



Schools Forum Meeting Agenda

Thursday, 10 January 2013 at 2.00 pm
to be held in Board Room, Town Hall, Torquay, TQ1 3DR

Membership

Jeanne Cook
James Evans
Russell Green
Roger Hughes
Jessica Humphrey

Colin Kirkman
Mike Lock
Bob Owers
David Theobald
Frances Ward

1. **Apologies/Changes to Membership**
2. **Minutes** (Pages 1 - 4)
To confirm as a correct record the minutes of the meeting held on 6th December 2012
3. **Matters Arising**
4. **Dedicated Schools Grant Allocation for 2013/14** (Pages 5 - 8)
5. **Dedicated Schools Grant 2013/14 - pressures and savings.** (Pages 9 - 11)
6. **Future Meeting Dates**
7th February 2013
21st March 2013

For information relating to this meeting or to request a copy in another format or language please contact:

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Minutes of the Schools Forum

6 December 2012

-: Present :-

Maurice Codd, Sue Foot, Russell Green, Roger Hughes, Colin Kirkman, Mike Lock, David Theobald and Sharon Wallwork, Daneian Rees, K Watling

(Also in attendance: Suzie Franklin, Rob Parr, Councillor Chris Lewis, Matt Redwood and Susan Moses (notes))

1. Apologies/Changes to Membership

No apologies were received.

The Chair asked the School Forum to consider item 4 Increased delegation of Dedicated School Grant in 2013/14 before changes to membership

2. Increased delegation of Dedicated School Grant in 2013/14.

Optional de-delegation for maintained schools

B5. Staff costs – Teacher Unions Facilities

The Chair asked the School Forum to consider whether to support the funding of Trade Union Facilities time for maintained primary, secondary and special schools from centrally managed funds (approximately £24k split across schools based on pupil numbers).

Mr John Cornish, National Union of Teachers representative outlined the current arrangements which allows trade union representatives who understand the local context to deal with issues arising within schools, without necessarily being a member of staff of that particular school. It also allows experienced trade unions reps to seek to resolve problems at an early stage, informally.

The School Forum considered the proposals made and debated the options of the statutory employers' obligations for schools if funds were not centrally managed.

D3 Capital Expenditure funded from Revenue £9k

The School Forum noted the advantages of capital initiatives across Children's Services (schools) capital programme.

The Chair outlined which members of the School Forum could vote on this issue on behalf of maintained schools

School Forum agreed unanimously, on behalf of maintained school, for the financial year 2013/14 that the following funding is managed centrally to provide services –

- a) Trade Union Facilities time
- b) Capital Expenditure from Revenue

Action

- i) **B7 Behaviour support services to be discussed on agenda at next meeting in February**

3. Membership of School Forum

The Chair outlined the need to establish the new membership of the School Forum according to section 47A of the School Standards and Framework Act 1998 (as amended by the Education Act 2002) at School Forums (England) Regulations 2012 which states that: -

.....School members must be headteachers (or deputy headteacher or bursar elected on behalf of a headteacher) or governors. They must represent nursery, primary and secondary schools and the relative number presenting each should take account of the relative number of pupils in those sectors. At least one schools member must represent special schools; Pupil Referral Unit must have one representative. Maintained school and academies should broadly reflect the pupil numbers in maintained schools

The membership of the Torbay Schools Forum will comprise of 10 school members and 2 non-school members, as set out below

Sector	Headteacher	Governor
Primary*	4	2
Secondary	2	1
Special PRU 1 member	1	0

*at least one primary school members will also be a representative of a nursery school

Non-school members: Representative of the Early Years sector and a representative from the 14-10 Partnership

Action

- i) **Chair of TASH to forward to two names (1 Headteacher representative from an Academy, 1 representative from the 14-19 partnership) to Clerk (Colin Kirkman)**
- ii) **Gene Wilder to inform Clerk of 1 secondary governor representative and 1 representative from a primary governor**

4. Minutes

The Minutes of the meeting of the Schools' Forum held on 11th October were checked for accuracy and an amendment made to item 6. Addition to table: Key Stage 1 Class Size Primary N. Amended minutes to be signed by Chairman.

