

Schools Forum School Funding Working Group

21 November 2012, 8:30am, Orkney Meeting Room, County Hall

Minutes

Present: Liz Williams, Jane Ralph (for item 2), Andy Bridewell, Catriona Williamson, John Hawkins, Sarah Findlay-Cobb, Neil Baker, Martin Watson

Apologies: Phil Cook

		Action
1	<p>Minutes from Previous Meeting</p> <p>The minutes of the previous meeting had been reported to Schools Forum in October and there were no outstanding actions</p>	
2	<p>Controls on Surplus Balances – continuation of scheme for 2013-14</p> <p>JR presented a report on reviewing the Wiltshire Controls on Surplus Balances Scheme and considering whether it should remain in operation for the 2013-14 financial year. JR highlighted the consultation carried out by DfE in response to a National Audit Office report on <i>Oversight of Financial Management in LA Maintained Schools</i> in October 2011. Following that consultation the DfE announced that they will challenge LAs with 5% of schools that have had a surplus of 15% or more for the last 5 years. DfE will also ask for more information from LAs that have 2.5% of schools that have been in deficit of 2.5% or more for the last 5 years.</p> <p>During discussion of the report the group noted that there is a need to be mindful of the balance between encouraging prudent financial management in schools and meeting the DfE view that “schools are best placed to manage their money”. The group also noted that there is no longer a controls on surplus balances scheme in place for academies.</p> <p>The Working Group recommended that a more “holistic” approach should be taken towards developing good financial management in schools throughout the year rather than continuing to focus just on year end balances. This would encourage a different level of challenge, for example reviewing in year Income & Expenditure report projections and comparing with the year end position. It was recommended that a report should be produced at the end of the financial year highlighting the year end balance and requiring the Chair of Governors to sign to confirm that this had been discussed at a Governing Body meeting.</p> <p>It was agreed that the report should be amended to reflect this recommendation for Schools Forum</p>	JR
3	<p>School Funding Reform Update</p> <p>EW updated the group on progress with the implementation of School Funding Reform and issues that had been discussed at a recent regional finance meeting.</p> <p>Following Schools Forum on 18th October the recommended formula had been agreed by Cabinet and submitted to the Education Funding Agency (EFA) by the 31st October deadline. We have now received a number of requests for further information from the EFA including detail on the</p>	

	<p>proposed PFI factor and criteria for the Growth Fund.</p> <p>Schools have been written to notifying them of the outcome of the Schools Forum discussions.</p> <p>EW reported that across the south west all LAs except two have followed the recommendation to delegate the first £6,000 for high incidence, low cost SEN within the mainstream formula. It has been agreed regionally that LAs will top up over £6,000 for out of county pupils regardless of the sum delegated by the maintained LA. CW asked whether Wiltshire would continue to fully fund those pupils who now receive NPAs following the closure of specialist learning centres – EW to check.</p> <p>Work is now focussing on the implementation of the proposals for High Needs pupils and the High Needs Formula Review Group had met earlier in the week to continue this work</p>	EW
4	<p>DSG Estimate 2013-14</p> <p>EW presented a report outlining how the DSG settlement for 2013-14 would be calculated and what issues and pressures were likely to arise. EW explained that DSG would now be allocated in 3 blocks: Schools, High Needs and Early Years and that whilst the blocks are not ringfenced, timing issues in the various budget setting decisions may lead to an element of ringfencing.</p> <p>A number of adjustments have been made to the 2012-13 DSG settlement to arrive at the baseline for next year's settlement. This includes a reduction for the change in funding for hospital education provision and adjustments to the high needs block to reflect out of county pupils placed within Wiltshire.</p> <p>The funding settlement for 2013-14 is expected to be announced in mid to late December and will comprise:</p> <ol style="list-style-type: none"> 1. <u>confirmed</u> notional Schools Block based on the October 2012 census; 2. an <u>initial</u> notional Early Years Block based on the January 2012 census, to be update during 2013-14 for January 2013 and 7/12ths of the January 2014 pupil numbers (to cover the September 2013 to March 2014 period); and 3. a <u>confirmed</u> notional High Needs Block based on 2012-13 spend, possibly updated with 2013-14 population projections. <p>A particular issue is that the final proforma outlining the individual funding values for each formula factor needs to be submitted to the EFA by 18th January 2013 – before Schools Forum will meet to finalise the budget. this means that the final schools block and formula funding values will need to be agreed by Schools Funding Working Group. It was agreed that the group will meet prior to 18th January and that Stephen Clark will be invited to join the meeting to ensure that maintained secondary schools are represented and voting requirements are met.</p> <p>It was noted that the Early Years block will be updated during the year to reflect pupil numbers and that there is currently no detail on how the funding for the statutory entitlement for 2 year olds will be incorporated in to the DSG settlement.</p> <p>It was also noted that the EFA has yet to provide any detail on the</p>	EW

	incorporation of funding for post 16 students not in schools.	
5	<p>School Expansions – funding from contingency 2013-14</p> <p>EW presented a paper outlining the criteria proposed for allocation of funding for pupil growth. From 2013-14 funding for growth must be retained as a central growth fund and the allocation of funding must be agreed by Schools Forum. It was highlighted that there are 3 main circumstances for the allocation of funding:</p> <ol style="list-style-type: none"> 1. New school allowance 2. Expansion for Basic Need 3. Significant in year pupil growth <p>It was agreed that the current criteria should be recommended to Schools Forum for submission to the EFA, with the change that from April 2013 the calculation of funding for in year pupil growth should reflect movement from October to October as schools will be funded on October numbers in future.</p>	
6	<p>AOB</p> <p>No AOB was discussed</p>	
7	<p>Date of Next Meeting</p> <p>Friday 11th January 2013, 8.30am, County Hall</p>	