

# AGENDA SUPPLEMENT (1)

---

**Meeting:** Schools Forum  
**Place:** Main Hall - St John's Parish Centre, 2 Wingfield Road, Trowbridge,  
BA14 9EA  
**Date:** Thursday 14 March 2013  
**Time:** 1.30 pm

---

**The Agenda for the above meeting was published on 6 March 2013 and indicated that the reports detailed below would be to follow. These are now available and are attached to this Agenda Supplement.**

Please direct any enquiries on this Agenda to Kirsty Butcher, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 713 948 or email [kirsty.butcher@wiltshire.gov.uk](mailto:kirsty.butcher@wiltshire.gov.uk)

Press enquiries to Communications on direct lines (01225)713114/713115.

This Agenda and all the documents referred to within it are available on the Council's website at [www.wiltshire.gov.uk](http://www.wiltshire.gov.uk)

---

- 6 **Budget Monitoring\_***(Pages 1 - 4)*
  - 9 **Schools Budgets 2013-14 - Update\_***(Pages 5 - 12)*
- 

|                                   |
|-----------------------------------|
| DATE OF PUBLICATION: 8 March 2013 |
|-----------------------------------|



## **DEDICATED SCHOOLS BUDGET – BUDGET MONITORING 2012-13**

### **Purpose of the Report**

1. To present budget monitoring information against the Dedicated Schools Grant (DSG) for the financial year 2012-13 as at 31<sup>st</sup> January 2013.

### **Main Considerations**

2. Appendix 1 to this report outlines the budget monitoring summary as at 31<sup>st</sup> January 2013. At this point in the year an underspend of £0.605 million is projected against the overall schools budget. This is a favourable movement of £0.253 million since the previous report to Schools Forum.
3. Any underspend against the overall DSG budget is to be rolled forward in to the next financial year. At the January meeting Schools Forum agreed that proposals should be brought to the Forum on how any DSG Reserve should be utilised to support schools which may be vulnerable financially as a result of the new funding mechanism. Work is taking place with individual schools and with groups of schools, for example small secondary schools, to identify how additional resources could be used to support schools to develop towards a sustainable financial position. Schools have now received budget information for 2013-14 and will be working on budget planning for the next 3-5 years. This will inform proposals for the use of the DSG reserve.
4. Key variances in the current year are as follows:
  - a. *Independent Special School Placements* – this budget is currently projected to underspend by £0.500 million. The forecast is based on all current placements and includes young people for whom a placement has been agreed by the Joint Complex Needs Panel but which may not yet be in place.
  - b. *Early Years Free Entitlement for 3 & 4 year olds* – an underspend of £0.378 million is projected against the Early Years Single Funding Formula. The projected underspend has increased by £0.152 million since the last report to Schools Forum. The projection is updated termly based on the uptake of the free entitlement across settings and the increase in underspend indicates lower than expected take up of the free entitlement.
  - c. *Premature Retirement Costs* – all redundancy costs incurred in schools to 31<sup>st</sup> August have been analysed and a projection made of costs likely to be incurred in the remainder of the year. An overspend of £0.046 million is projected against this budget.
  - d. *Maternity Costs* - it is projected that the maternity budget will overspend by £0.231 million. The projection is based on spend to date and has reduced compared with the December forecast.