5. Matters Arising

Actions:

**Item 4 i) Summary of consultation responses report pending (Matt Redwood)
Item 5 iii) Special School and PRU funding: further clarification requested on projection of places and the monitoring of places – recommendations and solutions back to School Forum meeting in February 2013**

6. School Budget Returns

Rob Parr, Principal Accountant, briefed the School Forum on the forecasted under spends monitored through the SBR1 returns.

The School Forum noted the findings and conclusions.

The Head of School Commissioning asked the School Forum consider removing the 3.1.5. managing surplus balances section of the Torbay Scheme for Financing Primary and Secondary schools as there was no longer a legal requirement to have it and Torbay had never used this facility.

The School Forum agreed the change to the Scheme.

7. Forecast outturn of 2012/13 Dedicated Schools Grant

The School Forum noted the significant budget pressures, namely:-

- the projected overspend in education other than at school (EOTAS)
- SEN overspend
- Rising high cost pupils

The School Forum debated the possibilities of early intervention for high cost pupils as well as equipping schools to deal with pupils with complex needs. Suzie Franklin, Head of Schools, welcomed the opportunity, through the behaviour partnership, for exploring alternative provisions locally for high cost placements.

Action

- i) **Children's Services Finance team to report back to the February School Forum on the numbers of independent SEN placements and costs. (Rob Parr)**

8. Revised School Forum Terms of Reference.

The School Forum noted the changes to the Terms of Reference in the Standing Orders. Members noted:-

- No diocese representative
- Quorum (40% of members present) 6
- Expenses - eligibility to re-claim travel and other expenses

The Chair thanked Maurice Codd, Danien Rees and Sue Foot for their support and contribution to the Forum over the years. Restructuring of the Forum does not require them to attend future meetings.

9. Future Meeting Dates

The Forum agreed the following future meeting dates:

7th February 2013

21st March 2013

Agenda Item 4

Explanatory Note on the makeup of the Dedicated Schools Grant 2013/14

Paper for Schools Forum 10th January 2013

1. Introduction and Background

The Dept for Education announced the 2013/14 DSG funding on 19th December 2012.

The *School funding reform: next steps towards a fairer system* published in June 2012 announced that 2013-14 would see the first steps towards reforming the funding system. The Government's intention is to introduce a national funding formula during the next spending review period to reduce the funding differences between similar schools in different areas.

As there have been a significant amount of changes to funding, a year on year comparison is not possible. The use of pupil numbers has also changed so this paper will only lay out 2012/13 DSG under the notional headings that are now used for 2013/14 onwards.

The distribution to Local Authorities continues to be based upon the "spend-plus" methodology but the presentation of the settlement has been changed to show 3 spending blocks; schools, early years and high needs block. In addition the baselines of L.As. have been adjusted to reflect the incidence of high needs pupils and places supported by each authority. The underlying schools budget will be kept cash flat per pupil for 2013/14.

	2012/13	2013/14	Year on Year Change
Total Pupil Numbers for DSG purposes of which;	16,886	17,005	+ 119 pupils
Pupils in Schools	15,838	15,957	
Early Years	1,048	1,048	
DSG Schools Block	£68.2m	£68.7m	+ £0.5m
DSG Early Years Block	£3.5m	£3.5m	No change
DSG High Needs Block	£12.3m	£12.3m	No change
DSG Post 16 High Needs Block	n/a	£0.5m	New funding
DSG 2yr old funding	n/a	£1.2m	New funding
DSG Transitional Protection 3yr funding	n/a	£0.08m	New funding
DSG Funding for NQT induction		£0.02m	New funding
Total DSG	£84m	£86.3m	+ £2.3m

Of the £2.3m cash increase, £0.5m relates to increased pupil numbers and the remaining £1.8m relates to new funding arrangements as listed in the table above.

2. The main changes and arrangements for 2013-2014

- a. A separate Schools Block, Early Years Block and High Needs Block;
- b. A cash flat per pupil funding for the Schools Block and the Early Years Block;

- c. A High Needs Block adjusted for the ending of inter-authority recoupment, the inclusion of post-16 funding and for growth in places;
- d. Minimum Funding Guarantee (MFG) of minus 1.5%; and
- e. Transitional protection for local authorities in receipt of the three year old 90% funding floor.

