1.4 The Schools Forum is recommended to note that:
 - The majority 29 of 42 (69%) of Swindon maintained schools current estimates of their year end balances are close to the estimates provided when budgets were set as measured by the thresholds agreed by Schools Forum and are commended
 - Only 3 of 42 (7%) schools have reported significant variances between their current and initial estimates of their projected year end balances and the narrative explanations for the variances provided to Schools Forum.
 - Latest Estimated school balances (adjusted to exclude in-year Academy conversions) are forecast to be £3.40m, which is 12% higher than initial estimates of £3.08m. Two maintained schools were anticipating being in deficit at 31st March 2015, though one has now confirmed they expect to be in surplus at 31st March 2015.
 - The LA will present further information on school balances at the July 2015 Schools Forum showing how each school's estimate compared to their final year end positions.

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

Projected 2014/15 Year End School Balances

Schools Forum

Date: 17th March 2015

- Projected year end balances have also been collected from mainstream schools with a Special Resource Provision (SRP) and from schools providing a commissioned service, Children Centre or community facilities. The rating for the maintained school includes the total variances in the projected balances for the additional facilities as the thresholds agreed by Schools Forum did not include the separation of these facilities.

2. Background

- 2.1 The January 2012 Schools Forum agreed the criteria for a revised scheme to monitor and manage Swindon schools balances. The main focus of the revised scheme is to improve forecasting and encourage schools with excess balances to utilise them effectively for the benefit of pupils already in school as is expected by DfE. It is also very important for schools with relatively low balances to undertake accurate forecasting to avoid them encountering a deficit position.
- 2.2 The balances control scheme is made up as follows;
- Schools are asked to project their closing year end balance in December – these estimates are compared to the initial estimates submitted when annual budgets were set in June (this is the subject of today's report).
 - After the year end when final school balances are quantified these values are compared to schools December estimates (this is reported to Schools Forum each July)/ Explanations are sought from those schools whose estimates proved to be inaccurate as measured against the parameters agreed by the Forum which are proportionate to school budgets.
 - After setting their new year budget in June schools are asked to provide a summary of how and when they are planning to utilise their brought forward balances. The LA reviews these plans to ensure funds are being committed against the areas which were approved by the Schools Forum and whether resulting uncommitted balances are in line with agreed target levels per pupil.
 - The LA finance and internal audit teams also assess whether committed balances are actually being spent in accordance with school plans on an on-going basis, targeting specific schools which are exhibiting signs of poor financial health and/or are being audited.
- 2.3 Given the uncertainty of medium term school funding and the need to implement substantial changes arising from the DfE school funding reform programme, the LA has not been overly concerned with the level of school balances over the last year. The focus of the LA balances control scheme is still essentially to encourage effective financial planning so that all schools have an accurate understanding of whatever levels of balances they hold. In line with DfE expectations the local scheme has scope for the LA to claw back excessive
-

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

Projected 2014/15 Year End School Balances

Schools Forum

Date: 17th March 2015

balances which would then be made available for distribution across other schools in the following years funding allocations.

- 2.4 The LA therefore retains the right to implement claw backs but only in circumstances where a school
- Is consistently inaccurate in forecasting their year end balances for 2 consecutive years
 - and
 - Holds relatively high balances .i.e. above 8%, 5% or 2% of ISB depending on the size of the school budget.
- 2.5 In July the LA will report actual year end balances compared to forecasts and will identify any schools which are at risk of having their balances being clawed back. These schools will be given an opportunity to defend their positions prior to any claw backs being implemented. Forum Members are advised that proposing claw backs is not the LAs preferred course of action but it would be inappropriate and unfair if any school had high balances which were not being adequately managed when funds could be re-distributed to other schools where they could be spent on current pupils.
3. **Detail**
- 3.1 The initial part of the balances control scheme measures the effectiveness of schools in forecasting their year end balances. This exercise was completed by all maintained schools in December 2014 and estimates have now been compared to initial projections arising from the school budget setting exercise in June. The scheme has a range of actions for the LA to follow depending upon the significance of the variance between final and forecast balances. Based on the difference between June and December forecasts the results for the 2014/15 financial year would be as follows;

Table 1 – Monitoring the accuracy of School financial forecasting			
Sector	Provisional Outturn compared to July Estimate	LA Action	No. as at March 2015
Small / Medium	Within £25k	• School highly commended	15
	Within £50k	• OK	5

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

Projected 2014/15 Year End School Balances

Schools Forum

Date: 17th March 2015

Primary i.e. ISB up to £1.200m	Above £50k	<ul style="list-style-type: none"> To understand reasons a commentary has been provided to Schools Forum Supportive intervention by Finance/Audit team to help improve forecasting process. Claw back after 2nd breach - where overall balances held exceed 8% of annual funding 	1
Large Primary i.e. ISB above £1.201m	Within £40k	• School highly commended	9
	Within £80k	• OK	4
	Above £80k	<ul style="list-style-type: none"> To understand reasons a commentary has been provided to Schools Forum Supportive intervention by Finance/Audit team to help improve forecasting process. Claw back after 2nd breach - where overall balances held exceed 5% of annual funding 	1
Secondary	Within £50k	• School highly commended	1
	Within £100k	• OK	0
	Above £100k	<ul style="list-style-type: none"> Review required understanding reasons & commentary to be provided to Schools Forum Supportive intervention by Finance/Audit team to help improve forecasting process. Claw back after 2nd breach - where overall balances held exceed 2% of annual funding 	0
Special	Within £40k	• School highly commended	4
	Within £80k	• OK	1
	Above £80k	<ul style="list-style-type: none"> Review required understanding reasons & commentary to be provided to Schools Forum Supportive intervention by Finance/Audit team to help improve forecasting process Claw back after 2nd breach - where overall balances held exceed 5% of annual funding 	1

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

Projected 2014/15 Year End School Balances

Schools Forum

Date: 17th March 2015

- 3.2 The above table demonstrates that the majority (29 of 42 or 69%) of Swindon maintained schools appear to have been effective in forecasting their final 31st March 2015 positions when setting their budgets in June. The 69% of schools identified as “highly commended” shows an improvement when compared to the monitoring completed in July 2014 when 51% were in this category which is encouraging.
- 3.3 When 2014/15 local formula funding allocations were issued to schools last February the LA also provided estimates of other funding that schools would receive (Nursery funding, SENRAP top ups, Set up Costs, Trigger Funding, Pupil Premium) and this information, should have enabled schools to become more accurate in projecting their year end positions from the start of the year.
- 3.4 A summary showing the position across all schools is attached at Annex A. The level of each schools opening balances as at 1st April 2014 are also shown to enable trends to be identified. Forum Members are asked to note that two maintained schools were anticipating being in deficit at 31st March 2015 and one of these is now expecting to end the year with a surplus balance. The latest year end estimates of £3.7m are £0.364m (12%) higher than initial estimates when school budgets were set in June. These totals exclude one school where conversion to academy status occurred during the current financial year. This summary also excludes Devolved Formula Capital (DFC) balances which can be accumulated by schools up to 3 years.
- 3.5 It is important to acknowledge that forecasting is only one indication of how well schools are managing their balances and further information will be provided throughout the year to the Schools Forum as summarised at paragraph 2.2 above.