### **Proposals**

5. Schools Forum is asked to note the budget monitoring position at the end of January 2013.

CAROLYN GODFREY  
DIRECTOR, CHILDREN & EDUCATION

---

This page is intentionally left blank

***Financial Monitoring***

| <b>Service Areas</b>  | <b>Approved Budget<br/>£m</b> | <b>Projected<br/>Outturn for<br/>£m</b> | <b>Variation for<br/>Year<br/>£m</b> |
|---|-------------------------------|---|--------------------------------------|
| <b>1 Funding Schools</b>                                      |                               |   |                                      |
| DSG Funded Expenditure  | 257.457                       | 257.457                                 | 0.000                                |
| <b>Total</b>  | <b>257.457</b>                | <b>257.457</b>                          | <b>-</b>                             |
| <b>2 Schools &amp; Learning Branch</b>                        |                               |   |                                      |
| Independent Special Schools                                   | 3.934                         | 3.434                                   | -0.500                               |
| Named Pupil Allowances  | 2.135                         | 2.229                                   | 0.094                                |
| Special Recoupment  | 1.546                         | 1.589                                   | 0.042                                |
| Specialist SEN Service  | 0.803                         | 0.781                                   | -0.022                               |
| Sensory Service   | 0.522                         | 0.484                                   | -0.038                               |
| Ethnic Minority Achievement Service                           | 0.325                         | 0.332                                   | 0.006                                |
| Travellers Education Service                                  | 0.191                         | 0.164                                   | -0.028                               |
| Local Collaborative Partnerships                              | 0.052                         | 0.052                                   | 0.000                                |
| Young People's Support Services                               | 0.994                         | 0.938                                   | -0.056                               |
| Behaviour Support   | 0.784                         | 0.807                                   | 0.024                                |
| Other Targeted Services                                       | 2.180                         | 2.092                                   | -0.087                               |
| <b>Total Targeted Schools &amp; Learner Support</b>           | <b>13.466</b>                 | <b>12.902</b>                           | <b>-0.564</b>                        |
| Strategic Planning  | 0.035                         | 0.035                                   | 0.000                                |
| Admissions Service  | 0.262                         | 0.212                                   | -0.051                               |
| Other School Improvement Services                             | 0.025                         | 0.025                                   | 0.000                                |
| <b>Total School Improvement</b>                               | <b>0.323</b>                  | <b>0.273</b>                            | <b>-0.051</b>                        |
| Early Years Single Funding Formula                            | 14.926                        | 14.548                                  | -0.378                               |
| Other Early Years Services                                    | 1.117                         | 1.117                                   | 0.000                                |
| <b>Total Early Years &amp; Childcare</b>                      | <b>16.043</b>                 | <b>15.665</b>                           | <b>-0.378</b>                        |
| Business & Commercial Services                                | 0.153                         | 0.153                                   | 0.000                                |
| <b>Total Schools &amp; Learning</b>                           | <b>29.985</b>                 | <b>28.992</b>                           | <b>- 0.993</b>                       |
| <b>3 Commissioning &amp; Performance</b>                      |                               |   |                                      |
| Schools Maternity Costs                                       | 0.551                         | 0.782                                   | 0.231                                |
| Trades Union Facilities Costs                                 | 0.048                         | 0.029                                   | -0.019                               |
| Schools PRC - New Cases                                       | 0.411                         | 0.457                                   | 0.046                                |
| SIMS Licence  | 0.131                         | 0.160                                   | 0.029                                |
| Other services  | 0.138                         | 0.126                                   | -0.011                               |
| <b>Total</b>  | <b>1.279</b>                  | <b>1.555</b>                            | <b>0.276</b>                         |
| <b>4 Safeguarding</b>   |                               |   |                                      |
| Child Protection in Schools                                   | 0.028                         | 0.028                                   | 0.000                                |
| <b>Total</b>  | <b>0.028</b>                  | <b>0.028</b>                            | <b>-</b>                             |
| <b>5 Social Care &amp; Integrated Youth</b>                   |                               |   |                                      |
| QES   | 0.033                         | 0.033                                   | 0.000                                |
| Assisted Places Scheme  | 0.030                         | 0.041                                   | 0.011                                |
| Looked After Children Education Service                       | 0.133                         | 0.234                                   | 0.101                                |
| <b>Total</b>  | <b>0.196</b>                  | <b>0.308</b>                            | <b>0.112</b>                         |
| <b>6 DSG Within Corporate Services &amp; "LACSEG Reserve"</b> |                               |   |                                      |
| Gross Expenditure   | 4.819                         | 4.819                                   | 0.000                                |
| <b>Total</b>  | <b>4.819</b>                  | <b>4.819</b>                            | <b>-</b>                             |
|   |                               |   |                                      |
|   | <b>293.764</b>                | <b>293.159</b>                          | <b>- 0.605</b>                       |

