

## **SCHOOLS FORUM**

**TUESDAY, 5 MARCH 2013**

**PRESENT: -**

**School Members:**

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

**Non-School Members:**

Peter Smith, Trade Unions  
Debbie Waldron, Early Years Representative  
Andrew Miller, 16-19 Partnership  
Graham Taylor, 16-19 Partnership  
Ram Thiagarajah, BME

Councillor David Renard (Cabinet Member for Children's Services) was also in attendance

**Officers:**

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

Apologies for absence were received from Janet Urban (Primary Headteacher), Alison Lowe (Primary Headteacher), Derek Fry (Special Governor), Lauren Connor (Academy Headteacher) and Andrew Wild (Diocese - Clifton).

**21.**

**Minutes of Previous Meeting**

Resolved – That the minutes of the meeting held on 15<sup>th</sup> January 2013, be confirmed and signed as a correct record, subject to a correction to the Officer title in Minute 19 (14) to be 'Head of Commissioning – Economy and Attainment'.

**22.**

**Retained DSG Budget Position 2012-13**

Steve Haley (Head of Finance – Education and Innovation) presented a report on

the latest position of the 2012/13 retained Dedicated Schools Grant (DSG) budget.

Mr Haley advised that since the last report to the Schools Forum there had been a further improvement of £0.141m in the retained DSG, giving a total underspend of £1.641m. Annex A to the report set out detailed information on the changes, which were primarily due to a further underspend in the Education Other Than at School (EOTAS) budget and reduced demand on the Out of Borough Placements budget. In addition there was a balance of £0.33m brought forward from 2010/11 and 2011/12.

The Forum's approval was sought to use part of the underspend within the EOTAS service for a scheme to upgrade teaching facilities, reduce health and safety risks and create a dedicated support hub at the Stratton Education Centre. There was insufficient time to put the contracts in place by the end of the year, but it was suggested that EOTAS be able to use monies for the project up to the value of their final year end underspend (currently £78k), subject to the Forum Chair approving a fully costed business case. This proposal was supported by the Forum.

It was noted that at the last meeting it was agreed that £900k of the project underspend be distributed to schools in 2013-14 via the local formula by temporarily increasing the primary basic per pupil entitlement rate (BPPE), and subject to a benchmarking exercise it was intended to recommend similar for 2014-15. However, the latest information provided by the Department for Education on the balance of funding compared to other Authorities, showed that it might be appropriate to look at other options if looking to ease transition through to a national formula. It was agreed that these options should be considered at the meeting in October 2013.

Resolved – That the Schools Forum:

- 1) Notes that based on information available at the end of January 2013, an in-year underspend of approximately £1.641m is projected against the 2012/13 retained DSG budget.
- 2) Notes that a total of £0.333m remains available from 2010/11 and 2011/12.
- 3) Notes that the total balance of retained funding is available for redistribution is estimated at £1.974m.
- 4) Notes that as confirmed at the last Schools Forum meeting £0.900m of the above funding will be distributed to primary settings in their 2013/14 funding allocations, leaving a balance of £1.074m.
- 5) Approves in principle that funding up to a value of the final year end underspend on the EOTAS service, estimated at £78k, is allocated in 2013/14 to fund improvement works at the Stratton Education Centre, subject to the Chair of the Schools Forum approving a fully costed business case.
- 6) Approves in principle that the balance of funding estimated at £1m be allocated in 2014/15 to meet the requirements of further changes arising from the school funding reform programme, and a report come back to the Forum at the October 2013 meeting to discuss the options.

## **23. Early Education Funding for Disadvantaged Two Year Olds 2013-14**

The Forum considered a report from the Head of Finance – Education and Innovation, on the proposed hourly rate to be paid to providers of Free Early

Education provision for disadvantaged two year olds from 1<sup>st</sup> April 2013, and the wider implications of the funding.

It was noted at the last meeting that free early education would become a statutory entitlement for eligible two year olds from 1<sup>st</sup> September 2013 (looked after children and those meeting 'free school meals entitlement'), with the local authority required to secure provision. The local authority had been allocated £1,425,387 to fund the full cost of the first 20% of pupils (503) places and £559,569 trajectory building funding to begin developing additional capacity. Current take up was 131 places. It was anticipated that the level of funding for 2014/15 (for 924 places) would also be above the level of take up. The local authority had two years to bring up the participation rate, as it was anticipated that places would be funded on actual take up from 2015/16.

Mr Haley advised that the DSG was not ring-fenced and the funding for two year old placements could be used for other purposes. In addition, it was important not to set rates at a high level in line with the level of funding available, if this could not be sustained in future years.