4. Narrative explanations from schools

- 4.1 The three schools with a “Red” forecasting rating and significant variances and between the revenue balances forecast in June 2014 and December 2014 were contacted and asked to provide Schools Forum with an explanation, the schools contacted are in Table 2 below:

Table 2 Schools with significant variances in their forecast balances			
School	Forecast June 14	Forecast Dec 14	Variance
Grange Junior	£33,044	£112,569	£79,525
Red Oaks Primary (school only)	£10,905	(£41,812)	(£52,717)
Red Oaks incl. SRP	£22,353	(£42,221)	(£64,575)
St Luke's School	£6,388	(£77,839)	(£84,227)

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

Projected 2014/15 Year End School Balances

Schools Forum

Date: 17th March 2015

- **Grange Junior School - forecast balance £0.080m higher in December**– The school have put the kitchen refurbishment project, new kitchen roof and outside area on hold until the summer of 2015.
- **Red Oak Primary School – forecast balance £0.053m (£0.065m including SRP funding) lower in December** – The December return showed that the school were anticipating ending the year with a deficit balance but when contacted in February by the Finance Manager – Education the school confirmed that it is no longer anticipating a year end deficit balance. The deficit balance forecast was due to a prudent funding forecast as £0.040m of claims were outstanding from a provider that had withdrawn funding, this issue is now resolved and the funding is now expected in full but High Needs Top ups for Special Resource Provision pupils moved to mainstream will not be received. Maternity insurance did not cover the full cost of six maternity leave and cover but the school's budget provision is full on costs for all staff so the school is currently underspent on staffing.
- **St Luke's School – forecast balance £0.084m lower in December** – A small surplus was predicted in June but the school are now predicting a deficit balance of £0.078m. The school have explained that the High Needs Top ups received decreased significantly by £0.040m compared to the original budget. Additional supply teachers were required due to the majority of Senior Leadership team needing absence from school for various reasons and length of time. The school has a large amount of damage and high repairs costs and not all parents pay for the costs invoiced. Continuing Professional Development (CPD) training was required following advice with one series of CPD cost almost £0.010m.

The school are being supported by the Local Authority and have regular meetings with the Education finance team who are supporting the school as it works towards a balanced budget position.

5. Alternative Options

- 5.1 There are no alternative options presented in this report.

6. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 6.1 LA's and their Schools Forums are required to monitor the level of balances held by schools and to ensure local arrangements are in place which ensure excessive balances are not held

Legal and Human Rights Implications

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

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

Projected 2014/15 Year End School Balances

Schools Forum

Date: 17th March 2015

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

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

Links to One Swindon, Strategic Objectives, Plans and Policies

- 6.4 Utilisation of the DSG has a direct link to two of the Council's five priorities – "Right skills, right jobs in the right place" and "Make the best use of Swindon's resources inside and outside the Council".

Diversity Impact Assessment

- 6.5 A Diversity Impact Assessment (DIA) has not been done as this report does not make any recommendations that affect services.

Risk Management

- 5.6 The key risks arising from this report are that ineffective monitoring by schools could lead to them encountering financial difficulties. Conversely the LA would not wish to see any individual school accruing excessive surplus balances which could have been used to improve standards and attainment for pupils currently in school.

7. Consultees

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

8. Background Papers

- 8.1 Annex A - Projected School Balances 2014/15 compared to June 2014 forecasts

