

SLOUGH SCHOOLS' FORUM
11 September 2013

**Consultation on the School and Early Years Finance Regulations 2013
and additional grant conditions for the Dedicated Schools Grant (DSG)
(Director of Wellbeing)**

1 PURPOSE OF REPORT

- 1.1 To inform Schools' Forum of the DfE's proposed new School and Early Years Finance Regulations 2013 and additional grant conditions for the DSG. The regulations are currently the subject of a consultation that ends on 11 October 2013 and Schools' Forum can decide whether it wishes to reply to the consultation.

2 RECOMMENDATIONS

- 2.1 The Schools' Forum are asked to note the DfE's proposed new School and Early Years Finance Regulations 2013 and additional grant conditions for the DSG and decide whether it wishes to make a reply to the consultation.

3 REASONS FOR RECOMMENDATIONS

- 3.1 The DfE have made a number of changes to the regulations and grant conditions and those that affect Slough are detailed below.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None.

5 SUPPORTING INFORMATION

- 5.1 The proposed changes can broadly be divided into two types; those that affect the funding to schools and general changes. The changes highlighted below are the significant changes that do carry a potential effect. I have also added comments in italics where I felt that it would be useful.

5.2 Changes that affect school funding

Regulations 6 and 12 require local authorities to give mainstream schools an initial determination of their schools' block budget by 28th February. The deadline for informing special schools and pupil referral units of their budgets moves to 31st March from 15th March.

Both targets are achievable but mainstream schools do not really know their budgets until they have notification their high needs funding and the early years or sixth form funding if appropriate.

Regulation 9(7) requires local authorities to put any unspent Growth Fund from 2013-14 into 2014-15 school budgets.

This seems sensible though it is currently unlikely that Slough will have any underspend in the Growth Fund in 2013-14.

Regulation 9(8) allows local authorities to carry over to 2014-15 unspent de-delegated funds to be used for the same purpose as in 2013-14.

This recognizes that de-delegated funds are only taken from maintained schools and if any underspend is put into the following years' formula it will be distributed among maintained schools and academies.

Regulation 14(2)(a) provides that SEN places, whether filled or unfilled, do not count towards a school's pupil numbers for the purpose of calculating its budget though the mainstream funding formula.

This caused some confusion nationally in 2012-13 and the Slough formula was operated by only not counting filled places in resource units. This does mean that schools with resource bases may lose funding in 2014-15 as unfilled places will be removed from their overall numbers but it is correct as they do receive £10,000 per place.

Regulation 15 has been amended to ensure that, for maintained special schools, the separate calculation for sixth form places will cease from 1st August 2014 so that all places, included sixth form, are funded at £10,000 per place.

This is logical though it does mean a drop in funding for sixth form places that are currently funded at more than £11,000.

Schedule 3, paragraphs 1 and 2 allow local authorities to set a lump sum of up to £175,000 (previously £200,000) and now allows different lump sums for primary and secondary schools.

Schedule 3, paragraph 3 has been amended to reflect the use of data from the new early years foundation stage profile in deciding whether a pupil attracts prior attainment funding.

Schedule 3, paragraph 4 allows pupils who did not achieve level 4 in mathematics or English to attract prior attainment funding. This has changed from being those who did not achieve level in both mathematics and English.

This has increased the number of qualifying pupils from 857 in 2013-14 to 1,860 in the provisional 2014-15 figures.

Schedule 3, paragraphs 7 and 8 provides that the allocation of funding through the mobility factor applies where more than 10% of pupils in a school are mobile rather than for any number of pupils as in 2013-14.

This has reduced the number of qualifying primary pupils from 1,246 in 2013-14 to 227 in the provisional 2014-15 figures. The number of primary schools receiving funding under the formula has reduced from all to 12. No secondary pupils qualify for funding in the 2014-15 provisional figures compared to 313 in 2013-14 when all secondary schools received some funding.

New Condition of Grant (d) allows local authorities to cap or scale budgets only to the extent that is required to fund the minimum funding guarantee.

This was the approach used in Slough's formula in 2013-14.

5.3 General Changes

Regulation 4 includes an amendment to the to the Schools Forums (England) Regulations 2012 to require the election of a representative of providers of 16 to 19 education to the Schools' Forum, and to remove the inclusion of a representative of the local authority's 14 to 19 partnership on the Forum.

This does not directly affect Slough as it means that East Berks College rep changes from representing the 14-19 strategic partnership to representing EBC as an institution. The membership and constitution will be amended in line with the revised regulations.

Schedule 2, paragraph 8 allows local authorities to retain a falling rolls fund for good or outstanding schools (including academies) if the schools' capacity is likely to be needed within the next three years to meet rising pupil numbers.

This should help address potential problems that may be caused by the opening of free schools.

Schedule 2, paragraph 11: the previous provision allowing local authorities to retain funding for CRC (Carbon Reduction Commitment) allowances for schools centrally has been deleted since schools will be excluded from the CRC scheme with effect from 1 April 2014.

Schools' Forum has previously agreed payments to cover CRC allowances for 2010-11 and 2011-12. 2012-13 and 2013-14 are therefore the final years that the allowances will need to be funded for.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The relevant legal provisions are contained within the main body of this report.

Section 151 Officer – Strategic Director of Resources

- 6.2 The financial implications of the report are outlined in the supporting information.

Access Implications

- 6.3 There are no access implications.

7 CONSULTATION

Principal Groups Consulted

- 7.1 None.

Method of Consultation

- 7.2 Not applicable.

Representations Received

- 7.3 Not applicable.

Background Papers

DfE Paper – School and early years finance. Summary of proposed changes to regulations and conditions of grant for 2014-15.

Contact for further information

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