In discussion of what level to set rates at, it was noted that the current funding rate was £4.97, which was lower than the national rate of £5.09. The Forum noted comparisons to other South West area, including information which had been received since the publication of the agenda, giving a regional average hourly rate of £4.99. It was recommended and agreed that the hourly rate of £4.95 was appropriate to be introduced from 1<sup>st</sup> April 2013, with an additional retrospective £0.40 to be paid towards the end of the financial year. It was felt that this would help providers to establish running costs based on the sustainable rate.

As there are likely to be considerable surpluses from this funding in the next two years, it was suggested that the funding could be used to cover the local authority's high needs post 16 responsibility, for which there was a projected shortfall in funding, which was the subject of a separate report.

Nick Capstick expressed concern that there was an urgent need to identify potential clients and to publicise places, so that potential service providers were not putting staff and spaces in place which would not be used. He suggested that some of the funding be used on developing a mechanism to better identify clients and on a project officer to ensure publicity was sufficient.

Paddy Bradley (Head of Commission – Economy and Attainment) advised that activities were already taking place to improve take up and the local authority held the information of families who were eligible. Rather than commit additional funding without understanding the issue, he suggested he discuss with Nick Capstick after the meeting the barriers he envisaged in identifying recipients, and would also check on the principle if any of the funding could be used for project officer. Steve Haley advised that his understanding was that the trajectory fund could be used in this way if required, but not the other allocation, but that this would be checked.

Resolved – That the Schools Forum:

- 1) Agrees the following rates for 2013/14 to be paid to providers of Free Early Education provision for disadvantaged two year olds from 1<sup>st</sup> September 2013:
  - A standard hourly rate of £4.95

- An additional retrospective top up rate of £0.40 per hour to be paid at the year end.
- 2) Agrees to review both rates prior to commencement of the 2014/15 financial year.
- 3) Notes the significant underspend likely on 2 year old provision compared to the DSG funding made available in 2013/14 and 2014/15.
- 4) Requests that the Head of Commissioning, Economy and Attainment discuss with Nick Capstick issues for providers in identifying prospective clients for places and publicising information to them and check if the funding allocation can be used for this purpose, and report back to the Forum at the next meeting.

## **24. Post 16 High Needs Funding**

A report from the Head of Finance – Education and Innovation was tabled at the meeting, to advise Forum members of the new arrangements for funding high needs students aged 16-24 and the enhanced role for Local Authorities in commissioning education provision for such students. The report set out the potential impact of the new responsibilities and funding arrangements, and further work which was taking place.

The Forum heard that all post 16 funding payable to Local Authorities had now been included in the Dedicated Schools Grant from 2013/14. This included a 'place' plus approach for funding all high needs pupils. This had previously been funded through an SEN Block Grant, which was a historic figure not associated with need. Under the national formula Swindon had received £644k funding in 2012/13. In addition, Academies and Further Education Colleges had been funded directly by the Education Funding Agency (EFA) up to £19k with support above that level funding from the Specialist Placement fund.

The Forum was advised that the funding from 1<sup>st</sup> August 2013 was in 3 elements. Element 1 would be consistent across all types of provision (approximately £4,300). Element 2, for additional learning costs, would equate to around £6k per learner and be funded by the EFA, other than for out of borough placements. Element 3, the 'top up' for any further needs, would be funded by the Local Authority from its High Needs Block. The Forum also noted the new responsibilities for the Local Authority to commission places, and monitor places against agreed outcomes.

Mr Haley advised that there was a significant shortfall in the funding available to meet the new responsibilities for 2013/14 of approximately £543k. Representations had been made to the EFA on the allocation for post 16 funding and concerns that the information used by the EFA was incorrect. The outcome of these representations was awaited. It was noted that if the shortfall remained following these negotiations, the shortfall could be covered in the short-term by the additional funding included in the DSG for 2 year old provision.

Rachel Matthey expressed concern that this was not a sustainable position, and that there were already gaps in the pre-16 provision which could do with the additional funding, rather than it being used to fund post-16 provision.

Steve Haley confirmed that it was important for the EFA to get the calculation

correct for funding, in particular ahead of the introduction of a national funding formula. This was an issue being experienced by a number of Local Authorities. Officers would report back to the next meeting with an update on the position from the EFA, however use of the funding for 2 year old funding could cover the shortfall in the short term if necessary.