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

This page is intentionally left blank

Schedule of Projected v Budgeted School Revenue Balances 2014/15

Annex A

Schools	Opening Revenue Balances 1st April 2014	Forecast Revenue Balances 31st March 2015 (June 2014)	Forecast Revenue Balances 31st March 2015 (December)	Variance between June and December Forecasts	Category of school budget	Ratings Red - Explanations Required Amber - OK Green -
Abbey Meads Community Primary School	£102,281	£51,459	£65,179	£13,720	LP	G
Abbey Meads Community Primary School - Community	£149,887	£150,732	£122,636	(£28,096)	LP	n/a
Abbey Meads Community Primary School - Childrens Centre	(£4,007)	£7,347	£6,006	(£1,341)	LP	n/a
Beechcroft Infant School	£120,314	£51,368	£44,456	(£6,912)	SMP	G
Bishopstone Church of England Primary School	£20,442	£14,835	£18,506	£3,671	SMP	G
Bridlewood Primary School	£75,966	£62,576	£59,537	(£3,039)	SMP	G
Brook Field Primary School	£145,737	£61,280	£101,191	£39,911	LP	G
Catherine Wayte Primary School	£201,728	£117,210	£163,830	£46,620	LP	A
Chiseldon Primary School	£25,253	£34,420	£40,864	£6,444	SMP	G
Colebrook Junior School	£155,566	£62,817	£63,474	£657	SMP	G
Covingham Park Primary School	£33,341	£43,036	£39,825	(£3,211)	SMP	G
East Wichel Primary School	£91,983	£61,360	£48,974	(£12,386)	SMP	G
Eldene Primary School	£53,037	£51,292	£53,263	£1,971	LP	G
Eldene Primary School - SRP (CLD)	£0	£776	£1,777	£1,001	LP	n/a
Even Swindon Primary School -Mainstream	£417,947	£61,673	£93,225	£31,552	LP	A
Even Swindon Primary School - Speech & Language	£0	£0	£391	£391	LP	n/a
Even Swindon Primary School - SRP (SSL)	£0	£15,253	£34,748	£19,495	LP	n/a
Ferndale Community Primary School	£25,608	£37,954	£55,674	£17,720	LP	G
Grange Infant Community School	£213,681	£85,661	£73,435	(£12,226)	SMP	G
Grange Junior School	£96,558	£33,044	£112,569	£79,525	SMP	R
Greenmeadow Primary School	£145,240	£56,168	£100,884	£44,716	SMP	A
Haydonleigh Primary School	£144,771	£38,277	£55,001	£16,724	LP	G
Lainesmead Primary School	£59,962	£24,245	£43,337	£19,092	LP	G
Lawn Primary School	£28,891	£35,841	£48,835	£12,994	LP	G
Liden Primary School	£30,292	£515	£33,647	£33,132	SMP	A
Nythe Primary School	£64,810	£44,950	£36,833	(£8,117)	SMP	G
Oakhurst Community Primary School	£140,103	£100,089	£150,073	£49,984	LP	A
Oaktree Nursery and Primary School	£138,908	£42,636	£65,555	£22,919	LP	G
Oliver Tomkins Church of England Infant School	£24,720	£16,351	£19,351	£3,000	SMP	G
Oliver Tomkins Church of England Junior School	£15,145	£6,053	£26,390	£20,337	SMP	G
Orchid Vale Primary School	£191,424	£114,287	£87,697	(£26,590)	SMP	A
Red Oaks Primary School	£29,767	£10,905	(£41,812)	(£52,717)	LP	R
Red Oaks Primary School - Hearing Impaired	£0	£561	£0	(£561)	LP	n/a
Red Oaks Primary School - SRP (HI SL & LDD)	£0	£10,887	(£409)	(£11,296)	LP	n/a
Robert le Kyng Primary School	£60,571	£98,782	£101,550	£2,768	LP	G
Robert le Kyng Primary School - SRP (PD)	(£25,336)	(£25,336)	(£25,335)	£1	LP	n/a
Ruskin Junior School - Mainstream	£131,447	£31,356	£88,470	£57,114	LP	A
Ruskin Junior School - SRP (ASD)	£0	(£619)	£14,972	£15,591	LP	n/a
Ruskin Junior School - ASC & Outreach	£99,279	£32,337	£53,370	£21,033	LP	n/a
South Marston Church of England Primary School	£132,777	£59,613	£67,213	£7,600	SMP	G
St Francis Primary School	£74,448	£70,181	£89,937	£19,756	SMP	G
Wanborough Primary School	£52,876	£43,474	£37,041	(£6,433)	SMP	G
Westrop Primary School	£43,472	£44,346	£39,585	(£4,761)	SMP	G
Westrop Children's Centre	£13,753	£8,073	£8,105	£32	SMP	n/a
Wroughton Infant School	£75,975	£35,332	£61,069	£25,737	SMP	A
Wroughton Junior School	£59,344	£48,127	£88,758	£40,631	SMP	A
Isambard School	£667,830	£380,171	£365,000	(£15,171)	SEC	G
EOTAS	£221,242	£168,149	£162,990	(£5,159)	SEC	G
Brimble Hill School	£271,270	£109,374	£134,706	£25,332	SPE	G
Crowdys Hill School	£263,068	£304,071	£235,998	(£68,073)	SPE	A
St Lukes School	£168,256	£6,388	(£77,839)	(£84,227)	SPE	R
The Chalet School	£59,531	£68,250	£67,337	(£913)	SPE	G
Uplands School	£81,878	£91,342	£105,647	£14,305	SPE	G
Sub Total Maintained Schools	£5,391,036	£3,079,269	£3,443,516	£364,247		

In year Academy conversions

Haydon Wick Primary School	£44,255	Key	Red	Amber	Green
		SMP- Small / medium primary - ISB up to £1.2m	> £50k	< £50k	< £25k
		LP - Large primary - ISB above £1.2m	> £80k	< £80k	< £40k
		SEC- Secondary	> £100k	< £100k	< £50k
		SPE- Special	> £80k	< £80k	< £40k
Overall total	£5,435,291	Total Schools	42	3	10
				7%	24%
					69%

These ratings apply to schools in surplus. The LA expects schools in or approaching deficit to exercise the highest levels of financial planning & monitoring until they are safely back into a sustainable surplus position.

This page is intentionally left blank

Agenda Item 5 2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

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

1. Purpose and Reasons

1.1. The Schools Forum meeting on 20th January 2015 received a report on the 2015/16 Dedicated Schools Grant Settlement and Budget. This report provides members with an update on various budget issues that remained unresolved after that meeting. This report addresses:

- Changes to DSG Allocation
- Mainstream School Budgets
- Pupil Growth Funding – A change to the overall budget requirement
- National Copyright Licenses
- Mainstream High Needs Top Up Arrangements (SENRAP) – a consultation on a change in the funding arrangements for Mainstream Schools High Needs Pupils
- High Needs Contingency funding
- Notional SEN Top Up funding – a consultation on in year adjustments to the top ups

1.2. The report then reviews the total estimated DSG settlement for 2015/16 and the total budgeted expenditure and makes proposals for the use of surplus 2014/15 DSG funds .

2. Recommendations

2.1. Members of the Schools Forum are now asked to:

- 2.1.1. Agree a total 2015/16 pupil growth budget of £0.436m, as shown at Annex A.
- 2.1.2. Approve an increase in the National Copyright Licenses budget of £40,000 in recognition of the change to the arrangements for purchasing PRS, PPL, MCPS and CCLI licenses.

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

-
- 2.1.3. Give a view on the proposal to transfer £0.235m of the High Needs Contingency budget to the SENRAP budget which is currently overspending.
 - 2.1.4. Give a view on which option is the most appropriate for the allocation of the £350,000 Notional SEN Top Up Funding budget, given that the current option is not affordable in 2015/16.
 - 2.1.5. Give a view on creating a ring-fenced budget of £30,000 to support the reintegration of permanently excluded pupils.
 - 2.1.6. Give a view on the proposal to use the unallocated DSG of £0.165m to support Mainstream Schools High Needs Top Up Funding budget which is currently overspending.

3. Changes to DSG Allocation

- 3.1. Swindon has been notified of an additional £10,000 of DSG allocation to support the introduction of the Early Years Pupil Premium. Swindon intends to use this funding to appoint a support officer to work with settings and develop a process for collation of evidence linked to payments.

4. Mainstream School Budgets

- 4.1. The Local Authority submitted the Authority Proforma Toolkit to the Education Funding Agency (EFA) on 20th January 2015 immediately after the last Schools Forum Meeting. This toolkit calculates individual Primary and Secondary School as well as Academy budgets for 2015/16. It uses the October Schools Census information and the formula funding rates agreed at the October 2014 Schools Forum (with minor adjustments agreed in January 2015).
- 4.2. The Authority is required to provide schools with budget information by 27th February 2015 subject to ratification of the Toolkit by the EFA. The LA has received ratification from the EFA and has issued schools budgets on 26th February 2015.

