

Central Bedfordshire  
Council  
Priory House  
Monks Walk  
Chicksands,  
Shefford SG17 5TQ

**This meeting may  
be filmed.\***



**Central  
Bedfordshire**

**please ask for** Martha Clampitt  
**direct line** 0300 300 4032  
**date** 4 March 2016

## **NOTICE OF MEETING**

### **SCHOOLS FORUM**

Date & Time

**Monday, 14 March 2016 at 5.00 p.m.**

Venue at

**Committee Room 2, Watling House, High Street North,  
Dunstable**

Richard Carr  
**Chief Executive**

To: The Chairman and Members of the SCHOOLS FORUM:

	Ali Brabner, Governor, Cranfield Academy
	David Brandon-Bravo, Headteacher, Parkfields Middle School
	Paul Burrett, Headteacher, Studham CofE Lower School and Pre-School
	Shirley-Anne Crosbie OBE, Headteacher, The Chiltern School
School	James Davis, Governor, Leighton Middle School
Members:	Sue Howley MBE, Governor, Greenleas Lower School
	Sharon Ingham, Headteacher, Hadrian Academy
	John Street, Academy Middle School Representative
	Stephen Tiktin, Governor, Beaudesert Lower School
	Rob Watson, Headteacher Stratton Upper School
Non	Mr M Foster, Trade Union representative
School	Mrs M Morris, Catholic Diocese Representative
Members	Mrs S Mortimer, Vice Principal, Curriculum & Strategic Partnerships, Central Bedfordshire College

Observer: Cllr MAG Versallion, Executive Member for Education and Skills

Please note that there will be a pre-meeting starting **half an hour before** the Forum meeting to enable technical aspects of the reports to be discussed with officers before the Forum meeting begins.

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# AGENDA

1. **Apologies for absence**

To receive apologies for absence and notification of substitute members.

2. **Minutes of the previous meeting and matters arising**

To approve the minutes of the previous meeting held on 18 January 2016 and to receive an update on any matters arising from these.

## Proposals

<b>Item</b>	<b>Subject</b>	<b>Page Nos.</b>
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3	<b>Use of Early Years Block Dedicated Schools Grant (DSG) in 2016/2017</b>	To follow
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The report outlines how the proposed used of the Early Years Block of DSG in 2016/17.

4	<b>Dedicated Schools Grant (DSG) Update and LA proposed amendments to Central Bedfordshire's Scheme for Financing Schools</b>	17 - 26
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This paper provides an update on the DSG and Growth Fund allocation for 2015/16 and provides an update on the Individual School Budget and Capital Allocations for 2016/17. It asks Schools Forum to approve the LA proposed amendments to Central Bedfordshire's Scheme for Financing Schools.

## Information

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5	<b>Use of centrally retained Dedicated Schools Grant (DSG) in 2015/2016</b>	27 - 32
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The report outlines how the centrally retained DSG has been used in 2015/16 and identifies requirements for centrally retained High Needs Block for 2016/2017. This does not include the contracts budget due to the review of some of these contracts. This was reported in January 2016, and a verbal update will be provided on progress.

6      **School Contingency Budget**      33 - 36

To provide an update on the use of the School Contingency Budgets for 2015/16.

7      **Schools Forum Budget**      37 - 38

To provide an update on the use of the School Forum Budget for 2015/16.

8      **School Finance Support Update (Budget, AnyComms, Support and Team changes)**

To receive a verbal update.

9      **Consultation ESG and DSG 16/17 (NAHT fair funding document, F40)**

To receive a update.

**CENTRAL BEDFORDSHIRE COUNCIL**

At a meeting of the **SCHOOLS FORUM** held at Committee Room 2, Watling House, High Street North, Dunstable on Monday, 18 January 2016

**PRESENT**

David Brandon-Bravo (Vice-Chairman)

School Members:	Paul Burrett	Headteacher, Studham CofE Lower School and Pre-School
	Mr P Cohen	Academy of Central Bedfordshire / Oak Bank
	Shirley-Anne Crosbie OBE	Headteacher, The Chiltern School
	Sue Howley MBE	Governor, Greenleas Lower School
	Sharon Ingham	Headteacher, Hadrian Academy
	John Street	Academy Middle School Representative
	Stephen Tiktin	Governor, Beaudesert Lower School
Non-School Members:	Mrs S Mortimer	Vice Principal, Curriculum & Strategic Partnerships, Central Bedfordshire College
Observer: Cllr	M AG Versallion	Executive Member for Children's Services
Apologies for Absence:	Ali Brabner James Davis Mr M Foster Mrs M Morris Rob Watson	
Officers in Attendance:	Mrs M Clampitt Ms D Hill Mrs H Knox Mr R Parsons Miss H Redding	Committee Services Officer Senior Finance Manager - Children's Services Early Years and childcare quality and sufficiency Officer Head of School Organisation and Capital Planning Assistant Director School Improvement

**CBSF/15/23. Chairman's Announcements and Communications**

The Vice-Chairman informed the meeting that the Chairman had stood down due to work priorities. It was hoped that, he would be able to become a member of the Forum again when he had capacity in the future.

Karen Hayward, Headteacher at Sandy Upper has agreed to fill the vacancy left by Mr Parker's resignation as a maintained upper/secondary school representative, but was unable to attend this meeting due to teaching commitments.

The Forum accepted the resignation and agreed that the Vice Chairman would chair the January and March meetings to complete the municipal year of meetings. At the June meeting there will be election of a new Chairman and Vice Chairman. Mr Brandon-Bravo indicated that he would not be standing.

**CBSF/15/24. Minutes of the previous meeting and matters arising**

**RESOLVED**

**That the minutes of the meeting of the Central Bedfordshire Schools Forum held on 21 September 2015 be confirmed and signed by the Chairman as a correct record, subject to the inclusion of Peter Cohen as being in attendance.**

**CBSF/15/25. Dedicated Schools Grant (DSG) 2015/16 Early Years Block: Use of reserves 2016/17 Early Years Block - Funding Allocation**

The Forum received and considered a report which set out information regarding the Early Years Funding Block and provided feedback from the Early Years Technical Sub Group regarding the use of the Early Years reserve being transferred into an Early Years Capital Fund and proposed changes to the base rate of the Single Funding Formula. The Forum had requested a report which provided financial details at the June 2015 meeting.

The Early Years and childcare quality and sufficiency Officer provided an overview to the Forum of the information contained within the report. There were 6 recommendations and the discussion considered the background to each recommendation in turn.

At the June 2015 meeting, the Forum noted that the reserve of the Early Years Block stood at £2.43m. Following a transfer of £500k to the Schools block the balance as at 31 December 2015 was £1.93m.

The Forum noted that the funding for disadvantaged 2 year olds has been altered to reflect the actual number of eligible children participating (instead of demographic information) in early education as at January 2015 early years census and school census (344 pupils).

The use of the Early Years Reserve was detailed in the table in paragraph 12. At the end of March 2016 it is anticipated that the reserve will stand at £1.4258m which is broken down as:

£771.85k from 2 year old reserve and;  
£654k from 3 and 4 year old reserve.

It is anticipated that £630k will be transferred to the reserve at the beginning of 2016/17.

The capital element of the DfE funding awarded for 2 year olds has a limited dedicated capital sum and although the Council negotiates and receives S106 as a result of housing growth, there is a need to provide further EY provision as a result of non housing related demographic growth and to top up DfE capital grant capital Council for new and expansions of early years provision. The proposal is to request the Secretary of State to allow the disapplication of school funding regulations to a sum of £1.1m of the Early Years Reserve and transfer to the Early Years Capital Fund. The capital sum would draw £500k from the 3 and 4 year reserve and £600k from the 2 year reserve. The Forum noted as an example a new provision, on a new lower school site for 45 new EY places were being provided in Cranfield University, at a cost of £547k. The additional funding would enable other projects to be considered, following due process.