3. Coverage and conditions of grant

The DSG can only be used for the purposes of the Schools Budget as defined in the School and Early Years Finance Regulations. The Schools Budget consists of delegated budgets allocated to individual schools, Pupil Referral Units (PRUs) and Early Years Provision in Private, Voluntary and Independent (PVIs) providers, and a budget for other provision for pupils which local authorities fund centrally, which now includes the bulk of high needs provision, including post-school provision up to age 25.

The DSG will be paid as a ring-fenced grant and will be subject to formal grant conditions. The conditions include a requirement to use the grant in support of the Schools Budget and a provision for the Secretary of State to recover grant. A number of new conditions have been added relating to the funding reforms in 2013-14.

4. Minimum Funding Guarantee (MFG)

Although the overall schools budget will stay at the same level on a per pupil basis before the addition of the Pupil Premium, the actual level of each school's individual budget will vary. To protect schools from significant budget reductions, the MFG will continue at minus 1.5% per pupil (excludes sixth form funding). The School and Early Years Finance Regulations set out the formula factors which are automatically excluded from the calculation.

5. Calculating 2013-2014 DSG

The starting point for calculating the 2013-2014 DSG are the notional spending block baselines agreed between DfE and Torbay. For 2013-2014 Torbay's allocation will be:

- Schools Block £68.7m - cash flat per pupil
- Early Years Block £3.5m - cash flat per pupil
- High Needs Block £12.3m - baseline plus any agreed growth.

plus

- Funding for the costs of monitoring and quality assuring NQT induction. £24k
- Transitional protection funding as a result of ending the 90% funding floor for 3 year olds. £80k
- Funding for early education places for 2-year-olds from lower income households £1.2m
- Post-16 funding for High Needs £572k

6. Schools Block

The per pupil amount for the Schools Block is the same as set out in the baselines agreed with Torbay. This amount has been multiplied by the pupil numbers from the October 2012 school census.

The per pupil unit of Funding

This has been split to reflect the creation of a schools and early years block. Therefore the Torbay figure for 12/13 of £4,842 has been adjusted to:-

Schools Block per pupil funding £4,305.25

Early years per pupil funding £3,292.29

These values are the unchanged for 2013/14

7. Early Years Block

The per pupil amount for the Early Years Block is the same as set out in the agreed baselines. Initially this has been multiplied by pupil numbers from the January 2012 Early Years Census. This will be updated during 2013-14 for January 2013 and 7/12ths of the January 2014 pupil numbers (to cover the September 2013 to March 2014 period).

8. High Needs Block

The High Needs Block is a single block for local authorities high needs pupils/students aged 0-24. For 2013-14, the Block has been calculated in two parts, pre-16 and 16-24 (those aged 19-24 are the responsibility, for funding, of the home local authority where the student has a Learning Difficulty Assessment, or an Education and Healthcare Plan).

9. Pre-16 High Needs Provision

The pre-16 calculation reflects the cross-border changes made in order to end inter-authority recoupment. It also includes the funding identified as hospital education. We will also be adding an amount for growth in High Needs places in 2013-14 based on the returns that local authorities made during the autumn.

10. 16-24 High Needs Provision

From 2013-14, funding for 16-24 high needs students will be through the DSG. To enable this, three post-16 budgets have been combined: the SEN Block Grant, Specialist placements funding and the cost of high needs student in Further Education. From this budget the EFA will pay all place led funding, with the remaining funding transferred into the DSG. The new system for funding high needs pupils will not be introduced for post-16 students until August 2013. As such, the funding has been added in two parts:

a SEN Block Grant for the period April - July 2013. This reflects 1/3rd of the 2012/13 academic year funding for post-16 high needs in schools, currently paid via the SEN Block grant to local authorities. This will enable local authorities to continue funding for these students for the remainder of the academic year.

b. Funding for the period August 2013 - March 2014. The place led funding (calculated using the post-16 national funding formula plus £6,000) for all institutions will be paid direct by the EFA as part of the post-16 formula. For maintained schools it will form part of the post-16 allocations made to local authorities for their schools. Therefore, this element of the DSG is intended to cover top up funding for ALL 16-24 high needs student placements commissioned by local authorities in maintained schools, academies, NMSS, Colleges of

Further Education and Independent Specialist Providers (ISPs). The local authority will also need to fund the full costs of any places it commissions from independent schools or any other provider not directly funded by the EFA.