5. Pupil Growth Fund

- 5.1. At its meeting on the 20th January 2015, Schools Forum agreed the criteria by which pupil growth funding will be allocated in 2015/16 along with the local policy and values payable next year. The budget identified for Pupil Growth was £0.281m. Since then the Local Authority has identified the need for additional Trigger Funding within the Growth fund as follows:
 - To support further classes at Holy Cross and Holy Rood due to basic need from September 2015 that were not included in the original calculations

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

presented to January 2015 Schools Forum. Total additional requirement is £59,000.

- To fund basic need growth at academies (Drove and Holy Cross) for the period April to August 2015 as defined by regulation. Total additional requirement is £97,000. The LA has sought confirmation from the EFA that this additional growth requirement will be covered by an increase in the LA 2015/16 DSG as outlined in the APT Technical Guidance.

5.2. Trigger funding is payable on the net increase in size of an expanding school based on the primary sector average per pupil rate of £3,353 x 7/12ths. This provides a maximum of £58,680 (30 pupils) and minimum of £41,075 (21 pupils)

5.3. The adjusted Growth budget requirement for 2015/16 will be £0.436m (an increase of £155k from January 2015 Forum) and is shown at Annex A of this report. Annex B of this report provides a summary of the Local Authority's Pupil Growth Policy.

Members of the Schools Forum are now asked to:

- **Agree a total 2015/16 pupil growth budget of £0.436m, as shown at Annex A**

6. National Copyright Licenses

6.1. The DfE continues to purchase various national licences for all state-funded schools in England. In 2015/16 they have extended this arrangement to cover more agencies as follows:

- Christian Copyright Licensing International (CCLI) (new for 2015 to 2016);
- Copyright Licensing Agency (CLA);
- Education Recording Agency (ERA);
- Film bank Distributors Ltd. (for the PVSL);
- Mechanical Copyright Protection Society (MCPS) (new for 2015 to 2016);
- Motion Picture Licensing Company (MPLC);
- Newspaper Licensing Authority (NLA);
- Performing Rights Society (PRS) (new for 2015 to 2016);
- Phonographic Performance Limited (PPL) (new for 2015 to 2016); and
- Schools Printed Music Licence (SPML).

6.2. This means that schools will now be covered for all of the above copyright licenses, and will no longer need to negotiate and purchase any of these individually. For all of the above licences the LA will pay the DfE on behalf of all Swindon settings. In order for the LA to afford to pay for these additional licenses

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

it should technically un-delegate funding that has previously been delegated to schools. The DfE has informed Swindon of the total cost of these licenses to be £135,000 which will require an increase of £40,000 over the budget approved by Forum in January. As schools budgets have now been agreed Officers propose that this increased centrally retained cost should be funded from the (as yet unallocated) DSG.

Members of the Schools Forum are now asked to:

- **Approve an increase in the National Copyright Licenses budget of £40,000 in recognition of the change to the arrangements for purchasing PRS, PPL, MCPS and CCLI licenses.**

7. Mainstream High Needs Top Up Funding.

- 7.1. AT the January forum members were notified of an intention to review the funding arrangements surrounding the current SENRAP policy, this work is still on-going and an update will be provided to the July meeting.

8. High Needs Contingency

- 8.1. Currently the DSG supports **£550,000** of High Needs Contingency funding. This funding acts as a release valve against overspends on High Needs budgets generally.
- 8.2. It is now proposed that £0.235m of High Needs Contingency budget should be reallocated against the Mainstream SENRAP budget. This virement when combined with a proposal later in the report to use the £0.165m of unallocated DSG to support Mainstream High Needs costs should ensure that the new arrangements described in paragraph 6 above can in the first instance be fully funded.
- 8.3. This would leave a residual High Needs Contingency budget available of £0.315m. This budget is retained centrally to enable the Local Authority to fund unforeseen High Needs placements either within Swindon Maintained / Academy / other Local Authority Specialist or Non-Maintained and Independent specialist provision.

Members of Schools Forum are now asked to:

- **Give a view on the proposal to transfer £0.235m of the High Needs Contingency budget to the SENRAP budget which is currently overspending.**

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

9. Notional SEN Top Up Funding

9.1. Under the school funding reform programme mainstream schools are required to meet up to the first £6,000 of additional costs for their SEN pupils and the LA must ensure sufficient funding is delegated. The LA determines this by comparing notional SEN funding against notional SEN expenditure for each school as follows;

Notional Funding

- 100% of Low Prior Attainment (LPA) Funding
- 40% of Deprivation funding (FSM and IDACI)

Notional Expenditure

- Number of statemented pupils at a cost of £6,000 each
- Number of low prior attainment pupils (less the number of statemented pupils) at a cost of £701.57 (primary) or £1,000 (secondary) i.e. at the level of delegated funding

9.2. For the majority of Swindon schools the LA has estimated that sufficient funding is being delegated for SEN through the funding formula. However, there are a few schools, with a relatively high number of statemented pupils and / or a relatively low level of deprivation and LPA funding which means that their notional expenditure on SEN exceeds the notional SEN funding. For these schools the LA will allocate additional notional SEN funding totalling £342,054 and this is included in their budget sheets. Information on these allocations was included at Annex B of the January 2015 Schools Forum.

9.3. Notional SEN allocation in 15/16 has already allocated £342k of the £350k available budget. The calculations above are made using a count of October 2014 statemented pupil numbers and the current policy updates these calculations for October 2015 statemented pupil numbers. There are two issues with this adjustment as follows:

- The recalculation only adjusts Statemented Pupil Numbers; it does not similarly adjust for changes to the count of Low Prior Attainment pupils.
- The recalculation only allocates additional funding to those schools where there is an increased deficit position. It does not clawback from those schools that have received funding in excess of the notionally calculated deficit position.

9.4. Officers anticipate that under the current arrangements the budget (£0.350m) will be overspent at the time of the October 15 recalculation. Any overspend will form a first call on DSG Reserves or the 2016/17 DSG Settlement.

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

- 9.5. The current position is described below and shows the propensity for overspend on the budget using this method.

The current position involves a part year recalculation, uses only statemented pupil numbers, and only involves upward allocations.–The method is as follows. Use the October 2014 pupil count to calculate the notional SEN funding and expenditure and therefore the value of the top up. Use the October 2015 statemented pupil numbers only to recalculate in year allocations. Only allocate if additional funding is required (no claw back if less funding is required). Payment is made in 2 instalments (May & December). If this method carried on into the 2015-16 financial year, it is likely that the 2015/16 budget will be overspent by 31st March 2016 by £80,000.

Officers are therefore proposing the following options to try and address this in advance of the overspend occurring.