Note POSITIVE variances = OVERSPEND

This page is intentionally left blank

## **SCHOOLS FORUM 14<sup>th</sup> March 2013**

---

### **SCHOOL BUDGETS 2013-14**

#### **Purpose of the Paper**

1. To update Schools Forum on school's budgets for 2013-14 and any issues arising from the budget setting process.

#### **Background**

2. At the meeting on 24<sup>th</sup> January 2013 Schools Forum resolved the following in relation to the 2013-14 schools budget:
  - a) To allocate any increase in DSG arising from the January early years census to the EYSFF budget to support increases in population and take up of places.
  - b) To agree an hourly rate for 2 year old places in private, voluntary and independent settings at £5.43 plus an additional 25p per hour as a start up rate per pupil for 2013-14, to be reviewed on an annual basis.
  - c) To roll forward any underspend against the funding allocation for 2 year old places to support the continuation of the hourly rate in future years, subject to an annual review.
  - d) To reject the option to reduce the Lump Sum to achieve savings in the schools budget as the level of lump sum had been agreed after consultation with schools, and because schools were not protected against changes to the lump sum through Minimum funding guarantee.
  - e) To request Liz Williams to prepare a fresh model showing a reduction of between 0.3% and 0.5% per pupil rate to be circulated electronically within a week to members of the Schools Forum for approval and then subsequently submitted to the Education Funding Agency (EFA).
  - f) To approve the required funding for pupil growth as set out in paragraph 44 of the report.
  - g) To approve the following top-up rates for high needs provision:-
    - i. Top-up rates for special schools based on existing banding models but with a 2% turbulence element added across all top ups.

- II. Top-up rates for resource bases based on existing banding rates, with an additional A+ band for ASD/SLCN centres but including a 10% increase to complex needs centre rates.
  - h) To consider at the next meeting proposals for an amount from the DSG reserve to be identified to support the Local Authority in working with more vulnerable schools following the implementation of the new formula.
  - i) To recommend to Council that the overall schools budget be set at £302.184 million.
3. The purpose of this paper is to update Schools Forum on the progress in relation to the school's budget for 2013-14 and any issues that have arisen since the last meeting.

### **Main Considerations**

4. In accordance with recommendation i) above, the Council has set an overall schools budget at £302.184 million in line with the estimated DSG allocation. The Leader of the Council has been briefed on the impact of the new funding formula on Wiltshire schools.

### ***Schools Delegated Budgets 2013-14***

5. Individual school budgets were recalculated following the January meeting to implement a reduction in per pupil funding of 0.35% (recommendation (e) above). Per pupil funding rates and deprivation funding rates were reduced by 0.35% but lump sum values and SEN funding rates were not reduced. The revised model was circulated as requested to Schools Forum members once completed.
6. Confirmation has been received from the Education Funding Agency (EFA) that the final Wiltshire schools formula is compliant with the new regulations.
7. Five budget roadshows were held during February to inform schools of the main changes and headlines in the 2013-14 budgets. Roadshows were well attended. A separate roadshow was also held for special schools to focus on the specific changes to the way in which special schools are to be funded.
8. Funding Certificates and associated information for 2013-14 were issued to Wiltshire maintained schools on 1<sup>st</sup> March 2013. This is earlier than has been achieved in previous years and ahead of the new statutory deadline of 15<sup>th</sup> March. It is anticipated that budgets can be issued even earlier in future years. Initial copies of the forward financial planning software have been issued to maintained schools and, at the time of writing this report, it is anticipated that a patch with the final Wiltshire funding values will have been issued to schools by 8<sup>th</sup> March 2013.
9. The EFA have issued indicative budgets for 2013-14 to academies by the end of February 2013. Academies will be funded according to the new Wiltshire formula



from September 2013 however the application of the minimum funding guarantee (MFG) may be different to the figures previously circulated to Schools Forum members because the MFG will be applied to actual funding values for 2012-13.

10. It is also important to note that, because academies will not move on to the new formula until September 2013, Named Pupil Allowances will continue to be paid for statements over 10 hours to Primary academies until September.
11. A full summary of Wiltshire funding rates and top up values is attached at Appendix 1 to this report.
12. Final allocations for post-16 funding have yet to be confirmed. Provisional allocations based on 2012-13 funding levels have been included on funding certificates at this stage and allocations will be updated as more information is received.
13. Indicative budgets for 2014-15 and 2015-16 have yet to be issued to schools. Final pupil projections for the next two years have not been finalised and a decision was taken not to delay the issue of 2013-14 budgets whilst waiting for this data. Indicative budgets for the next two years will be issued to schools as soon as the data is finalised.
14. Budgets issued for 2013-14 cannot be adjusted to correct errors or, for example, to update rates estimates to the final value. Any adjustments required will need to be made in the following year.