The DfE provided the following indicative allocation for 2016/17:

**3 and 4 year old entitlement:** is set at the 2015/16 per pupil rate of £3,979.80. The initial allocation for 2016/17 had been calculated by calculating the per pupil rate by the January 2015 early years census. This will be updated in July 2016 by recalculating using the January 2016 pupil numbers and in July 2017 based on 5/12<sup>ths</sup> of the January 2016 pupil numbers (to cover the April 2016 to August 2016 period) and 7/12<sup>ths</sup> of the January 2017 pupil numbers (to cover the September 2016 to March 2017 period).

**Participation funding for disadvantaged two year olds:** set at the 2015/16 per pupil rate of £4,778.50, by multiplying the number of pupils (344) times the amount per pupil. The allocation will be updated in July 2016 and July 2017 taking into account the January 2016 and 2017 census' accordingly.

**Early Years pupil premium:** set at 2015/16 per hourly rate (53p). The allocation will be updated in July 2016 and July 2017 taking into account the January 2016 and 2017 census' accordingly.

The introduction of the National Living Wage, increase of 50p per hour, will impact on School Providers. The Forum were therefore asked to increase the rate per child per house on all base rates by 15p to help offset the increased impact on School Providers.

There has been a procedural change to the way the indicative allocations are calculated. The calculation will use the following data:

January 15 census – period April 16 to Mid May 16

May 15 census – period mid May 16 to end September 16

October 15 census – period October 2016 to end March 17

The current formula uses January census when calculation the indicative 3 & 4 year olds allocation, which then is adjusted to take into account May and October census. The proposed change will give providers a better budget estimation which will help them with financial planning.

The change had been consulted with both the Early Years Reference Group and Schools Forum.

From September 2017 it is anticipated that a nationally adopted figure following 30 hours will become the universal level. It is required under the 2015/16 Schools Forum Powers and Responsibilities document, to gain Schools Forum approval for centrally retained Early Years funding.

The Forum expressed concerns about the layout of the report as it did not contain a breakdown of how the funding was to be spent. The Forum were reluctant to agree to the holding of the £2m without this information. It was requested that a report be brought to the March meeting laid out as the High Needs Block funding paper with the breakdown of actual and projected spends.

The Forum also requested that the Early Years Technical Sub Group be immediately separated from the Early Years Reference Group. The Technical Sub Group should only contain members of the Forum and relevant officers. It was proposed that both groups could meet on the same day but that no non-Forum members should be part of the Technical Sub Group.

## **RESOLVED**

- 1. That the spend of the Early Years Reserve through 2015/16 be agreed.**
- 2. That a request to be made to the Secretary of State to allow the disapplication of school funding regulations to a sum of £1.1m of the Reserve, and enable the transfer of this sum into an Early Years Capital Fund be approved.**
- 3. That the 2016/17 indicative DSG Early Years Block Allocation be approved subject to further detail being provided.**
- 4. That an increase of 15p per child per hour on all base rates be approved.**
- 5. That a contingency of £491,377 be held from the 2016/17 indicative allocation with the Early Years Block, be agreed.**
- 6. That a procedural change to the local Funding Formula for 2016/17 be noted.**



7. **That the funding for two year olds and the Early years Pupil Premium are held centrally with monthly payments based on participation be agreed.**
8. **That a report providing the detailed proposed financial spend for 2016/17 be considered at the March meeting, in the same layout as the High Needs Block funding detail.**

**CBSF/15/26. Trade Union and Professional Associations**

The Forum considered a report which sought approval for the continuation of funding for facilities release time for Trade Unions and Professional Association. This would be through the de-delegation (where appropriate) for maintained Lower/Primary and Middle/Secondary Schools. Nursery and maintained Special Schools would be invoiced directly, subject to their agreement to release funds for this purpose.

The estimated annual cost would be £42,854 (£2.64 per pupil), which is proportioned to the Lower/Primary and Middle/Secondary phases. This is a one year's savings of £11,000, which has been offset against the 2016/17 facilities period only. The sum was calculated using the actual cost per pupil rate from 2015/16 multiplied by the number of pupils, according to the October 2015 census.

Trade Union membership numbers also affects the overall costs and cost per pupil. The figures used were based on membership figures as at July 2015.

The Policy & Implementation Manager, HR Policy and Development explained that the representatives who had carried out work were working across a number of schools and the fund allows for cover arrangements to be put into place, where the teacher works. The unused fund returns to the DSG.

**RESOLVED**

1. **That the de-delegation of Trade Union and Professional Associations funding, at no more than £2.64 per pupil, from the Lower / Primary Phase be agreed for one year only.**
2. **That the de-delegation of Trade Union and Professional Associations funding, at no more than £2.64 per pupil, from the Middle/Secondary School Phase be agreed for one year only.**

**The voting was unanimous for the Lower / Primary Phase and the Middle/Secondary Phase.**

## CBSF/15/27. **Dedicated Schools Grant (DSG) Update and 2016/17 Funding Allocations**

The Forum received a report which provided an update on the 2015/16 Dedicated Schools Grant (DSG) and Growth Fund allocation. In addition, the Forum were asked to note the 2016/17 funding arrangements and the F40 group update. Also to consider and approve £31 per pupil de-delegation for maintained schools only for the purpose of contingencies (schools in financial difficulties and deficits of closing schools).

From 2013/14, the DSG would be split into three notional blocks: Early Year, High Needs and Schools.

The Minimum Funding Guarantee (MFG) was set at negative 1.5% **per pupil** for 2015/16.

It was noted that the Chief Finance Officer (CFO) is no longer required to complete two statements annually instead the DfE have now requested one annual outturn statement, confirming that the DSG received by the Authority was fully deployed in support of the school budgets in accordance with the conditions of the School Regulations. In addition, it will also include a Non Maintained Special School (NMSS) statement and Fraud cases reported in school statement.

The DSG allocation for 2015/16 is £192.114(M).

The **Schools Block** is calculated using the school block unit of funding (SBUF). For 2015/16 the SBUF is £4,289.09 (after the CRC deduction of £7.51) an increase of £144.62 from 2014/15. There has been an increase of 718 pupils to 35,866 based on the October 2014 census data.

The DfE has transferred £353k for Central Bedfordshire University Technical College (UTC) for the 2015/16 formula base multiplied by the October census data uplifted by the Minimum Funding Level (MFL) increase.

The **High Needs Block** for 2014/15 has been carried forward plus:

- Increase in places for academic year 2015/2016
- Additional top-up of £47m (Nationally) distributed based on the 2 – 19 aged population in each LA. For CBC this is £233k in 2015/16.

The **Early Years Block** for 2015/16 is comprised of 3 elements:

- Three and four year old entitlement - £3,979.80 (same as 2014/15 rate) multiplied by the January 2014 census for the provisional allocation. This is updated for January 2015 pupil numbers.
- Early years pupil premium (EYPP) – the hourly rate of 53p per child per hour (for each eligible child that takes up the full 570 hours with them). The indicative allocation for CBC is estimated at £171k. Following an autumn survey to check take-up adjustments will be made in January 2016.

- Funding for disadvantaged two year olds – CBC allocation is £1.64m. This is allocated based on the number of eligible participating children.

The licences listed in paragraph 19 of the report includes four new contracts which are centrally paid.

The Forum noted the breakdowns of the distribution of the DSG, in paragraph 21 and the centrally retained DSG in paragraph 22.

### **2015/16 Growth Fund**

The Growth Fund is for significant pre-16 growth in schools where the Council has commissioned new school places. Funds are available to both maintained schools and academies. Where a school has elected to expand they are not eligible for the Growth Fund. The Fund 2015/16 included an adjustment of £248k which was for payments made to Academies.

### **2016/17 Growth Fund**

The amount for 2016/17 was proposed to be set at £2m. The Forum approved the amount.

### **2016/17 Schools Forum Budget**

The Forum agreed that the Schools Forum Budget should remain at £3,000 for 2016/17.

### **De-delegation of £31**

The Senior Finance Officer informed the Forum that an additional top slice of DSG would be required for the three schools which were closing. It was noted that the 2015/16 approval to de-delegate £500k for the purpose of 'schools in financial difficulty' had been refused by the Forum. The LA did not request the Secretary of State to adjudicate on the de-delegation but instead applied to the Secretary of State to top slice DSG from all schools. The Secretary of State approved the proposal for 2015/16. The Forum noted that a further £500k would need to be top sliced to cover more of the shortfall caused by the schools closing. The Senior Finance Officer advised that an application had been made to the Secretary of State to allow an additional top slice of £500k to be taken from all schools. The Secretary of State refused the application and advised de-delegated funds support 'schools in financial difficulty'.