Option A – Move to a once a year calculation.

Use October 2014 pupil count as now. No recalculation in 2015/16 based on changes in the October 2015 school census. Next calculation is for the 2016/17 budget based on October 2015 budget. This is the simplest option; payment would be made in May. It will contain expenditure within the 2015/16 budget

Option B – Part year recalculation, statemented pupil numbers only, but with clawback and upward allocations

Adjust allocations based on October 2015 statemented pupil counts, but also clawback funding where statemented pupil numbers decrease. This option is fairer than the current proposals and will partially limit the extent of the over spend. Payments would be made in 2 instalments (May & December) with 5/12 & 7/12 being paid respectively, claw back would be via reduction in budget share or invoice for academies.

Option C – Part year recalculation, statemented and low prior attainment pupil number adjustments, claw back and upward adjustments.

Recalculate both the statemented pupil number count and the low prior attainment count. Clawback from schools that require a smaller allocation, allocate to those that require more. This is the fairest and most transparent option and will partially limit the extent of the overspend. Payment would be by 2 instalments (May & December) with 5/12 & 7/12 being paid respectively.

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

Members of the Schools Forum are now asked to:

- **Give a view on which option described above is the most appropriate for the allocation of the £350,000 Notional SEN Top Up Funding budget, given that the current method is not affordable in 2015/16.**

10. Use of Permanent Exclusion Income from schools to support Reintegration

10.1. The January Schools Forum report (Annex A) identified the amount of funding (per pupil) that would be deducted from schools budgets if they permanently exclude. The following table shows the numbers of pupils in Swindon that have reached the point of permanent exclusion (either formal permanent exclusion or withdrawn permanent exclusion) over the last five academic years:

	2009/10	2010/11	2011/12	2012/13	2013/14
Formal Permanent Exclusions	17	10	15	13	13
Permanent Exclusions Withdrawn	28	19	23	29	31

10.2. All pupils that reach this point have to be supported within Stratton Education Centre or another Education Other than at School (EOTAS) setting within six school days of a head teacher's decision to permanently exclude. The most prevalent year groups are Y9 and Y10.

10.3. We have an established reintegration protocol that involves pupils ready for reintegration returning through our Fair Access Panel to be allocated a new school. Following a decision on which school there is a period of dual registration where the pupil is subject to an 8 week trial period with an interim and final review meeting before being taken on roll.

10.4. The numbers of pupils that have had an opportunity to be reintegrated in to mainstream schools during this period are noted in the table below;

2009/10	2010/11	2011/12	2012/13	2013/14
8	8	9	17	8

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

10.5. The position reflected above means that a significant number of pupils remain away from the mainstream in full time EOTAS provision until the end of Y11. Due to this position - opportunities for EOTAS to undertake creative, flexible and proactive work with our schools in order to avoid the need for permanent exclusion are lost. The average cost of a full time place within EOTAS provision is approximately £20,000. A place in a secondary school costs approximately £4,500 for a Year 10 pupil.

10.6. Swindon Secondary Behaviour and Attendance Leaders and EOTAS leads are working in partnership with officers to try and increase the numbers of pupils that are reintegrated successfully to a mainstream school following permanent exclusion.

10.7. Attached at Annex C is a draft reintegration guidance document which has been developed between the partners above to support increased numbers of pupils returning to another mainstream school as soon as possible. As part of this model to achieve the best chance of success funding is required to support the reintegration process with the aim of ensuring as far as possible a seamless transition. The funding would be used for such purposes as;

- Uniform and equipment for the new school
- Transport costs during the period of reintegration
- Cover for a member of staff from the school receiving the pupil to develop a relationship with the pupil/family prior to them starting at the new school. This will be achieved through visits to the home and the EOTAS setting

10.8. The BPPE funding provided to mainstream schools has increased by 4.15% when compared to the 2014-15 values. This has led to an increase in the charges that EOTAS will make for excluded pupils from an average of £24.02 to £24.79. This translates to an increase in the income budget for EOTAS of £30,000.

10.9. It is now proposed to ring-fence this additional £30,000 of income expected for pupils permanently excluded in order to support an increase in the numbers of pupils that are reintegrated successfully to a new school. This funding would be held centrally within the authority. Colleagues at Stratton Education Centre would manage the financial processes in terms of reimbursement of funds to individual schools and would invoice the Local Authority at agreed intervals for the amount accrued in the period. Expenditure would be monitored to ensure that the amount of funding reimbursed to schools would not exceed £30,000.

Members of the Schools Forum are now asked to:

- **Give a view on creating a ring-fenced budget of £30,000 to support the reintegration of permanently excluded pupils.**

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

11. Summary of overall DSG / EFA Settlement and Proposed Expenditure 2015/16

11.1. Based on the proposals included in this report the overall DSG position for 2015/16 can be summarised as follows:

Overall DSG Funding and Expenditure 2015/16		
Total DSG and EFA Funding receivable		£161.514m
Early Years Expenditure	£10.986m	
Mainstream School Expenditure	£122.520m	
Pupil Growth Expenditure (Incl. additional Holy Cross / Drove funding)	£0.437m	
Other central Expenditure (Incl. Increase for PRS / PPL Licenses and correction of overhead budget)	£0.948m	
High Needs Expenditure		
- Special Schools (Place / Top Up) (Including Therapies)	£11.178m	
- SRP (Place / Top Up) (Including Therapies)	£4.430m	
- MFG	£0.029m	
- Alternative Provision (Riverside, Stratton, CAMHS, Marlborough, Tuition and Exclusions Income)	£2.267m	
- Commissioned Services	£0.968m	
- Post 16	£2.979m	
- Mainstream SEN Top Up	£2.370m	
- External Placements Pre 16	£1.655m	
- High Needs Contingency	£0.315m	
- Other High Needs Expenditure	£0.269m	
Total Expenditure		£161.349m
Unallocated DSG		£0.165m

11.2. Officers propose to use the unallocated £0.165m of DSG in 2015/16 (along with the £0.235m identified in paragraph 7 above) to support the Mainstream High Needs Top Up Budget, which is currently estimated to overspend by £0.400m. This proposal simply places the high needs contingency budget (which was created to manage overspends in High Needs) where the overspending is occurring.

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

Members of Schools Forum are now asked to:

- **Give a view on the proposal to use the unallocated DSG of £0.165m to support Mainstream Schools High Needs Top Up Funding budget which is currently overspending.**

12. Alternative Options

12.1. There are various alternatives on how the additional DSG could be distributed as were described in the previous Schools Forum reports; however this cannot be added to mainstream school funding as these were finalised when the APT was submitted. The LA has a statutory duty to manage and distribute the DSG in accordance with prevailing grant conditions and the school finance regulations. Although under the school funding reform programme DfE are more prescriptive in terms of options and approaches in most cases funding values are locally determined.

13. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

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

Legal and Human Rights Implications

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

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

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

Links to One Swindon, Plans and Policies

13.4. Utilisation of the DSG has a direct link to two of the Council's five priorities – "Right skills, right jobs in the right place" and "Make the best use of Swindon's resources inside and outside the Council".

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

Diversity Impact Assessment

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

Risk Management

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

14. Consulters

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

15. Background Papers

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

16. List of Annexes

- **Annex A** - Pupil Growth Funding Calculations
- **Annex B** - Primary Pupil Growth Policy
- **Annex C** - Permanent exclusion / permanent exclusion withdrawal. Reintegration to mainstream school

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

This page is intentionally left blank

Pupil Growth Fund 2015/16

Calculation of Average per pupil Funding						
Formula Factor	Rate	Count	Total Funding			
Primary BPPE	2766.73	18,877.0	52,227,562			
FSM	865.86	4,173.0	3,613,225			
IDACI Band 1	434	1,048.4	454,997			Calculation of Growth Fund Requirement Average Per Pupil Funding for Growth
IDACI Band 2	529	423.3	223,919			£ 1,956 (7/12ths)
IDACI Band 3	608	1,927.5	1,171,945			£ 100,000
IDACI Band 4	781	1,675.5	1,308,575			£ 120,000
IDACI Band 5	955	204.4	195,207			Pre Opening Start Up Costs (Primary Only) Pre Opening Start Up Costs (Pri Plus Nursery) Whole School Infrastructure Costs per Additional FE Individual Class Set Up Costs
IDACI Band 6	1215	238.9	290,257			£ 35,000
EAL 3 Primary	574.11	1,914.0	1,098,832			£ 11,500
LPA	701.57	3,853.6	2,703,577			
Total Per Pupil Funding			63,288,097			
Average Per Pupil Funding for Growth (7/12ths)			3,353			
(5/12ths)			1,955.72			
			1,396.94			
New / Expanding Schools	Academy / Maintained	School Opened in the last 7 Years?	Additional Forms of entry	Estimated Increase in October 15 Roll	£ per pupil	total Value of Trigger Funding
Croft	Academy	Y	2	60	£ 1,956	£ -
Drove	Academy	N	1	-	£ 1,956	£ -
East Wichel	Maintained	Y	2	45	£ 1,956	£ -
Tadpole Lane	Academy	Y	2	60	£ 1,956	£ -
Even Swindon	Maintained	N	1	30	£ 1,956	£ 58,671
Haydonleigh	Maintained	N	1	30	£ 1,956	£ 58,671
Orchid Vale	Maintained	N	1	30	£ 1,956	£ 58,671
Holy Road	Academy	N	2	60	£ 1,956	£ 117,343
Holy Cross	Academy	N	2	-	£ 1,956	£ -
UTC Swindon		Y	2.3	70	£ 1,956	£ -
						£ 293,357
						£ 96,971
						£ -
						£ 436,328
						£ 281,000
						£ 155,328

This page is intentionally left blank

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

ANNEX B

Primary Pupil Growth Policy

As required by the new school finance regulations the Schools Forum has agreed a primary pupil growth policy which determines eligibility for additional funding which goes out to new and expanding schools over and above their annual delegated budget.

This policy covers the following

- Pre- opening start- up funding for new schools of up to £100,000
- Set up cost funding for infrastructure at £35,000 per Form of Entry (central infrastructure requirements) and £11.500 per additional class
- In year trigger funding relating to new classes which open to meet planned LA expansions where additional BPPE funding is provided for every extra pupil (with funding for at least 21 pupils in new reception classes).

Pre-opening start-up costs

The LA's funding model is essentially based on the experience of costs at the new Croft School which were agreed with the White Horse Federation but did not reflect the provision of a nursery.

Set up costs

There are usually two elements to set up costs, furniture and equipment (including ICT) and teaching materials. The values of each are £35,000 per Form of Entry (central infrastructure requirements) and £11.500 per additional class.

For future capital related schemes there will not be a separate budget for set up costs and the values above will be included in the capital budget for the scheme.

Trigger Funding

At the October Schools Forum meeting concerns were raised that the trigger funding policy may need revising to provide a degree of protection to schools where additional pupils joining expansion classes were significantly below LA forecasts.

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

The LA consulted with SAPH and SASH on the basis that, based on recent school estimates, part year staffing costs (Teacher plus Teaching Assistant) were approximately £29,145 per class and that pupil numbers would therefore need to BPPE's would, at current rates (£2,645) generate part year funding of £33.400 thereby fully covering additional costs and making a contribution to curriculum resources. This model was supported by SAPH and SASH.

During the course of the LA review into break even funding the question of whether protection should be provided for all expanding year groups or just reception cases arose and the LA sought views from SAPH and SASH on a number of options. Given the potential cost implications consideration also needed to be given as to whether a school which opens for all year groups (such as East Wichel) should be provided with the same level of protection when low numbers across the school may well provide viable options to operate mixed classes without the need for additional funding.

The current approved policy is to fund 7/12 actual change in additional pupils (Years 1-6) with a protection for Reception at 21

Key points to note are; Having considered the need to provide a sufficient degree of protection to expanding schools, balanced against the overall DSG position, the policy gives a degree of protection (for reception age pupils) but not full protection for all age groups and avoids having to consider separate criteria for schools which open for all year groups.

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

ANNEX C

Permanent exclusion / permanent exclusion withdrawal. Reintegration to mainstream school

Rationale

The review of Swindon Fair Access Panel 2013 highlighted the following in relation to the reintegration of pupils to mainstream school.

All incidences of unsuccessful reintegration do come back to the Fair Access Panel as part of a quality assurance model. There is opportunity to improve on the positive outcomes in relation to reintegration and the group considered the issues that can affect reintegration and provide a pupil with the 'best chance of success':

- *Some pupils struggle with adapting to a mainstream timetable when they have been used to an EOTAS model.*
- *Family support needs to be maximised throughout the process.*
- *It is agreed best to move pupils back to mainstream as soon as possible and appropriate to avoid them becoming too engrained in the EOTAS arrangements. The EFAP exercise of 2011/12 highlighted the additional challenges faced by pupils who have been away from a mainstream school for an extended period.*
- *It is a concern of noted by EOTAS members in their consideration of a pupil being 'ready to return' that once a pupil reaches KS4 the chances of successful reintegration are limited.*
- *A further piece of work for consideration is looking together to try improve how pupils are prepared to return to a mainstream environment.*
- *It is critical that pupils are returned to mainstream school at the earliest appropriate opportunity.*

For a school successful reintegration can be seen as a major indication of 'closing the gap' in terms of educational inclusion and achievement.