11. Induction for Newly Qualified Teachers (NQTs).

In September 2012, the induction regulations changed so that teaching schools can act as the appropriate body to monitor and quality assure NQT induction. In order to allow schools to pay for the services of their preferred appropriate body, the funding for NQT statutory induction of NQTs, currently included in local government revenue funding, will move into the DSG so that it can be delegated directly to all schools through local funding formulae. The total allocation of £10.2m has been based on average costs, and the number of NQTs entering the system each year. This has been allocated to each local authority on a per pupil basis (using the pupil numbers used for the Schools Block).

12. Funding for early education places for 2-year-olds from lower income households (£m)

Allocations are those announced on 27 November 2012.

13. Transition funding following ending of the 90% funding floor protection for 3 year olds

The 90% funding floor will be removed in 2014-15. Local authorities in receipt of this funding in 2012-13, will receive a transitional amount in 2013-14. The transition funding is 50% of the amount received by each authority in 2012-13.

14. Cash Floor

As in previous years a cash floor of minus 2% has been applied to the final DSG allocations, prior to academies recoupment, to protect local authorities with significant falling rolls. The baseline for the cash floor is the total of the 2012-13 notional Schools Block and Early Years Block. This is then compared to the total of the Schools Block and Early Years Block for 2013-14. For 2013-14, no local authority falls below the cash floor. Torbay does not qualify for any cash floor protection as it has a rising roll.

15. Pupil Premium

The Pupil Premium level of funding for 2013-14 for pupils who have ever claimed free schools meals in the last 6 years or who are looked after is £900 per pupil. The service children Premium for 2013-14 is £300 per pupil. As the Pupil Premium is calculated using the pupil numbers from the January school census, final allocations will be confirmed in summer 2013.

Agenda Item 5

School Forum 10th January 2013 Dedicated School Grant (DSG) 2013/14

In 2012/13 there were a number of areas of budget pressure that developed within the financial year. In 2012/13 these were largely offset by a significant NNDR rebate and by some smaller areas of underspend on some central DSG lines. A number of the pressures that developed in 2012/13 will continue into 2013/14 and therefore need to be funded in the DSG base allocations.

For budget setting purposes the assumption is that the DSG is 'cash flat' and that any increases in the DSG are simply a reflection of the changes in the calculation of the DSG to reflect additional responsibilities and cost pressures particularly with provision of 2 year old funding and Post 16 SEN funding. In effect this leaves the Schools Block and pre 16 High Needs block elements of the DSG having to absorb any additional funding demands from within existing resources.

DSG 2013/14 Potential areas of Pressure

1. Joint Funded Special school placements. 3 increased placements in 12/13 led to £308k overspend. These pupils will continue in this provision in 2013/14 and 2 more placements at £80k each are likely in 2013/14. Therefore, there will be a total pressure in 2013/14 of £470k.
2. Independent Special School fees. £200k overspend in 12/13 to be replicated in 2013/14 as pupils placed in 2012/13 continue their education so the £200k pressure will continue into 2013/14. This is almost all due to increased places purchased at 'On Track' provision at £23k per place.
3. In 2013/14 there will be no more recoupment between LAs. New funding arrangements will see pupils in a LAs area being funded via the home LAs formula. DSG allocations for 2013/14 have been adjusted to reflect the pupil numbers in Torbay schools. Torbay is a net importer of special pupils so gain an 'income' from recoupment. £40k potential pressure as no income in 13/14 although this should be 'net neutral' as this is included in overall DSG allocation.
4. Increased costs of special school places due to audit of types of places. £40k
5. Increased numbers of statements in mainstream schools. In 2012/13 between April 2012 and December 2012 95 new statements were issued. 81 of these were for mainstream schools. 75 had allocations over £6k and 6 allocations less than £6k. The full year effect of these statements is £500k of resources below £6k and £165k for resources over £6k. In the 2013/14 formula it was proposed to delegated £1.6m of statementing funding to schools to resource statements below £6k and have a budget of £300k for resourcing the over £6k element. This pressure would increase the below £6k delegated funding to schools to £1.95m. The reason that this is not being increased by the full £500k is to take into account that some statements cease to be funded from this line when pupils are over 16 or if they are under 16 and their statement ceases. The balance of the £150k will be added to the £300k for resourcing statement funding allocations over £6k.