The Forum debated the issue and again stated that it was not fair that only the maintained schools should have their DSG top sliced to cover the deficits of the three closing schools, which were caused by the changes in the age ranges to other schools in the area.

It was noted that the estimated deficit would be approximately £1.3m.

The Forum voted within their phases and both the Primary and the Secondary phases voted unanimously to refuse the request for the £31 de-delegation. The LA may apply to the Secretary of State to adjudicate where the Schools Forum does not agree with LA proposals for de-delegation.

### **Funding Announcement for 2016/17**

#### **Schools Block**

The DfE announced that the SBUF for 2016/17 and confirmed that the extra £390m fair funding uplift would continue in base-line budgets for 2016/17 and beyond.

The SBUF for 2016/17 is £4,294.39 (an increase of £5.30 for the former Non-Recoupment Academies (UTC). The pupil numbers were based on the October 2015 census and had increased by 777 to 36,643.

#### **Early Years Block**

The Early Years Block for 2016/17 is comprised of 3 elements:

- Three and four year old entitlement - £3,979.80 (same as 2015/16 rate) multiplied by the January 2015 census for the provisional allocation. This is updated for January 2016 pupil numbers.
- Early years pupil premium (EYPP) – the hourly rate of 53p per child per hour (for each eligible child that takes up the full 570 hours with them).
- Funding for disadvantaged two year olds – CBC allocation is £4,778.50 per pupil rate multiplied by the January 2015 census (344 FTEs). This is allocated based on the number of eligible participating children.

The **High Needs Block** for 2015/16 has been carried forward plus:

- Increase in places for academic year 2016/2017
- Additional top-up of £92.5m (Nationally) distributed based on the 2 – 19 aged population in each LA.

Paragraph 34 of the report detailed the indicative DSG 2016/17 for all three blocks.

### **RESOLVED**

1. That the update to the 2015/16 DSG allocations be noted.
2. That the update to the 2015/16 Growth Fund be noted.
3. That the 2016/17 DSG allocation for Growth Fund to be set at £2m be approved.
4. That the 2016/17 DSG allocation for Schools Forum to be set at £3k be approved.
5. That the £31 per pupil de-delegation (for maintained primary and secondary) for the purpose of school contingencies be refused.
6. That the 2016/17 funding announcement be noted.

**CBSF/15/28. Dedicated Schools Grant (DSG) Admissions**

The Forum considered a report which set out the need to increase the staffing structure of the School Admissions Team due to the increased workload and the need to improve resilience within the team which is a front-line, customer facing service with statutory timescales and deadlines to adhere to. The request is to increase the annual DSG allocation to the team, subject to an application to the Secretary of State to disapply The School and Early Years Finance Regulations..

The Head of School Organisation, Admission and Capital Planning informed the Forum that the budget for the team had been fixed in 2013. The service was disaggregated with Bedford Borough Council. The team of 7 full time staff members support and co-ordinate the admissions process for 129 Academies and Schools for Central Bedfordshire.

The Forum noted that since 2013 the pupil population in Central Bedfordshire had increased by just over 2.5% from 37,749 to 38,7575 at January 2015. It is anticipated that by 2020 the pupil population will be 45,457.

In addition, there has been many changes to the schools over the years including:

- Dunstable and Houghton Regis schools becoming a two tier area
- 51 schools converting to Academy status
- New school builds in different areas across Central Bedfordshire
- Housing Developments which have increased the number of pupils in the area without providing funding for additional school places

The Forum received reassurance that the service had been restructured, that a range of other service efficiencies had been delivered and that the request to increase the team's budget was due to the increase in the work being carried out.

**RESOLVED**

- 1. That the content of the report be noted.**
- 2. That the increase of £52,514 in DSG funding from 2016/17 for the School Admissions Team, subject to an application to the Secretary of State for the disapplication of The School and Early Years Finance Regulations, be approved.**

**CBSF/15/29. High Needs Block of the Dedicated Schools Grant (DSG) Contracts for Services that Support Children and Young People with Special Educational Needs and Disabilities (SEND)**

The Forum considered a report which set out the SEND contracts funded by the High Needs Block and provided feedback agreed by the High Needs Block Technical Sub Group regarding contracts that would need to be varied in terms of contract price for 2016/17.

The High Needs Block Technical Sub Group had met in September 2015 and December 2015. At the meeting held on 7 December 2015, the Sub Group considered the contracts for the following areas:

- The Peripatetic Service for Children and Young People with Hearing Impairments (£195,000)
- The Peripatetic Service for Children and Young People with Visual Impairments (£252,576)
- The Early Years Children with Disability Service (£270,548)
- The Medical Needs Service (£643,890)
- The Jigsaw Centre (£464,731)
- The Academy of Central Bedfordshire (£726,000)

The Sub Group had agreed that the following contracts should be reviewed for the following:

- The Peripatetic Service for Children and Young People with Hearing Impairments (£195,000)
- The Early Years Children with Disability Service (£270,548)
- The Jigsaw Centre (£464,731) with an additional paper to the March Forum meeting.
- The Academy of Central Bedfordshire (£726,000)

It was also agreed that links to the agendas for the Local Strategic Safeguarding Board and the Children's Trust Board would be sent to Forum members.

## **RESOLVED**

- 1. That the update regarding central spend on High Needs Block funded contracts be noted and that the actions being taken following the Technical Sub Group Meetings to inform variation to contracts if required in 2016/17 be agreed.**
- 2. That a report would be brought to the March meeting of the Forum to provide an update on the Contract review.**

### **CBSF/15/30. Dedicated School Grant Contingency Budgets**

The Forum considered a report which provided an update on the use of the School Contingency Budgets for 2015/16. It was noted that the Dedicated Schools Grant since 2013/14 has been split into three notional blocks: Schools, High Needs and Early Years and each holds its own contingency budget.

### **Schools Contingency**

The Forum noted that £500k had been ringfenced for the three schools which were closing through applying to the Secretary of State to disapply the regulations.

The balance, as at 31 December 2015, of £776,127 (which contains the £500,000 ringfenced) is split between de-delegated ring fenced funding for maintained schools only of £671,572 and £104,555 for all schools.

### **High Needs Contingency**

The Secretary of State approved on 21 October 2015, the proposal for £500k of unspent DSG be transferred in year to Capital for specialist provisions. It is anticipated that another request to the Secretary of State for a transfer of the balance of High Needs Block will be made at the end of the financial year but the Secretary of State will not allow an estimated amount to be approved. It must be done at the relevant time.

### **Early Years Contingency**

It was previously agreed that £500k would be transferred to the Schools Block for a one off payment.

The balance, as at 31 December 2015, of £999,023.

### **RESOLVED**

**that the Dedicated School Grant (DSG) Contingency spend to 31 December 2015 be noted.**

#### **CBSF/15/31. Update on Special School Place Planning**

The Assistant Director School Improvement provided a verbal update on Special School Place Planning and the work which was ongoing.

It was noted that the Assistant Director School Improvement, the Head of School Organisation, Admissions and Capital Planning and the Special School Headteachers meet to consider where possible places are required. The meetings happen termly.

#### **CBSF/15/32. School Forum Budget**

The Forum received and considered a report which provided an update on the Schools Forum Budget for 2015/16.

The Senior Finance Officer confirmed that as at 31 December 2015, the remaining balance for the year was £5,283 of which £3,316 had been carried forward from 2014/15. It was noted that any unspent budget would be carried forward to the next year. It was noted that the budget for 2015/16 was £3,000, with the continued membership of F40.

The Forum considered running a training event for members of the Forum and also use the opportunity as a possible recruitment event. A questionnaire was being circulated to schools etc and one of the questions would be about joining the Schools Forum. Also existing Panel Members would be asked to provide a summary of the benefits they have found with being on the Forum. The benefits could include the greater understanding of the budget process, the networking opportunities etc.