The following process has been developed to improve the frequency and success rate of pupils being subject to reintegration from EOTAS.

Please note that this guidance applies to Swindon secondary schools only.

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

Process

1 – The permanent exclusion

- Pupil is subject to a permanent exclusion and the Head Teacher/Principal is minded to offer a permanent exclusion withdrawal.

Please note that a permanent exclusion withdrawal should only be considered after a decision is made to permanently exclude. A permanent exclusion withdrawal should not be seen as part of the graduated response in supporting pupils with challenging behaviour, nor discussed with parent/carer /colleagues in this regard.

- Permanent exclusion withdrawal meeting is held and parent/carer accepts the offer or decides to follow the formal permanent exclusion route.
- If the formal permanent exclusion route is followed the case would not be referred to the Fair Access Panel. Should a formal permanent exclusion take place the pupil would still be eligible for reintegration in line with this process.

2 - EOTAS support

- Within 6 days of the decision to permanently exclude the pupil will be allocated a place within Education other than at School (EOTAS).
- An admission meeting will be organised by the Exclusion and Reintegration Officer and following the start date the EOTAS provision will begin to prepare the pupil for return to a mainstream school. The aim will be to achieve a readiness to return within eight school weeks of the start date at EOTAS.
- The programme within EOTAS will include bespoke intervention to address any specific issues that have led to permanent exclusion in addition to a more generic programme aimed at supporting reintegration. A written plan will be developed and shared with all stake holders and reviewed at agreed intervals.

3 - Fair Access Panel, (FAP):

- Following permanent exclusion withdrawal the case will automatically be referred by the excluding school to the next Fair Access Panel (FAP) that sits every two weeks during term time.

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

- If a formal permanent exclusion has taken place the same support programme will take place within EOTAS and the Exclusion and Reintegration officer will ensure that the pupils name is highlighted to the FAP to be placed on the agenda in consideration of a new school placement.
- In the case of a withdrawn permanent exclusion the FAP members will acknowledge that the pupil is deemed 'hard to place' and will vote on the question, 'PRU or mainstream at this time?'
 - If the vote supports, 'PRU at this time' the pupil will remain within EOTAs and will be considered in line with this reintegration process. The name of the pupil will automatically be placed on the next but one FAP agenda (4 weeks-time) for a choice of school to be agreed. This referral would then be considered by the same FAP members.
 - If the vote supports, 'mainstream at this time' a fast track reintegration will be organised facilitated by the LA Exclusion and Reintegration Officer in consultation with the EOTAS Reintegration Officer. Pupils who are recommended for a fast track return may need a specific targeted intervention but will move back to mainstream school as soon as is possible once a school is identified and agreed through the FAP.

4 - EOTAS support:

- The intervention within EOTAS will have begun and as part of this the EOTAS Reintegration Officer will work with the pupil and family to ascertain three choices of school in order of preference to be advised to the Fair Access Panel.
- By the end of the third week of intervention within EOTAS the Reintegration Officer will have obtained a view as to whether the pupil will be ready to return to a mainstream school within the original 8 week period. Where in exceptional circumstances this is not thought appropriate the pupil will not be referred to the FAP at this point but will automatically be considered in a further four weeks.
- Where it is the view that the pupil should not be subject to reintegration at this time the EOTAS team will work to achieve a proposal to reintegrate in the following four weeks. Should this not be possible alternative arrangements including consideration of an EHCP should be discussed.

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

5 - Return to Fair Access Panel:

- At the panel where the pupils name is on the agenda the panel will vote to allocate a school.
- Once a school is decided upon that school will be informed and they will allocate a key worker to liaise with colleagues within EOTAS and the pupil and family in order to 'champion' the integration programme with the aim of starting full time within four school weeks. A reintegration plan should be developed that highlights key milestones/outcomes and dates of review.

6 – Preparing for re- integration.

- The following will be key indicators of readiness;
 - Positive relationship between key worker, pupil and family.
 - Uniform in place for start.
 - Visits to school to become conversant with the site and meet key personnel including tutor, head of year etc.
 - Time table agreed.
 - Any transport issues resolved.

7 - The reintegration

- Once the pupil starts at the receiving school they will be subject to an 8 week trial as is established current practice. The assigned key worker will monitor and support the pupil throughout this period.
- The designated school Behaviour and Attendance (B+A) Lead will have oversight and will be supporting the key worker in managing the process.
- Weekly progress reports should be provided to the pupil/family, key worker and EOTAS Reintegration Officer. These should feed in to the mid-term and final review meetings. These reports are important in that they will indicate whether the pupil is likely to be successful in coming on roll
- The final review meeting should confirm the school decision on whether to agree to take the pupil on roll or not supported by appropriate evidence.

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

2015-16 Dedicated Schools Grant Budget

Schools Forum

Date: 17th March 2015

- In exceptional circumstances an extension to the trial period may be proposed but this should not exceed four weeks.

8 – Finance;

- The EOTAS team will support the costs of preparing for a successful transition through ensuring that uniform equipment and transport for the period of reintegration is supported. The EOTAS team will also allocate £250 to the receiving school in order for them to be able to support the costs associated with reintegration process, back fill of key worker whilst off site etc.

Nigel Pickering

Additional Provision and Reintegration Manager

01793 46 5754

NPickering@swindon.gov.uk

February 2015

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

This page is intentionally left blank

Schools Financial Value Standard Returns

Schools Forum

Date: 17th March 2015

Author:	Finance Manager – Education & Innovation
Wards:	All
Locality Affected:	All
Parishes Affected:	Al
Settings Affected:	All LA maintained schools

1. Purpose and Reasons

- 1.1 To update Schools Forum members on the findings from the review of the 2013/14 Schools Financial Value Standard (SFVS) self-assessments and suggest a consistent procedure for future returns.

2. Recommendations

- 2.1 The Schools Forum is asked to note that:
- The LA is issuing guidance on how best to complete the SFVS return and future submissions should follow this guidance.
 - SFVS forms part of the LA's financial health check of schools and schools may be contacted to verify evidence in support their assessments.

