

Wiltshire Council

Schools Forum

6th November 2014

Budget Update 2015-16 – Schools Block

Purpose of report

1. To update Schools Forum on developments and issues for the Schools DSG block for 2015-16.

Main considerations for School Forum

Schools Block DSG Settlement 2015-16

2. The DfE has previously announced changes to the schools block for 2015-16 under its Fairer Schools Funding proposals. Under these proposals an additional £350m has been allocated nationally for 2015-16 to increase funding for the lowest funded authorities in terms of the Schools Block Unit of Funding (SBUF).
3. The initial proposals indicated that Wiltshire would benefit from this increase and, based on October 2012 pupil numbers, the increase was estimated at £5.4m.
4. In June Schools Forum agreed that any increase received for 2015-16 should be allocated via Age Weighted Pupil Units (AWPUs) as a % increase in order to increase funding to all maintained schools and to reduce the numbers of schools on MFG/Cap.
5. In July of this year DfE announced final SBUF values for 2015-16. For Wiltshire this has been confirmed as £4,309.92 per pupil, an increase of 2.3%.
6. Within the July announcement the DfE also confirmed the arrangements for applying the deduction for CRC savings in 2015-16 – nationally a deduction of £51m is deducted from the total DSG for this purpose. In 2015-16 this deduction will be applied on a per pupil basis and £7.51 will be deducted from the per pupil amount.
7. This will reduce the SBUF for Wiltshire to £4,302.41 per pupil, a final increase of 2.12%. Applying this increase to AWPU values will have the following impact:

Final SBUF Allocation

	2.1186%		
	Basic Entitlement (Primary)	Basic Entitlement (KS3)	Basic Entitlement (KS4)
Unit Increase	61.70	79.23	96.66
Revised Values	2,973.82	3,818.78	4,659.16
Increased Funding per factor	2,170,587.25	1,109,082.40	976,563.95

Delegation of Central Expenditure

8. In order to give schools greater choice over how to spend their budgets LAs are required to work on the basis that services within the notional Dedicated Schools Grant (DSG) Schools Block, and the funding for them, should be delegated to schools in the first instance. This means that a number of DSG funded budgets that have previously been retained centrally must now be delegated to schools. There are a number of exceptions to this and there are also a number of budgets that maintained primary and/or secondary schools can agree to de-delegate so that they continue to be provided centrally.
9. De-delegation cannot be applied to amounts delegated to academies or to special schools. Delegation or de-delegation cannot be agreed on an individual school basis for maintained schools but can be agreed by phase so a different outcome can be agreed for primary and secondary schools. Approval for de-delegation is by the relevant phase members of Schools Forum following responses to this consultation.
10. A consultation document was sent out to all maintained schools in the last week of September to seek views on the delegation of central budgets. The results are currently being analysed and an update will be sent to Schools Forum Members prior to the meeting as a supplement to this paper. The budgets/services being consulted on are as follows:
 - Schools contingency
 - Free School Meal Eligibility Service
 - Licences and Subscriptions (including SIMS, HCSS)
 - Trade Union Facilities costs
 - Maternity costs
 - Ethnic Minority Achievement Service
 - Travellers Education Service
 - Behaviour Support Service
11. There are a number of outcomes that could flow from the proposals to delegate the budgets. These include:
 - a. Following consultation with all schools, maintained schools agree that budgets should be de-delegated and retained centrally with services provided to all maintained schools;
 - b. Schools agree that budgets should be delegated and schools make/purchase their own provision as appropriate;
 - c. Schools agree that budgets should be delegated and they then cluster together to purchase or deliver services.
12. Under scenario (a) the LA would be able to retain a level of service to provide to maintained schools, this service may be reduced from current levels unless there is also buyback from academies. The size of the service may also need to reduce over time as the number of academies increases.
13. Under scenarios b and c the LA would not be able to continue to deliver a service unless there is sufficient buy back on a traded basis

from schools (maintained or academy) to enable retention of sufficient staff. This will be difficult to predict and the LA will need to decide whether it can afford to continue to deliver services centrally on a fully traded basis with full cost recovery. This would require a risk assessment.

Proposals

- 14.** That Schools Forum notes the final proposed value of the SBUF for 2015-16 and the impact on AWPU values.
- 15.** That Schools Forum decide on the delegation/de-delegation of budgets for central services within the schools block after consideration of the outcomes of the consultation with maintained schools.

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