Members of the Forum were reminded that they could submit travel claims for attending the Forum meetings.

**RESOLVED**

**that the Schools Forum Budget position statement as at 31 December 2015 be noted.**

(Note: The meeting commenced at 9.00 a.m. and concluded at 11.22 a.m.)

Chairman .....

Dated ..... ..



**Meeting:** Schools Forum

**Date:** 14 March 2016

**Subject:** **Dedicated Schools Grant (DSG) Update and LA proposed amendments to Central Bedfordshire's Scheme for Financing Schools**

**Report of:** Director of Children's Services

**Summary:** This paper provides an update on the DSG and Growth Fund allocation for 2015/16 and provides an update on the Individual School Budget and Capital Allocations for 2016/17. It asks Schools Forum to approve the LA proposed amendments to Central Bedfordshire's Scheme for Financing Schools.

Contact Officer: Dawn Hill, Priory House, Shefford

Public/Exempt: Public

Wards Affected: All

Function of: Council

Reason for urgency  
(if appropriate)

#### **RECOMMENDATIONS:**

- 1. To note and comment on the update to the 2015/16 DSG allocation.**
- 2. To note and comment on the update to the 2015/16 Growth Fund.**
- 3. To note the 2016/17 Individual School Budget.**
- 4. To note the updated DfE Capital allocations 2016/17.**
- 5. To approve the LA proposed amendments to Central Bedfordshire's Scheme for Financing Schools.**

#### **Background**

1. Since the beginning of the financial year 2006/07 local authorities have received allocations of DSG to finance the Schools Budget in each authority. The full DSG received must be applied to the Schools Budget in each authority; although authorities may provide additional resources in support of the Schools Budget should they decide to do so. The Dedicated School Grant is split into three notional blocks; Early Years, High Needs and Schools.
2. The School and Early Years Finance (England) Regulations 2014 define the local authority education budgets (the non-schools education budget, the schools budget, the central expenditure and the Individual Schools Budget (ISB)). The regulations set out how local authorities are to allocate funding from ISB to maintained schools and private, voluntary and independent providers of free early years provision (relevant early years providers) through a locally determined formula.
3. The Regulations give effect to the decisions made to reform the school funding system through simplified local formulae, greater delegation to schools and new arrangements for funding pupils with high needs.

4. The Minimum Funding Guarantee (MFG) for schools has been set at negative 1.5% per pupil for 2015/16. The calculation has been simplified compared with previous years and the Regulations set out the factors which are excluded from the calculation.

### **Local Authority Assurance Statement**

5. LAs are required to submit an annual outturn statement, confirming that the DSG received by the authority was fully deployed in support of the schools budgets in accordance with the conditions of the grant and The School and Early Years Finance (England) Regulations 2014. The statement also includes a Non Maintained Special School (NMSS) statement and Fraud cases reported in schools statement. Submission of the statement usually takes place in October each year.
6. The NMSS statement requires confirmation that based on the LAs work in reviewing Individual Placement Agreements for high needs pupils/students within NMSS, nothing has come to their attention that causes them to believe that the learners reviewed were not correctly defined as high needs students.
7. The Fraud cases statement requires the confirmation of the number and value of fraud cases reported in schools and the number of those that have been investigated and where appropriate action taken.

### **2015/16 DSG Budget Allocation**

8. On 16 July 2015, the DfE announced details of DSG for 2015 to 2016. The DSG remains split into three blocks; School, High Need and Early Years.

#### **Schools Block**

9. The Schools Block is calculated based on school block unit of funding (SBUF) announced in July 2014 plus a cash transfer to bring non-recoupment academies into LAs overall budget calculation. For Central Bedfordshire Council (CBC) the SBUF is £4,289.09 (this after the CRC deduction of £7.51) an increase of £144.62 from 2014/15. CBC's pupil numbers based on October 2014 census data has increased by 718 pupils to 35,866.
10. The DfE has made a cash transfer (£353k) for Central Bedfordshire's University Technical College (UTC) and this is based on what the UTC would have received in the 2015/16 formula based on the pupil numbers in the October 2014 census, uplifted by the Minimum Funding Level (MFL) increase for relevant authorities.
11. To protect schools from significant budget reductions, the Minimum Funding Guarantee is continuing to ensure that no school sees more than a 1.5% per pupil reduction in 2015/16 (excluding sixth form funding) compared with 2014/15.

#### **High Needs Block**

12. The High Needs Block for 2014/15 has been carried forward plus:
  - Increase in places for academic year 2015 to 2016
  - Additional top-up of £47m distributed based on the 2-19 aged population in each LA.

### Early Years Block

13. The Early Years Block includes:

- The 3 and 4 year old entitlement – set at the same per pupil rate as in 2014/15 (for CBC £3,979.80). This has been updated for January 2015 pupil numbers and will be further updated in July 2016 based on 5/12ths of the January 2015 pupil numbers (to cover the April 2015 to August 2015 period) and 7/12ths of the January 2016 pupil numbers (to cover the September 2015 to March 2016 period).
- The early years pupil premium (EYPP) will pay early years providers an additional £300 per year for each eligible child that takes up the full 570 hours with them. This equates to an hourly rate of 53p per child per hour. The allocation for CBC is £171k.
- Funding for disadvantaged 2 year olds for which the hourly rate was announced in October 2014 (for CBC at £5.03). The DfE has announced the actual allocation for 2015/16, which for CBC is £1,644k. The allocations is based on number of eligible children **participating** (instead of demographic information) in early education as recorded in the January 2015 early years census and school census (344 pupils).

14. The table below illustrates the updated DSG revenue allocation for 2015/16.

<b>Block</b>		<b>2015/16 Allocation (M)</b>
<b>Schools</b>	Schools Block	153.833
	Cash Transfer (UTC)	0.353
<b>Early Years</b>	3&4 year olds funding	10.554
	3&4 year olds adjustment (Jan Census)	0.151
	Indicative EYPP	0.171
	2 Year Olds funding	1.644
<b>High Needs</b>	2014/15 HN base line	24.905
	2015/16 Growth & Place Review	0.216
	Additional top-up	0.233
NQT		0.054
<b>Total Updated Allocation</b>		<b>192.114</b>

15. As in 2014/15 the DSG will include funding for the cost of monitoring and quality assuring of NQT induction. The CBC's allocation for 2015/16 is £54k.
16. Following the Department for Energy and Climate Change's consultation in 2012, schools were removed from the main scheme in 2014/15. LAs are no longer required to administer the Carbon Reduction Commitment (CRC) on behalf of Schools. For 2015/16, a simple deduction of £7.51 per pupil will be made to DSG allocations. The CRC deduction 2015/16 this is £269k.
17. As in previous years, to protect LAs with falling pupil numbers, a cash floor of minus 2% has been applied to the DSG allocations. This will ensure that no authority will lose more than 2% of its budget in cash terms.

18. The Department has agreed with the following agencies to purchase a single national licence managed by the Department for all state-funded schools in England:
- Christian Copyright Licensing International (CCLI) **(new for 2015/16)**;
  - Copyright Licensing Agency (CLA);
  - Education Recording Agency (ERA);
  - Filmbank Distributors Ltd. (for the PVSL);
  - Mechanical Copyright Protection Society (MCPS) **(new for 2015/16)**;
  - Motion Picture Licensing Company (MPLC);
  - Newspaper Licensing Authority (NLA);
  - Performing Rights Society (PRS) **(new for 2015/16)**;
  - Phonographic Performance Limited (PPL) **(new for 2015/16)**; and
  - Schools Printed Music Licenses (SPML)
19. This takes into account the 4 additional national licences, the rise in the number of pupils; the fact that local authority maintained nursery schools will now be covered for their relevant licences, and the inclusion of non-recoupment academies. For 2015/16 this will be £242k.
20. The following table represents the distribution of the 2015/16 DSG based on the Academy conversions as at February 2016 (50 including the Free schools and UTC).