3. Background

- 3.1 The new Schools Financial Value Standard (SFVS) is in its second year of operation (having superseded the former Financial Management Standard in Schools assessment which was subject to external verification and withdrawn by DfE in November 2010). Local authority maintained schools are required to complete the SFVS once a year. All Swindon maintained schools completed and submitted their 2013/14 SFVS assessment to the local authority by 31st March 2014.
- 3.2 The SFVS has been designed by the DfE with schools to help them in managing their finances and to give assurance that they have secure financial management in place.
- 3.3 Governing bodies have a formal responsibility for the financial management of their schools, and so the standard is primarily aimed at governors.
- 3.4 The standard focuses on five main areas:
- The Governing Body and School Staff
 - Setting the budget
 - Value for money

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

Schools Financial Value Standard Returns

Schools Forum

Date: 17th March 2015

- Protecting public money
 - Outcome of the self-assessment
- 3.5 The requirements and expectations of Governing bodies relating to the SFVS are now a part of the Financial Training for Governors programme which is provided by the LA finance and Internal Audit teams as part of the Governor Support Traded Service.
- 3.6 The evidence provided in the self- assessments is incorporated into the LA's overall financial health monitoring procedures which are used to identify schools that may require further LA challenge or support from the school improvement, finance and / or Internal Audit teams. Although the new assessment is not subject to external assessment, the LA Internal Audit Team will review returns and any supporting evidence as part of its annual internal audit programme and will look to verify evidence during school visits.
- 3.7 Local authorities are required to fill out the dedicated schools grant (DSG) chief financial officer (CFO) assurance form every year to cover all the maintained schools in their area.
- 4. 2013/14 Review / Actions / Proposals for future returns**
- 4.1 All the SFVS submissions were returned to the LA by the 31st March 2014 deadline and have subsequently been subject to an initial review. The scheme has 23 questions to be completed with a yes/no/ in-part answer and then an area to include comments, evidence and proposed actions. It also has an area for remedial actions where the school believes areas could be strengthened.
- 4.2 The 23 questions cover a wide range of governance and internal control issues and the LA would not expect schools to include categorical "Yes" scores against all areas.
- 4.3 Reviews have been undertaken on all returns and the findings have been used to inform the annual Internal Audit plan and the Health-check process used within Finance. The reviews identified that schools have varying approaches to the completion of these returns and the quality and level of detail varied considerably. The LA would refer Governors to the DfE. website where guidance on the evidence that should be considered when completing these forms. This guidance will help ensure that school staff have provided the information that the governing body needs to complete the self-assessment return and to be assured that their mandatory obligations have been fulfilled. It will enable Governors to more easily identify weaknesses or areas for challenge.
- 4.4 The following points will form the main part of LA guidance:
- The governing body may delegate the consideration of the questions to finance or any other relevant committee, but a detailed report should be
-

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

Schools Financial Value Standard Returns

Schools Forum

Date: 17th March 2015

provided to the full governing body and the chair of governors must sign the completed form.

- The signed form together with the completed return should be submitted to the LA as evidence of presentation to the governing body.
- Answers to all 23 questions should be given. Where a question is answered “No” or “In Part” the school should provide a very brief summary of the position and proposed remedial action with an expected delivery date.
- In the area where “comments, evidence and proposed actions” are entered, comprehensive answers should be given and supporting evidence (external files) should be embedded into the document. Examples where answers are just “Yes” do not provide the necessary assurance for the governing body or the LA. It is important all governors are confident about all the responses.
- In Section E (Summary of agreed remedial action and timetable for reporting back), governors or management committees should summarise remedial actions and the timetable for reporting back. Governors or managing committees should ensure that each action has a specified deadline and an agreed owner. Governors or management committees must monitor the progress of these actions to ensure that all actions are cleared within specified deadlines.

4.5 The basis for best practice follows the LA assessment of all completed answers from last years submitted returns. In particular the following questions contained weak answers or lacked detailed evidence.

- Question 4 - Does the governing body receive clear and concise monitoring reports of the school's budget position at least three times a year? Answers should provide at a minimum, dates of such meeting and also evidence of challenge by governor's, by way of minuted records.
- Question 7 - Does the school review its staffing structure regularly? Answers should be expanded to state when reviews took place, with embedded staffing structures and Governor minutes relating to this area.
- Questions 8 – 11 –category “Setting the budget”. These questions require more embedded evidence within each answer, specifically assumptions applied to the three year budget, e.g. pupil growth assumptions, school staffing structures, records of challenge by governors and action plans made for perceived shortfalls in revenue.
- Question 12 - Does the school benchmark its income and expenditure annually against that of similar schools and investigate further where any

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

Schools Financial Value Standard Returns

Schools Forum

Date: 17th March 2015

category appears to be out of line? Tangible evidence of bench marking was not embedded in the document and minutes of reports presented to governing bodies not supplied.

- Question 13 - Does the school have procedures for purchasing goods and services that both meet legal requirements and secure value for money? The financial management policy and procurement examples should be embedded in the document.
- Question 17 - Can the school give examples of where it has improved the use of resources during the past year? Details of examples of improvements could be expanded,
- Question 23 - Does the school have an appropriate business continuity or disaster recovery plan, including an up-to-date asset register and adequate insurance? Business Continuity Plans and asset registers should be embedded in the return.
- Summary of remedial action and timetable – outcomes from last year should be presented as complete and individuals/committees should be assigned to future requirements/actions.

4.6 The next SFVS returns will be reviewed with regard to the considerations above.

5. Alternative Options

5.1 There are no alternative options presented in this report.

6. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

6.1 The LA's Chief Finance and Section 151 Officer (The Board Director – Resources) is responsible for monitoring the financial health of LA maintained schools and is required to report compliance of the standard to the DfE. Full compliance with the SFVS requirements provide a high level of assurance that all financial and procurement arrangements in schools are of a high standard.

Legal and Human Rights Implications

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

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

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

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

Schools Financial Value Standard Returns

Schools Forum

Date: 17th March 2015

Links to One Swindon, Strategic Objectives, Plans and Policies

- 6.4 Utilisation of the DSG has a direct link to two of the Council's five priorities – "Right skills, right jobs in the right place" and "Make the best use of Swindon's resources inside and outside the Council".

Diversity Impact Assessment

- 6.5 A Diversity Impact Assessment (DIA) has not been done as this report does not make any recommendations that affect services.

Risk Management

- 6.6 Governing bodies must be able to demonstrate that they have robust financial management processes in place. Completion of the SFVS provides assurance to Governing bodies and the LA's S151 officer that adequate processes are in place or highlights areas for improvement.

7. Consultees

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

8. Background Papers

- 8.1 Previous SFVS reports to the Schools Forum

This page is intentionally left blank