#### ***Budgets for High Needs Provision***

15. Budgets for Special Schools, Resource Bases and Enhanced Learning Provision (ELP) have been calculated on a place plus basis as required under the new regulations. Agreed planned places have been funded at £10,000 per place and top ups for individual pupils notified to schools. Top up rates are as agreed at the Schools Forum meeting on 24<sup>th</sup> January (recommendation g) above) and are detailed in Appendix 1 to this report.
16. Special School Academies will move on to the new place plus funding mechanism from April 2013 however mainstream academies will not move to the new system until September. This means that for academies, high needs provision will still be funded according to the current methodology until September and the LA will not be paying top ups for individual pupils until September 2013.
17. A key issue arising from the allocation of funding for high needs provision is the need to review the banding framework for provision for high needs pupils in mainstream schools, ie, resource bases, ELP and named pupil allowances (NPA). A project will be put in place to review the banding values and framework for all high needs provision in mainstream schools with proposals to be brought to Schools Forum in the autumn for implementation in 2014-15. The working group will include representatives from schools and from the LA.

### **Overall Impact of Funding Changes**

18. Analysis of the budgets across all mainstream schools, including academies, shows that 64 schools will be receiving the Minimum Funding Guarantee (MFG) at a total cost of £2.054 million. This can be broken down as follows:

|              | <b>No of schools receiving MFG</b> | <b>% of schools</b> | <b>Cost of MFG £</b> | <b>Maximum Cash Protection £</b> |
|--------------|------------------------------------|---------------------|----------------------|----------------------------------|
| Primary      | 54                                 | 34%                 | 872,663              | 118,352                          |
| Secondary    | 10                                 | 27%                 | 1,181,069            | 182,965                          |
| <b>Total</b> | <b>64</b>                          | <b>28%</b>          | <b>2,053,732</b>     |                                  |

19. This is a significant increase in the number of schools being protected through MFG compared with the current year, in which 36 primary schools and 1 secondary school are receiving MFG at a total cost of £192,406, and gives an indication of the level of turbulence to budgets caused through the change in formula.
20. The cost of the MFG has been met through the capping of gains to schools who would receive an increase in funding through the new formula. Gains are capped at 0.989% in order to meet the cost of the MFG.
21. In terms of other measures used by the EFA to compare budgets across the country to track the move towards consistency:
- The Wiltshire per pupil funding rates are within the normal range for authorities across the country.
  - 82.5% of funding in Wiltshire is allocated through the basic per pupil funding element. The overall range for all LAs is between 60% and 87%.
  - 88.9% of funding in Wiltshire is allocated through pupil-led factors (AWPU, deprivation, prior-attainment, EAL, etc). The minimum level across the country is 77% and just under half of authorities are allocating between 90% and 95% of funding this way.
  - The ratio of primary to secondary funding in Wiltshire is 1:1.277 which is consistent with the split of funding that existed in Wiltshire in 2012-13. The EFA has not stated an "ideal" ratio for 2013-14 but is expected to challenge LAs where ratios are very different from the national average position which in 2011-12 was 1:1.27.
22. Because of the impact of the formula changes on individual school budgets Schools Forum has been concerned that support will need to be given to schools who find themselves vulnerable financially as a result of the new funding formula. It is possible to identify particular groups of schools who are more vulnerable, for

example small secondary schools, and also a number of individual schools who have specific circumstances – this would include both mainstream and special schools. Officers within Finance and School Improvement are working together to identify the impact and work with schools. A working group is to be set up to work with representatives from small secondary schools and other work is being carried out with individual schools and governing bodies.

23. This work, together with the budget planning that schools will now be carrying out, will inform how any support from the DSG reserve can be given as this may take the form of payments to individual schools as short term financial support or to fund capacity for specific pieces of work. More detailed proposals for the allocation of funding to support financially vulnerable schools will be brought to the June meeting

### **Proposal**

24. Schools Forum is asked to
- a) note the progress on the 2013-14 schools budget to date.
  - b) Note that a working group will be established to review the banding values and framework for all high needs provision in mainstream schools with proposals to be brought to Schools Forum in the autumn for implementation in 2014-15.
  - c) Agree that proposals to support schools who are financially vulnerable as a result of the formula changes be considered and agreed at the June meeting.