	DSG £'000	ISB Academies £'000	Revised DSG £'000	ISB Schools £'000	Central Spend	
					LA £'000	Academies £'000
<b>Schools</b>	154,240	86,408	67,832	64,551	3,281	0
<b>EY</b>	12,520	0	12,520	9,303	2,462	755
<b>High Needs</b>	25,354	3,392	21,962	8,456	10,026	3,480
<b>Total</b>	<b>192,114</b>	<b>89,800</b>	<b>102,314</b>	<b>82,310</b>	<b>15,769</b>	<b>4,235</b>

21. The centrally retained DSG of £20M is further analysed in the table below.

Services	DSG £'000
Special Education Needs (Inc Post 16)	9,272
Academies Statements/Early Years	4,235
Two Year old Funding	1,644
Ey Pupil Premium	171
Growth Fund	2,248
DSG Contribution to Central Overheads	719
School Admissions	260
School Contingency	527
DSG central adjustment (CLA)	242
Teachers Unions & Professional Associations	53
Early Years Contingency	630
School Forum	3
<b>Total CE</b>	<b>20,004</b>

22. The 2015/16 Growth fund includes £248k recoupment adjustment for growth fund paid to academies for period April14 to August14.

**2015/16 Growth Fund**

23. The School and Early Years Finance (England) Regulations, Schedule 2, prescribes expenditure that may be deducted from the Schools budget before determining the ISB and held centrally. Growth Funding falls into this category and is for the purpose of expenditure due to significant growth in pupil numbers as a result of the LA's duty under section 13(1) of the 1996 Act to secure that efficient primary and secondary education are available to meet the needs of the population and in order to make provision for extra classes in order to comply with the School Admissions (Infant Class Sizes) Regulations 2012.
24. Local Authorities are required to produce criteria on which any growth funding is to be allocated, and set out the circumstances in which a payment could be made and a basis for calculating the sum. The School Forum regulations requires the agreement of the School Forum for both the central spend on and the criteria for allocating funds.
25. The following table sets out the expenditure to 29 February 2016.

	<b>Budget £</b>	<b>Spend £</b>	<b>Balance £</b>
2015/16 Allocation	2,247,730		
2014/15 B/F balance		(428,470)	
<b>Growth Fund:</b>			
Alameda Academy		63,408	
Church End Lower		48,448	
Clipstone Brook Lower		75,927	
Cranfield Academy		147,764	
Edward Peake Middle		89,548	
Etonbury Middle		204,870	
Fairfield Park Lower		45,004	
Greenleas Lower		64,915	
Holywell		43,204	
Leedon Lower		48,034	
Redborne Academy		63,408	
Robert Bloomfield		39,118	
Roecroft Lower		81,534	
Russell Lower		58,080	
Shefford Lower		46,313	
Silsoe Lower		60,410	
St Andrews Lower		262,218	
St Marys Stotfold		29,024	
Stratton Upper		106,202	
<b>Total Growth Fund</b>	<b>2,247,730</b>	<b>(2,005,900)</b>	<b>(241,830)</b>

26. The revised School and Early Years Finance Regulations 2014 allows LAs to carry over any unspent money from the 2014/15 growth and infant class size funds to be used for the same purpose in 2015/16. Any balance remaining in 2015/16 will be added to the 2016/17 allocation for Growth Fund and used for the same purpose.

27. Where an LA makes a growth fund payment to an academy for the period April to August, the DfE will make an appropriate recoupment adjustment. Growth fund adjustments will not be made for “diseconomies of scale” or “start-up” funding. The final pro-forma submitted to the Education Funding Agency (EFA) included a request to adjust 2016/17 academy recoupment by £18k, which was agreed by the EFA. This will be added back to the Growth fund for 2016/17.

### 2016/17 Individual Schools Budget (Schools Block)

28. At the Schools Forum meeting on 18 January 2016, it was agreed to apply to the SoS for a disapplication of The Schools and Early Years Finance Regulation to allow an increase of £52,514 in the annual amount held centrally for the Schools Admission Team. The SoS refused the application on the grounds that their policy does not allow increases in centrally retained expenditure and central expenditure should be restrained, so that as much funding as possible is given to schools.
29. On the 8 February 2016 the LA resubmitted the final Authority Pro-forma Tool (APT) to the Education Funding Agency (EFA). Following the Departments confirmation that the authority had adhered to the finance regulations and proforma meeting the required criteria, the LA published the Schools Individual Budgets on the schools’ learning portal.
30. The table below reflects the final distribution of the DSG to Individual Schools:

Factor		Actual 2014/15	Actual 2015/16	Actual 2016/17
A basic per pupil entitlement	Primary AWPU	£2,959	£3,086	£3,096
	KS3 AWPU	£4,221	£4,348	£4,358
	KS4 AWPU	£4,930	£5,057	£5,067
Deprivation	IDACI Band 2&3	£554	£554	£554
	IDACI Band 4	£1,108	£1,108	£1,108
	IDACI Band 5	£1,662	£1,662	£1,662
	IDACI Band 6	£2,216	£2,216	£2,216
Looked After Children		£468	£468	£468
Prior Attainment		£0	£0	£0
EAL		£0	£0	£0
Lump Sum		£120,000	£120,000	£120,000
Split Site		£120,000	£120,000	£120,000
Rates		Based on actual	Based on actual	Based on actual
PFI		£0	£0	£0
Pupil Mobility		£0	£0	£0
Post -16		n/a	n/a	n/a
Exceptional Premises factors	Joint Use	£98,330	£98,330	£98,330
	Rent	£40,060	£40,060	£36,950
Sparsity		£0	£0	£0
Growth Fund		£1,000,000	£2,000,000	£2,000,000
Falling Roles Fund		£0	£0	£0
School Admissions		£260,490	£260,490	£260,490
School Forum		£3,000	£3,000	£3,000
Copyright Licenses		£142,240	£241,612	£244,937

## DfE Capital allocations

31. In February 2016 the DfE announced the 2016/17 Devolved Formula Capital (DFC) and School Condition Allocations(SCA).

DFC		SCA		Total
LA	VA	LA	VA	
£482,841	£97,184	£1,994,225	£499,656	£3,073,906

32. These DFC allocations are provisional and based on the status of schools in November 2015. Final DFC allocations will be confirmed after March 2016, which will reflect schools that have become academies or have changed their voluntary aided status between November and 31 March 2016.
33. The table below reflects the DFC rates for all schools except voluntary aided schools, whose lump sum and per pupil rates are 8% higher. The data source for pupil numbers is the School Census (January 2015).

	Per Pupil	Lump sum per school
<b>Nursery/Primary</b>	£11.25	£4,000
<b>Secondary</b>	£16.88	£4,000
<b>Post-16</b>	£22.50	£4,000
<b>Special/PRU</b>	£33.75	£4,000

34. Indicative SCA for 17/18 are set at the same level as the 2016/17 allocations and will be updated next year to reflect schools moving to a new responsible body, opening or closing. In February 2015 DfE provided its announcement of Basic Need allocation through to 17/18 for new school places, we anticipate the announcement for 18/19 will be forthcoming shortly.

## Amendments to CBC's Scheme for Financing Schools

35. Following the consultation and approval in September 2015 for revisions to Central Bedfordshire's Scheme for Financing Schools, further queries have been raised with regard to Section 12 - *Responsibilities for Repairs and Maintenance*.
36. The LA is proposing to add further clarity to ensure governing bodies are aware of their responsibilities for the maintaining of school buildings to a reasonable standard, ensure identified Health and Safety issues are addressed and make proper provision from within their delegated budget to achieve this. The proposed amendments are not a change to a school's responsibility and are in line with the guidance provided by the DfE.
37. The consultation with maintained schools took place from 4 January to 29 January 2016. A letter and Section 12 with proposed amendments (Appendix A) was emailed to all schools and also posted on the schools learning portal.
38. The LA received 11 responses (13% of schools) - 9 lower schools, and 2 upper schools. One objection was raised from a lower school, concerned that small lower schools whose annual capital expenditure is less than £10k would be discriminated against.