Steve College suggested that representatives of the Heads Associations should become involved in the F40 group to lobby at a national level for a revised baseline of funding for Swindon. It might be helpful for schools to provide specific examples which could be used to support the case which officers were making to local MPs and to the Government.

Resolved – That the Schools Forum:

- 1) Notes the new arrangements for funding high needs students 16-24 and the enhanced role of Local Authorities in commissioning education provision for high needs students aged 16-24.
- 2) Notes the potential impact on the overall DSG budget for High Needs Students (as set out in the next agenda item).
- 3) Notes the work completed to date with the Education Funding Agency.
- 4) Agrees to receive a further report on the next meeting of the Forum prior to setting funding rates for post 16 High Needs Students (HNS).
- 5) Request that Head of Commissioning, Economy and Innovation provide information to the Chairs of the Heads Associations on the potential for them to contribute to the work of the F40 group.

## **25. Dedicated Schools Grant and School Funding Reform 2013-14**

The Forum considered a report by Steve Haley (Head of Finance – Education and Education) updating the Forum on the 2013/14 Dedicated Schools Grant (DSG) settlement, and seeking approval for a number of budget changes. The Forum were also informed of the Department for Education (Dfe) Consultation ‘Review of 2013-14 School Funding Arrangements’ on which comments were sought by 26<sup>th</sup> March 2013.

Mr Haley talked members through the report, commenting on key issues and answering questions on each section. He highlighted changes since the last meeting in January 2013. The Forum considered each recommendation in turn and voted on each element of the funding formula and proposals.

The Forum made decisions in respect on the following matters:

Estimated DSG Funding available in 2013/14 - Mr Haley advised that he had been able to write out to all schools on 12<sup>th</sup> and 13<sup>th</sup> February 2013 giving their funding allocations in principle. It was noted that the total value of the DSG had increased from £144.6m reported at the last meeting to £145m. However, there was a shortfall of £0.543m in the allocation for post 16 high new responsibilities, which had become clearer since the last meeting, and had been discussed as part of the previous agenda item.

School Licenses – Central Items – The Forum noted that as Copyright Licensing

Agency and Music Publishers Association licences for schools would now be managed centrally by the DfE, £60k had been identified in the retained budget to meet the costs of paying subscriptions on behalf of all Swindon Schools and Academies. It was highlighted that this did not include all licences, and therefore schools needed to check arrangements for other licences they required.

Trade Union Release Time – Central Items – As at previous meetings there had not been a consensus view on the centrally funding trade union release time, the proposal before the Forum was for the money to be delegated out to schools and the LA administer any pooling arrangement required.

The Forum did not support this proposal, and voted to continue with the existing arrangement throughout 2013/14 financial year for the Local Authority to fund Trade Union release time from the retained underspend which would be carried forward at the end of the year, without the need for any school or academy contributions.

High Needs Funding, Notional SEN Budget –

Steve Haley explained the new school funding arrangements with each LA required to identify elements of funding within their local formula to make up a notional SEN budget, and to publish information on that budget. Mainstream schools would continue to fund the first £4k of the £10k of costs for all high needs pupils, with the additional £6k coming from the notional SEN budget.

For 2013/14 it was proposed that the notional SEN budget be made up from 100% of Low prior attainment funding, and 40% of Deprivation Funding. This would provide sufficient funding in most schools. However, in 18 settings it had been identified that costs would exceed funding. It was suggested that the LA allocate high incidence top up funding to these settings from the central SENRAP budget at a cost of £256,750, as set out in Annex A. The Forum voted to approve supporting additional funding in these setting.

Nylands Outreach Service for Emotionally Vulnerable Pupils - The Forum noted that this service was able to be treated as a Borough-wide High Need Commissioned Service at a cost in 2013/14 of £102,700, and this alleviated previous issues of administering top up fees and recharging under its previous designation as an Alternative Provision Service.

SENRAP Top Up Funding – Mainstream Settings – The Forum were advised of the minor changes to the SENRAP processes as set out in Annex E which would be implemented from 1<sup>st</sup> September 2013. It was noted that the funding from 1<sup>st</sup> April to 31<sup>st</sup> August 2013 would be allocated on current levels. The SEN Team would be issuing indicative SENRAP top up funding allocations to each setting at the start of 2013/14 and would indicate at the same time the process and timing of payments for top up fees.

Disadvantaged 2 Year Olds – Early Years – This had been the subject of a separate report and discussion on the agenda.

Three and Four Year Olds – Early Years – The Forum noted that the early years spending in 2013/14 on 3 and 4 year old free nursery entitlement was estimated at £7.5m and that it was anticipated that additional DSG would be provided to fully fund this.