This gives an overall pressure £515k (£350k plus £165k). This does not take into account any statements issued between December 2012 and March 2013 which will add further commitment to this budget line.

6. Chestnut Provision - £622k. This is to fund the Chestnut provision with 35 primary aged BESD places and a primary outreach service. This is shown as a pressure although already elements of this are funded from other areas such as Pegasus and KS2 Enhanced provision.

Total £1,887k

7. The 2013/14 DSG is being increased to reflect the additional responsibility for funding 20% of 2 year old places in Early Years settings in 2013/14. The initial calculation is that because the take up is likely to be phased over the year that not all the 2013/14 allocation will be needed within that year. Therefore it is proposed that a 6% increase in PVI early years rates to increase PVI rates to £4 per hour = £163k. The PVI rates in Torbay are amongst the lowest in the South West. £20k increase in the PVI SEN inclusion element of the Early Years Funding Formula to reflect SEN needs in early years settings. Both of these to be funded from balance of additional 2 year old funding in the Early Years block. This will give a £183k potential pressure for 2014/15.

Areas of Saving

1. School Improvement . £296k was delegated to support the schools supporting schools networks in 2012/13. There was some residual funding on this line that mainly related to some of the matched elements of old standards funds in Learning and Standards. This was used to support individual schools. This will no longer be available in 2013/14 saving £175k.
2. Statemented pupils in other LAs. There will be a saving on this line as funding will no longer be recouped to support these pupils as their funding will be covered by delegated funding from within the other LAs formula. Some residual funding needed for the over £6k allocations. £100k saving
3. Chestnut premises funding. This is the residual school funding formula premises allocation at Chestnut which has maintained the building in 2012/13 and will now partly offset the funding at point 6 above in the pressure section. £65k
4. Pegasus funding will now go towards the Chestnut funding outlined at 6 above. £160k
5. Capital Repairs and Maintenance is an historic contribution to small scale projects such as schools access, security, repairs and maintenance. This will cease in 2013/14 giving a saving of £150k.
6. Academy recoupment. This line was put into the budget to allow for in year academy conversion recoupment to be accommodated without the DSG being put into deficit. Academy LACSEG recoupment arrangements for the DSG change in 2013/14 so this budget line will no longer be needed. Saving £500k
7. EOTAS saving as some staff transfer to the Chestnut provision and reduction in the provision of individual pupil packages. £200k

8. Saving on Enhanced provision when BESD pupils transferred from Kings Ash to Chestnut. To offset funding at point 6 above. £80k
9. Statementing Contingency. As the first £6k of a statement will be from delegated funding this budget will only have to fund the over £6k element of new in year statements. This should mean that the current £270k can be reduced to £130k . Saving £140k

The items below are budgets that were spent centrally in 2012/3 but will be subject to delegation to schools in 2013/14. In the school formula consultation documents indicative delegation amounts were given but with the warning that these were 2012/13 amounts and may change in 2013/14. The amounts for delegation in 2013/14 will offset increased pressures in the DSG.

10. 14-16 Practical Learning. Provisional £260k delegated. Saving £150k.
11. Extended Services. Provisional £70k delegated. Saving £150k.
12. School Improvement – Schools Supporting School networks. Provisional £196k delegated. Saving £100k.
13. Behaviour Support. Provisional £50k delegated .Saving £50k.

Available £2,020k

Minimum Funding Guarantee for 2013/14

There will be a MFG cost for protecting primary ,special and secondary school budgets to -1.5% which is likely to be in the region of £250k although won't be fully known until the schools formula funding is fully calculated.

Primary and Secondary school allocations

These have to be determined and sent to the DfE by January 22nd . This deadline is to enable the DfE to calculate academy budgets . No changes to these budget allocations are allowable after 22nd January.