### Appendices:

Appendix A – Section 12 - *Responsibilities for Repairs and Maintenance* with tracked changes

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Appendix A

**Scheme for Financing Schools**

**12. RESPONSIBILITY FOR REPAIRS AND MAINTENANCE**

12.1 Illustrative examples of capital expenditure items in line with Department for Education's interpretation of the CIPFA code of practice are included at Appendix C. The principal objective is to ensure that buildings are well maintained and provide a safe and efficient work place for schools to operate.

The LA requires governing bodies to maintain school buildings to a reasonable standard, ensure identified H&S issues are addressed and to make proper financial provision from within the delegated revenue and capital resources to achieve this.

Under the scheme, governing bodies have been delegated authority and all funding through the Individual Schools Budgets, to take forward all revenue repairs and maintenance work required to all parts of the school site and buildings. This includes responsibility for items such as health and safety testing and servicing of electrical wiring and emergency lighting systems, fire alarm systems and heating systems and appliances, as well as kitchen maintenance and pest control.

12.2 Governing Bodies are also allocated Devolved Formula Capital each year. Expenditure may be treated as capital only if it fits the definition of capital used by the local authority for financial accounting purposes which is in line with the CIPFA Code of Practice on Local Authority Accounting.

Central Bedfordshire Council's Schools de minimis limit for the definition of capital and revenue is **£2,000**.

The LA may undertake ad-hoc inspections through appointed surveyors and engineers to ensure that school assets are safeguarded.

The budget share of a school may be charged by the LA without the consent of the governing body for expenditure by the LA in carrying out building repairs and maintenance, health and safety work or capital expenditure for which the LA is liable where funds have been delegated to the governing body for such work, but the governing body has failed to carry out the required work.

Funding for major capital expenditure, defined in Appendix C of the scheme, is retained by the Authority with the exception of Devolved Formula Capital.

The LA carries out a programme of school building condition surveys as part of the Authority's Asset Management Plan. Copies of the surveys are provided to school governing bodies. This informs the Council's School Capital Maintenance programme and should also inform the planning of repair and maintenance works by Governing Bodies.

Where capital works are identified as LA responsibility schools will be required to a) contribute the first £10,000 -b) Amounts above £10,000 are funded 50% by the school and 50% by the LA, up to the utilisation of 50% of the current year's formula capital allocation.-c) Once the limit at b) above is reached, the LA will fund 100%. (see also Appendix C - Schedule of works deemed capital which are LA responsibility, specifically section **Schools Contribution to repairs and maintenance deemed as capital Works**).

**12.3** For voluntary aided schools, the liability of the LA for repairs and maintenance (albeit met by delegation of funds through the budget share) is the same as for other maintained schools, and no separate list of responsibilities is necessary for such schools. However, eligibility for capital grant from the Secretary of State for capital works ~~at~~<sup>s</sup> voluntary aided schools depends on the *de minimis* limit applied by Department for Education to categorise such work, not the *de minimis* limit used by Central Bedfordshire LA.

[LA Co-ordinated VA Programme \(LCVAP\) is the formulaic capital funding allocated by the DfE for major capital expenditure in VA schools specifically. This is administered by the Diocesan authorities with the co-ordination of the LA.](#)

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**Meeting:** Schools Forum  
**Date:** 14 March 2016  
**Subject:** Use of centrally retained Dedicated Schools Grant (DSG) in 2015/2016  
**Report of:** Sue Harrison, Director of Children's Services  
**Summary:** The report outlines how the centrally retained DSG has been used in 2015/16 and identifies requirements for centrally retained High Needs Block for 2016/2017. This does not include the contracts budget due to the review of some of these contracts. This was reported in January 2016, and a verbal update will be provided on progress.

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**Advising Officer:** Helen Redding, Assistant Director, School Improvement  
**Contact Officer:** Helen Redding, Assistant Director School Improvement  
**Public/Exempt:** Public  
**Wards Affected:** All  
**Function of:** Council

**RECOMMENDATION(S):**

**The Schools Forum is asked to:**

- 1. Note how this element of centrally retained High Needs Block has been used in 2015/2016 to support high needs provision.**
- 2. Agree that any unallocated High needs Block is carried forward into 2016/2017 and allocated to the rolling Special Educational Needs and Disability (SEND) Capital Programme to support the delivery of SEND Vision (currently under review) and its priorities.**
- 3. Give a view on the allocation of High Needs Block for 2016/2017.**
- 4. Agree that any unallocated High Needs Block in 2016/2017 be allocated to High Needs Contingency to be allocated following completion of review of Top Ups, Contracts and Outreach.**

**Introduction**

The Council is required by the School Forum Regulations to report on the use of centrally retained DSG to the Schools Forum. The content of this report provides the detail of this in relation to the High Needs Block. High Needs Block is not ring-fenced. It was agreed by the High Needs Block Technical Sub Group that the High Needs Block would be reported in 3 separate reports. For clarity, summary information on all elements of the High Needs Block have been included in this report. A full report on the review of Contracts came to Schools Forum in January 2016.

Budget agreed in 2015/2016 and forecast spend at year end.

	<b>Apr-15</b>	<b>Mar-16</b>
Early Years children with SEN and disability allocation support function	28,000	28,000
Early Years SEN Advisory teachers	181,210	175,947
Early Years SEN Funding	190,000	240,000
Therapies	70,000	36,000
Statements	449,900	479,900
Academy statements	3,335,446	3,480,391
Special School Outreach and High Cost Pupils	525,670	579,913
Out of County Placements	900,000	739,136
SEN and Additional Pupil Support	198,850	242,358
High needs Post 16	1,761,600	2,055,667
Access and Inclusion	101,710	82,875
Virtual School	217,000	217,000
Other Authority Top Up Payment	1,043,880	843,942
<b>Total</b>	<b>9,003,266</b>	<b>9,201,129</b>

HN Contingency	1,145,590	660,738
DSG Contribution to Central overheads		
	719,280	719,280
Commissioning contracts	2,552,744	2,679,186
<b>Total</b>	<b>13,420,880</b>	<b>13,260,333</b>

### Services funded by High Needs Block

#### Early Years Children With Disabilities retained panel and support function

1. The panel process and support function has been retained centrally, and ensures that children are allocated support when required. This element of DSG supports the salary costs of the member of staff who coordinates this process as well as administering and supporting the process for pupils who are of school age (SEN and additional pupil support).

#### Early Years SEND Advisory Teacher (new title) - SEND Team

2. This Service was reviewed, and additional capacity recruited to as reported to Schools Forum in January 2015. One post holder was recruited to and started in November 2015. An existing member of the team reduced her hours in January to 0.4. We were unable to recruit to 0.6 and so agreed to recruit to a full time position to support the growing numbers. The second post holder started in January.
3. Due to delays in recruitment this budget is forecast to underspend by £5,263 in 2015/2016.
4. The increase in service requires an increase in budget of £18,790 to £200,000 in 2016/2017.
5. This Service will support the School Readiness priority in the Partnership Vision For Education Programme.

#### Other Functions supported by High Needs Block

6. **Support for high needs 3 and 4 year olds in early years settings:** This budget supports children in settings and nurseries with high needs who do not yet have an EHC Plan, but require additional support to meet their needs. This budget is forecast to spend £240,000 by the end of March (the end of February position is £230,273). It is proposed that this budget increases to £250,000 for 2016/2017.