Brimble Hill – High Needs Funding – It was noted that letters had been sent out to relevant headteachers on 12<sup>th</sup> February 2013 advising of the high needs places, top up rates and indicative funding allocations for each setting. Steve Haley advised that a query had been received from the Headteacher of Brimble Hill in the last few days on the allocation for the school. Alison Lowe advised that the issue raised was to be discussed at the next meeting of the Special Schools Headteachers Association (ASSH), but it was not anticipated there would need to be an amendment to the allocation. It was agreed that a representative of the LA would attend the meeting.

Uplands Special School Post 16 Funding – High Needs - The Forum approved the proposal for post-16 to be funded at the same rate as pre-16 placements at Uplands, giving total allocation of £2,947,266. This would give certainty to the school on the level of allocation, even the clarity was still being sought as to the general level of post-16 funding allocation from the EFA.

Mountford Manor SRP Funding – High Needs – It was noted that the EFA had confirmed this should be reclassified as an Alternative Provision setting. The Forum agreed in principle that a top up fee which equated to £11,760 per pupil be approved for 2013/14 for Mountford Manor, giving a total of £118,800. Steve Haley advised that he had a meeting with Nick Capstick this week to confirm the final figures at the school, and he would report back to the next meeting if there was any variation on this figure.

Alternative Provision – EOTAS - High Needs - The Forum had agreed the number of places and provisional top up rates at the last meeting for alternative provision settings. It was noted that the LA had been able to attract specific DSG allocations for the Marlborough House CAMHS service as well as the Hospital Service, and therefore 'place plus' funding was not required for these.

The Forum approved 2013/14 top up rates for Stratton PRU at £8,200 per pupil and Riverside at £8,400 per pupil. The report advised that the LA provision of £8,000 per pupil for Nylands PRU to cover services to pupils at risk of exclusion totalling £64k was sufficient to cover the annual costs of the service of £61,600. As a result it had been anticipated that no top up fees were required. However, there had been a question raised on this annual cost by the school. Steve Haley confirmed he was meeting with Nick Capstick from the White Horse Federation and it would be reported at the next meeting if there was any variation required.

Non-Exclusion Top ups – High Needs - The Forum noted the proposed per pupil funding rates as set out in Annex B to the report that would be used by the LA to recover funding where pupils were permanently excluded or placed in other Alternative Provision settings for fixed or short term periods. This approach had been approved by the EFA.

Mainstream Funding (Final Funding Values) – The Forum noted the final funding factors used to allocate 2013/14 mainstream funding allocations, set out Table 3 of the report. This figure still included the £23k distributed between schools which had previously been used to fund the Trade Union support. It was agreed that the reinstated service would be funded from the DSG underspend this year.

In relation to the level of funding available, it was recognised by the Forum that it would be increasingly difficult for smaller settings to be economically viable in the future, as MFG funding is tapered out.

Deferred Admissions – At the last meeting the financial implications of moving from a January to October PLASC count were raised. The situation had been reviewed by the Admissions and SENAT Manager, and it was noted that children where there were deferred admissions to a compulsory school age, were not included. It was suggested that the Schools Forum receive a report later in the year on options to allocate additional funding from 2014/15 onwards, so that any additional admissions between October to January and / or from October to May could trigger extra funding.

It was asked that the report when coming back not only look at trigger funding for reception age children, but also for other years where pupils are admitted above planned numbers such as a result of admission appeals, or admissions for looked after or military children.

Post 16 – Funding Shortfall – As set out in the earlier agenda item, the Forum noted that the LA was challenging the level of funding allocated by the EFA to cover the new post-16 responsibilities in 2013/14, which appeared to be £533k less than the new costs would be. The Forum noted that the intention would be to fund this from the surplus disadvantaged 2 year old funding throughout 2013/14 and 2014/15 if necessary, although this would not be their preferred option.

Department for Education (DfE) Consultation – The Forum were advised that a further consultation “Review of 2013/14 School Funding Arrangements” had been issued on 14<sup>th</sup> February. Appended to the consultation were graphs showing how other LAs were planning to use funding in October 2012, although it was recognised that there was likely to have been a change this this level. It was agreed that a sub-group of the Forum meet to agree a response to the consultation, which was required by 26<sup>th</sup> March. Steve Haley highlighted the factors on which Swindon in its October response had been different to other LAs, and it was noted that for future years it would be important to look at where the Authority might wish to adjust its DSG factors to be closer to others, to ease the way into a national formula.