CAROLYN GODFREY  
DIRECTOR, CHILDREN & EDUCATION

---

*Report Author: Liz Williams, Head of Finance*

Tel: 01225 713675 e-mail: [elizabeth.williams@wiltshire.gov.uk](mailto:elizabeth.williams@wiltshire.gov.uk)

### **Appendices**

Appendix 1 – Summary of Formula Funding Rates 2013-14

-----

This page is intentionally left blank

**Summary of Proposed Top Up Rates for High Needs Provision 2013-14**

Note - Base Value is allocated with School Budget Share, top up paid by separate schedule

| Special Schools              | Agreed Top Up Rates 2013-14 |             |
|------------------------------|-----------------------------|-------------|
|                              | Day                         | Residential |
|                              | £                           | £           |
| Base Value per Planned Place | 10,000.00                   | 10,000.00   |
| Top Up Values per pupil:     |                             |             |
| Band 1+                      | 16,100.53                   | 52,554.59   |
| Band 1                       | 10,803.97                   | 38,693.47   |
| Band 2                       | 8,155.69                    | 31,762.92   |
| Band 3                       | 5,507.41                    | 24,832.38   |
| Band 4                       | 1,922.08                    | 15,449.57   |
| Band 5                       | -                           | 9,330.21    |

**Resource Bases & ELP**

**Agreed Top Up Rates 2013-14**

|                                     | Primary Schools |                    |                     |  |           | Secondary Schools  |                     |           | Enhanced Learning Provision (ELP) |
|-------------------------------------|-----------------|--------------------|---------------------|--|-----------|--------------------|---------------------|-----------|-----------------------------------|
|                                     | Complex Needs   | Hearing Impairment | Physical Impairment | Speech, Language & Communication Needs | ASD       | Hearing Impairment | Physical Impairment |           |                                   |
|                                     | £               | £                  | £                   | £                                      | £         | £                  | £                   |           |                                   |
| <b>Base Value per Planned Place</b> | 10,000.00       | 10,000.00          | 10,000.00           | 10,000.00                              | 10,000.00 | 10,000.00          | 10,000.00           | 10,000.00 |                                   |
| Top Up Values per pupil:            |                 |                    |                     |  |           |                    |                     |           |                                   |
| Band A+                             |                 |                    |                     | 11,970.58                              | 11,970.58 |                    |                     |           |                                   |
| Band A                              | 3,246.22        | 9,237.60           | 7,459.50            | 9,208.21                               | 9,208.21  | 10,337.60          | 8,559.50            |           |                                   |
| Band B                              | 1,920.73        | 6,051.20           | 2,662.17            | 6,445.85                               | 6,445.85  | 7,151.20           | 3,762.17            |           |                                   |
| Band C                              |                 |                    |                     | 2,431.10                               | 5,651.52  |                    |                     |           |                                   |
| Band D                              |                 |                    |                     | 827.65                                 |           |                    |                     |           |                                   |
| ELP 1                               |                 |                    |                     |  |           |                    |                     | 1,964.20  |                                   |
| ELP 2                               |                 |                    |                     |  |           |                    |                     | 2,714.69  |                                   |

**Summary of Formula Funding Rates 2013-14 (Before De-Delegation)**  
Used on funding Certificates and in HCSS Software

|                                   |             | £          |
|-----------------------------------|-------------|------------|
| Per Pupil Funding Rate            | Primary     | 2,825.92   |
|                                   | Key Stage 3 | 3,820.37   |
|                                   | Key Stage 4 | 4,661.11   |
| Deprivation                       | Primary     | 863.53     |
|                                   | Secondary   | 886.07     |
| Prior Attainment                  | Primary     | 629.51     |
|                                   | Secondary   | 1,018.96   |
| English as an Additional Language | Primary     | 2,239.32   |
|                                   | Secondary   | 602.59     |
| Lump Sum                          | Primary     | 100,000.00 |
|                                   | Secondary   | 100,000.00 |
| Split Site Allowance              | Primary     | 65,000.00  |
|                                   | Secondary   | 100,000.00 |

**Summary of Formula Funding Rates 2013-14 (After De-Delegation)**  
- to be used for in year adjustments eg Growth fund, excluded pupils, etc

|                                   |             | £          |
|-----------------------------------|-------------|------------|
| Per Pupil Funding Rate            | Primary     | 2,799.03   |
|                                   | Key Stage 3 | 3,806.40   |
|                                   | Key Stage 4 | 4,647.14   |
| Deprivation                       | Primary     | 703.32     |
|                                   | Secondary   | 882.72     |
| Prior Attainment                  | Primary     | 629.51     |
|                                   | Secondary   | 1,018.96   |
| English as an Additional Language | Primary     | 0.00       |
|                                   | Secondary   | 602.59     |
| Lump Sum                          | Primary     | 100,000.00 |
|                                   | Secondary   | 100,000.00 |
| Split Site Allowance              | Primary     | 65,000.00  |
|                                   | Secondary   | 100,000.00 |

This page is intentionally left blank