7. The Technical Sub Group of the High Needs Block agreed that consideration should be given to getting clarity on the spending approved through the Early Years Reference Group to support inclusion. They agreed that it would be more transparent if these processes could be streamlined into 1 and the budgets used to support this process be clearly identified to support this activity.
8. **Therapies:** This budget is used to support therapies such as Speech and Language Therapy and Occupational Therapy where it has been specified as an assessed need on a Statement of SEN or EHC Plan that therapy is required on a more regular basis than can be accessed through Health Services. This is a needs led budget. £36,000 has been allocated to date. There is currently a review of SALT services being undertaken which is likely to be broadened to include a similar approach to reviewing OT and Physio contracts. It is proposed to reduce this budget to £50,000 in 2016/2017.
9. **Statements/EHC Plans:** This budget is used to fund new statements in all schools across the year. This is a needs led budget and is monitored monthly. Budget is moved to Academy statements as schools become Academies. This budget is forecast to overspend by £30,000. This is the first time this budget has ever overspent.
10. Requests for assessment increased by 100% in the Autumn Term 2015 compared to the same period in 2014, with a similar increase seen in the Spring term. Thresholds for assessment have not changed, but it would seem that schools have got better at using the Graduated Response Guidance to support their process and evidencing applications, as well as there having been an increase in the population.
11. We are reviewing the way in which EHC plans are funded, linked to identified provision to meet assessed need rather than banding levels. Any changes will be implemented for September 2016.
12. Given the above, the suggested budget allocation initially for 2016/2017 is £500,000. This can be moved from High Needs Block Contingency. This can be adjusted balanced from High Needs Contingency once the work has been completed to review the Top Up rates.
13. **Academy statements/EHC Plans:** This budget is used to fund the cost of statements/EHC Plans in Academies. This is a needs led budget and is monitored monthly. Academies are paid termly, and money is moved from the Statementing budget to this cost centre against actual predicted spend. This budget will be amended for 2016/2017 balanced from High Needs Contingency once top up values have been agreed.
14. **Special School Outreach and High Cost pupils:** This budget supports commissioned outreach from special schools (£192,216) as well as the additional exceptional needs of the most complex pupils in our special schools who have evidenced assessed needs that requires additional support to maintain them in our local special school provision (for example additional Teacher Assistant support for our most challenging pupils). This is a needs led budget. This budget is overspending due to the complex needs of some of the pupils being maintained in our special schools, and the increased demand on places at Oak Bank School. It is proposed to increase this budget to £600,000 in 2016/2017.
15. **Pre 16 Out of County Placements:** This budget is allocated to fund Out of Authority Specialist Placements. Some of these pupils have been placed as we have been unable to meet needs locally, and some are at the direction of the SEN and Disability Tribunal (SENDIST). Health and Social Care services pay a contribution towards some placements. Currently there are 10 pupils who are 16 and under placed out of Authority by education, and 4 by Social Care where DSG funds the education element. Of the education led placements, we have received a health contribution to 1 pupil, and are reviewing social care contributions to others. Post 16 pupils are funded through the Post 16 Cost Centre. While this is currently underspending, it is offsetting an overspend in the Post 16 high needs budget.
16. **Additional Pupil Support:** This budget is allocated to support pupils with additional needs for fixed periods of time. Many of these pupils are undergoing statutory assessment or may need to undergo assessment imminently, and this budget supports schools in supporting these pupils'

needs until the end of this process. A significant number of pupils who require this support are at risk of permanent exclusion, and specialist agencies are always involved. Any new requests get approved at Panel. Additionally this budget funds any educational provision for pupils in Independent Hospital facilities. There had been a reduction in pupils requiring Tier 4 provision in year, but these numbers are increasing again. There has been 16 pupils accessing Tier 4 intervention requiring education this financial year. The cost of education for these pupils has been £62,911 to date. This budget is forecasting to overspend by £43,508, and it is proposed to increase this budget to £270,000 for 2016/2017.

17. **High needs Post 16:** This budget funds all provision for pupils who are post 16 and with high needs, including out of authority placements, top up funding for statemented pupils who are placed in other Local Authorities' schools, high needs college and post school placements, including independent specialist providers. With all Post 16 costs, this budget is forecast to overspend by £294,067 which is offset by the underspend in the Out of County budget and other cost centres.
18. There are currently 11 post 16 pupils in out of Authority Independent or Non-Maintained Special Schools. Current costs for these pupils are £1,388,558. 10 pupils are accessing mainstream schools or special schools in neighbouring Authorities' schools at a current cost of £85,991.
19. The amount allocated to Post 16 Provision was until recently determined by the Education Funding Agency and Pre 16 DSG has historically supplemented the shortfall. Showing the overspend against the Post 16 allocation enables us to monitor the true costs of Post 16 provision and report this accurately. With the implementation of the SEND Reforms, which enables provision for young people with SEND up to the age of 25, the spend against this budget is likely to increase.
20. **Access and Inclusion:** This budget supports the staffing costs of the management of advice and process for exclusions and elective home education.
21. **Virtual School management and delivery:** This budget supports the staffing costs and functions of the Virtual School for Looked After Children (LAC). The Virtual School is now responsible for supporting Looked After Children pre school and post 16 and ensuring that outcomes improve and all Looked After Children access further education, employment or training. Currently there are 34 pre-school children, 187 LAC pupils of statutory school age, and 50 pupils in Post 16.
22. The Service has been restructured to ensure that the Head of the Virtual School has strategic responsibility for vulnerable pupils who may be on the edge of care as well as for children in care. A Team Leader has been appointed to ensure capacity to deliver the Virtual School Role in full. The additional Personal Adviser recruited to support the age group last year is having a significant impact, and the Virtual School contributes 50% of this post.
23. In order to cover the costs of these staffing changes, the Virtual School budget is proposed to increase to £283,210
24. **Other Authority Top-Up payments (Pre-16)** This budget is used to fund mainstream statements in other Local Authorities' schools, and the top up element of the statement for pupils placed in other Local Authorities' special schools. There are currently 96 pupils who are pre 16 accessing schools across the local borders. Costs of these places are currently at £960,474. This cost centre includes accrued income from previous year.
25. **DSG contribution to Central Overheads:** This is allocated to central overheads to support DSG related functions.
26. The forecast unallocated High Needs Block contingency in 2015/2016 is £484,852. This will be carried forward to 2016/2017 and is proposed to be allocated to SEND Capital to support increasing demand for places in specialist SEND provision.
27. The High Needs Block is usually finalised by the DfE in Quarter 1. This will provide information on the allocation, and will enable the figures proposed for 2016/2017 to be finalised. This will then

determine the balance to be allocated to High Needs Contingency to be allocated following review of contracts, outreach and top up payments.

**Proposed centrally retained High Needs Block in 2016/2017**

		<b>Initial 16/17</b>
28.	Early Years children with SEN and disability allocation support function	28,000
	EY Advisory teachers	200,000
	Early Years SEN Funding	250,000
	Therapies	50,000
	Statements/EHC Plans	500,000
	Academy Statements/EHC Plans	3,652,497
	Outreach and High Cost Pupils	600,000
	Out of County Placements (Pre 16)	900,000
	SEN Additional Pupil Support	270,000
	High needs Post 16	1,761,600
	Access and Inclusion	101,710
	Virtual School	283,210
	Other Authority Top Up Payment	1,043,880
	DSG Contribution to Central overheads	719,280
	High Needs Contingency*	1,026,983
	Commissioning	2,552,744
	<b>Total</b>	<b>13,939,904</b>

29. The indicative High Needs Block DSG for 2016/2017 was announced in December 2015. The 2016/17 High Needs Block includes:
- The High Needs Block base line for 2015/16 plus:
  - Additional top-up of £92.5M allocated on the basis of the 2-19 aged population projections for 2016 in each LA.

The table below illustrates the DSG revenue allocation for 2016/17.

<b>High Needs Block</b>	<b>2016/17 Allocation (M)</b>
Base line	25.335
Additional top-up	0.460
<b>Total Indicative DSG</b>	<b>25.795</b>

30. Special schools budget have been published on learning portal on 19 February 2016. They have been calculated based on the agreed place numbers for each school and academy. Table below shows the total allocation for 2015/16 and 2016/17.

	<b>2015/16</b>	<b>2016/17</b>	<b>Diff</b>
CBC Allocation	6,904,973	7,475,298	570,325

The above allocation does not include top-ups to be received from other LAs and place funding for academies which is paid directly from EFA. This increase is due to increase of places allocated for 2016/17, total increase of 57 places.

31. The EFA have reduced the place numbers at Weatherfield Academy for pre 16 pupils, but have not allowed an increase in the number of places at Post 16. The Council will therefore fund the place and top up funding for the Weatherfield Post 16 pupils from High Needs Contingency. The EFA will not top slice the place funding for these additional pupils. Numbers are being agreed with the school.