Resolved - That the Schools Forum:

- 1) Notes that the estimated value of the 2013/14 DSG notional funding blocks has been revised to £145,014,351, an increase of £429,807 to the 15<sup>th</sup> January 2013 estimate.
- 2) Notes the new arrangements relating to School Licences.
- 3) Agrees that the Local Authority fund Trade Union release time for 2013/14 be funded from the retained underspend at a cost of £22,300, without the need for any school or Academy contributions.
- 4) Agrees the LA proposal to increase the centrally retained high needs budget by £256,750 in order to enhance notional SEN budgets to the 18 settings which have high proportions of statemented pupils (paragraphs 3.13-3.14 and Annex A of the report).
- 5) A representative of the LA attend the next ASSH (Association of Special School Headteachers) for a discussion and clarification of the funding position for Brimble Hill School and an update be reported to the next meeting.
- 6) Notes that the LA has reclassified the Nylands Outreach Service for Emotionally



Vulnerable primary age pupils as a Borough -wide commissioned high needs service and agrees the 2013/14 funding set out in paragraphs 3.15-3.16 of the report.

- 7) Notes an increase of £200,000 to the 2013/14 budget for 3 and 4 year old nursery provision bringing the total to £7,500,000, which it is anticipated will be met from additional grant.
- 8) Agrees that 2013/14 funding for post 16 pupils at Uplands should be at the same rate as pre-16 pupils thereby confirming the indicative funding allocation reported at the January Forum at £2,947,266.
- 9) Agrees 2013/14 top up fees as follows:
  - Mountford Manor SRP - £11,760
  - Stratton Pupil Referral Unit - £8,200
  - Riverside Anxious and Vulnerable Unit - £8,400
- 10) Notes that the LA has agreed with EFA that the Marlborough House CAMHS provision managed by the EOTAS can be funded as Hospital Education via a separate element of DSG which for 2013/14 is £276,315.
- 11) Notes the 2013/14 pupil funding values that will be recovered from mainstream settings for both permanently excluded pupils place at Stratton PRU and short term provision at Riverside, Nylands PRU and the Tuition Service, subject to the Head of Finance – Education and Innovation confirming the level of funding required for Nylands PRU with the White Horse Federation.
- 12) Notes the final 2013/14 mainstream formula funding factor values (Table 3) and allocations to mainstream settings (Table 4 and Annex C).
- 13) Notes the LA's intention to review the issue of deferred admissions prior to 2014/14 budget setting, and the report back on options consider where top up funding is appropriate where classes increase for other reasons, other than deferred admission.
- 14) Notes that the LA is in contact with the EFA regarding a potential shortfall in post 16 funding of £533k, as per the earlier report, and agrees the LA proposal on how, if necessary, this shortfall would be funded in 2013/14 from the surplus disadvantaged 2 year old funding throughout 2013/14 and 2014/15, as set out in paragraph 7.4 of the report.
- 15) Notes the scope and timescale of the latest DfE consultation "Review of 2013-14 School Funding Arrangements" as set out in Annex D to the report, and a sub-group of the Forum be set up to prepare a response by the deadline of 26<sup>th</sup> March 2013.

## **26. Forecasting of School Balances 2012-13**

The Forum considered a report from the Finance Manager – Education on the outcome of the latest monitoring exercise to measure the effectiveness of school financial planning and forecasting for school revenue balances.

It was noted that given the uncertainty over school funding which had arisen from the DfE school funding reform programme, the LA would not be exciting any clawbacks of 2012/13 school balances.

Due to workloads associated with the reform programme, it had not been possible for Officers to report in October on schools planned use of balances.

The end of year position was that 40 schools had been effective in the financial

planning. Only 10 schools would need to provide an explanation to the LA as to the difference in their budgets to estimate, assuming the final balances are in line with the December estimate. One school had moved from a surplus to a deficit forecast position without requesting the Director of Children Services to licence it and would need to provide additional information. The Forum noted that the forecast level for 31<sup>st</sup> March 2013 was expected to be £1.7m higher than the planned position reported in June 2012 when budgets were set.

It was recognised that the process was about supporting schools to be effective in financial planning. Paddy Bradley (Head of Commissioning – Economy and Innovation) advised that recent Ofsted inspections were looking at governance. Jackie Smith advised that ASSH had obtained a useful checklist for schools, which she would circulate.

Resolved - That the Schools Forum notes the indicative position regarding projected 31<sup>st</sup> March 2013 School Balances and that they are £1.7m higher in total than was assumed when school budgets were set in June 2012.