32. Oak Bank have been approved by the EFA to retain pupils into 6<sup>th</sup> Form. Place funding and top up for these pupils will be allocated from High Needs Contingency for 2016/2017 once numbers are confirmed.
33. \*It is proposed that the balance held in contingency of £1M be applied where it is required in 2016/2017 taking into account the following:
- Weatherfield Post 16 additional places and top up.
  - Oak Bank Post 16 places and top up.
  - The review of those SEND contracts agreed to be reviewed following School Forum January 2016.
  - The review of top up rates for statements/EHC Plans and special schools/specialist provisions.



**Meeting:** Schools Forum  
**Date:** 14 March 2016  
**Subject:** Dedicated School Grant Contingency Budgets  
**Report of:** Director of Children's Services  
**Summary:** To provide an update on the use of the School Contingency Budgets for 2015/16

Contact Officer: Dawn Hill, Priory House, Shefford  
Public/Exempt: Public  
Wards Affected: All  
Function of: Council

**RECOMMENDATIONS:**

- 1. To note the Dedicated School Grant (DSG) Contingency spend to 29 February 2016.**

**Background**

1. The Dedicated School Grant is split into 3 notional blocks; Schools, High Needs and Early Years with each block holding its own contingency budget.

**School Block**

2. The Schools Specific Contingency Budget falls under Schedule 2 (Part 5) of The School and Early Years Finance (England) Regulations 2014; 'Classes or descriptions of planned expenditure prescribed for the purposes of the Schools budget of a Local Authority which may be deducted from it to determine the Individual Schools Budget (ISB)'.
3. Expenditure on the Schools Specific Contingency is central expenditure deducted for the purpose of ensuring that monies are available to enable an increase in a school's budget share after it has been allocated; and where it subsequently becomes apparent that a governing body have incurred expenditure which it would be unreasonable to expect them to meet from the school's budget share which may include expenditure in relation to:
  - schools in financial difficulty
  - the writing off of deficits of schools which are discontinued, excluding any associated costs and overheads
  - new, amalgamating or closing schools, or
  - other expenditure where the circumstances were unforeseen when initially determining the school's budget share

### High Needs Block

4. At the School Forum meeting in January 2015 it was agreed that as the High Needs Block settlement for 2015/2016 is not received from the DfE until March 2015, the balance would be held in contingency and applied where it is required in 2015/2016. The following issues will be taken into account
- The resource implications of changes in SEND provision through the implementation of the Children and Families Act in 2014 is determined.
  - The development of the Hub and Spoke model for the Jigsaw Centre.
  - The implications of the development of Central Bedfordshire’s vision for Special Schooling and Specialist Provision, including capital costs.
  - How the EFA plans to top slice Local Authorities and whether that will impact on the initial settlement.
  - How the EFA plans to apply growth in 2015

### Early Years Block

5. Early Years provision is funded based on predicted total number of hours’ attendance of registered pupils. The LA must review the budget share when further information on actual hours of attendance is available, in accordance with Part 3 of The School and Early Years Finance (England) Regulations 2014. The Early Years Contingency budget has been set aside to fund the headcount adjustment that is allowable within the regulations.

### Update

#### School Contingency

6. De-delegation from the Schools Block did not take place in 2015/16. However, the LA did apply to the Secretary of State to disapply the regulations to allow a £500k top-slice to DSG across all maintained schools and academies. This was to support schools in financial difficulty and would specifically apply to three closing middle schools which are at risk of closing with a deficit balance. The saving to DSG once the schools are closed would be applied to all schools.
7. The following table sets out the expenditure to 29 February 2016 :

	<b>BUDGET</b> £	<b>SPEND</b> £	<b>BALANCE</b> £
Carry Forward from 2014/15	208,413		
Budget Allocation 2015/16 (ring-fenced)	500,000		
Unallocated DSG (All Schools)	1,460		
Academy Recoupment Adjustment	25,985		
VAT Reimbursement CLA		40,269	
<b>Total School Contingency</b>	<b>735,858</b>	<b>40,269</b>	<b>776,127</b>

The balance of £776,127 is split between de-delegated ring fenced funding for Maintained schools only of £671,572 and £104,555 for all schools. The de-delegated funding will be applied to the closing schools deficits. The remaining balance will be redistributed to all schools in 2016/17 via the age weighted pupil unit.

### High Needs Contingency

8. It was agreed at the School Forum meeting of the 26 January 2015 that unallocated 2014/15 High Needs Block funding would be redistributed to schools. £1M transferred to the Schools Block and distributed to maintained schools and academies on a one-off basis via the age weighted pupil unit (AWPU) for 2015/16 and the balance of £129k has been transferred to support capital development in specialist provisions.

In addition, it was also agreed to support the capital project to provide funding at Ardley Hill Academy for its proposal to establish 8 new primary specialist provisions for Autistic Spectrum Condition in Dunstable from September 2016. The Secretary of State approved to utilise the sum of £500k for this project on 21 October 2015.

9. The following table sets out the expenditure to 29 February 2016:

	<b>BUDGET</b> £	<b>SPEND</b> £	<b>BALANCE</b> £
Carry Forward from 2014/15	1,129,263		
Transfer to ISB		(1,000,000)	
Transfer to capital for development in specialist provisions		(129,263)	
Unallocated HN Block 2015/16	1,145,590		
HN Block adjustment for growth		290,230	
Transfer to ISB (top-up funding)		(5,517)	
Further transfer to capital		(500,000)	
In-year HN block overspend		(430,951)	
ACB rates adjustment		(14,500)	
<b>Total SEN Contingency</b>	<b>2,274,853</b>	<b>(1,790,001)</b>	<b>484,852</b>

### Early Years Contingency

10. It was previously agreed that £500k would be transferred to the Schools Block and distributed to maintained schools and academies on a one-off basis via the age weighted pupil unit (AWPU) and the remainder used for the termly census adjustments.

11. The following table sets out the expenditure to 29 February 2016:

	<b>BUDGET</b> £	<b>SPEND</b> £	<b>BALANCE</b> £
Carry Forward from 2014/15	1,154,191		
Transfer to ISB		(500,000)	
Budget Allocation 2015/16	156,510		
EY Block adjustment for growth in FTEs (Jan14 – Jan 15)		409,687	
January 2015 census adjustment		(92,263)	
May 2015 census adjustment		(473,934)	
October 2015 census adjustment		629,790	
<b>Total Early Years Contingency</b>	<b>1,310,701</b>	<b>(26,720)</b>	<b>1,283,981</b>

12. On 18 January 2016, Schools Forum agreed that a further £500k from unallocated 2014/15 DSG to be transferred to capital projects. The Secretary of State approved this transfer on 1 March 2016.

**Appendices:**       None

**Meeting:** Schools Forum

**Date:** 14 March 2016

**Subject:** School Forum Budget

**Report of:** Director of Children's Services

**Summary:** To provide an update on the use of the School Forum Budget for 2015/16.

Contact Officer: Dawn Hill, Priory House, Shefford

Public/Exempt: Public

Wards Affected: All

Function of: Council

**RECOMMENDATIONS:**

- 1. To note the School Forum spend to 29 February 2016.**

**Background**

1. The School Forum Budget falls under Schedule 2 of The School and Early Years Finance (England) Regulations 2014. 'Classes or descriptions of planned expenditure prescribed for the purposes of the Schools budget of a Local Authority which may be deducted from it to determine the Individual Schools Budget' – 'establishment and maintenance of, and consultation with, Schools Forums'. Any deduction must not exceed the amount deducted for the previous funding period.
2. A budget of £3,000 for 2015/16 has been set for costs associated with the operation of the Forum, with the continued membership of the F40 group and £2,000 delegated to the Chairman of the Schools Forum to fund the commissioning of consultancy and administration support. The level of the budget will be reviewed annually.

**Expenditure 2015/16**

3. The following table sets out the expenditure to 29 February 2016.

	<b>BUDGET</b> £	<b>SPEND</b> £	<b>BALANCE</b> £
Carry Forward from 2014/15	3,316		
Budget Allocation 2015/16	3,000		
F40 Subscription		(1,000)	
General Travel Expenses		(63)	
<b>Total</b>	<b>6,316</b>	<b>(1,063)</b>	<b>5,253</b>

Any balance remaining at year end will be carried forward to 2016/17.

**Appendices:** None

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