

AGENDA

Meeting: Schools Forum
Place: Kennet Room - County Hall, Trowbridge BA14 8JN
Date: Wednesday 18 June 2014
Time: 1.30 pm

Please note there is no briefing for members prior to this meeting.

Please direct any enquiries on this Agenda to Kirsty Butcher, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 713948 or email 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

Membership:	Representing:
Mr N Baker	PHF, Christ Church CE Primary School
Mrs Aileen Bates	WGA, SEN Governor Representative
Michelle Chilcott	Academy - South Wilts Grammar
Amanda Christopher	Salisbury Diocesan Board of Education
Mr Steve Clark	Maintained Secondary - Melksham Oak Community School
Miss Tracy Cornelius	PHF
Jan Hatherell	Academy, Hardenhuish School
Mr John Hawkins	Teacher Representative
Mrs Sue Jiggins	WGA - Primary School Governor Representative
Rob Parsons	PHF - Colerne CE Primary School
Mr J Proctor	Early Years Representative (PVI)
Mrs Debbie Rock	WGA - Primary School Governor representative
Ms I Sidmouth	SEN Sector, Rowdeford School
Mr Martin Watson	Academy, Lavington School
David Whewell	WGA - Secondary School representative
Mrs C Williamson	PHF, Mere Primary School

AGENDA

PART I

Items to be considered whilst the meeting is open to the public

1 **Apologies and Changes of Membership**

To note any apologies; and to welcome Mr David Wherwell as a secondary school governor representative and Mrs Debbie Rock as a primary school governor representative.

2 **Minutes of the previous Meeting** (*Pages 1 - 6*)

To approve and sign as a correct record the minutes of the meeting held on **13 March 2014** (copy attached)

3 **Declaration of Interests**

To receive any declarations of disclosable interests or dispensations granted by the Standards Committee

4 **Chairman's Announcements**

5 **Schools Forum - Confidential items** (*Pages 7 - 8*)

To agree a process for conducting School Forum business in confidential session.

6 **Children and Young People's Trust Board Update**

To receive a verbal update from the Service Director for Commissioning and Performance, Department for Children and Education.

7 **Outturn 2013-14** (*Pages 9 - 14*)

To receive a report on the outturn position for 2013-14

8 **Reports from Working Groups**

To receive minutes, reports and/or verbal updates from the following working groups:

8a **School Funding Working Group** (*Pages 15 - 20*)

8b **SEN Working Group** (*Pages 21 - 24*)

8c **Schools Services Working Group** (**verbal update**)

9 **Funding for Transition in to Primary School** (*Pages 25 - 28*)

To discuss proposals to allocate funding to support the transition for high needs pupils in to Reception

10 **Fairer Funding for Schools 2015-16** (*Pages 29 - 38*)

To update Schools Forum on the recent DfE consultation on fairer schools funding, the impact for Wiltshire and the response to the consultation, and to agree how any additional funding should be allocated to schools in 2015-16

11 **Confirmation of dates for future meetings**

To confirm the dates of future meetings, as follows:

9 October 2014
11 December 2014; and

To agree the following dates for 2015-16:

15 January 2015
12 March 2015
18 June 2015
8 October 2015
10 December 2015

14 January 2016
10 March 2016

12 **Urgent Items**

Any other items of business, which the Chairman agrees to consider as a matter of urgency.

13 **Exclusion of the Press and Public**

To consider passing a resolution, in accordance with the Wiltshire Council Schools Forum Terms of Reference, that the public be excluded during the remainder of the meeting, on the basis that if they were present during the business to be transacted, there would be a likelihood of disclosure to them of exempt information of the following descriptions:

Information relating to the financial or business affairs of any particular person (including the authority); and for one item

Information relating to any consultations or negotiations, or contemplated consultations and negotiations, in connection with labour relations matters.

PART II

Item(s) during consideration of which it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed

14 **Procurement of Licence for School Information Management System** (*Pages 39 - 44*)

To inform Schools Forum of the process for the procurement of SIMS Licences (for maintained schools) from 2015-16

15 **Special Schools - Update on Review of Residential Places** *(Pages 45 - 54)*

To update on the review of residential places and the proposals for 2015-16

16 **Payment of Term Time Only employees**

To inform Schools Forum of an issue on the payment of term-time only staff and to agree any actions to be taken. (report to follow)

SCHOOLS FORUM

DRAFT MINUTES OF THE SCHOOLS FORUM MEETING HELD ON 13 MARCH 2014 AT COUNCIL CHAMBER - COUNTY HALL, TROWBRIDGE BA14 8JN.

Present:

Mr N Baker (Chairman), Mrs Aileen Bates, Mr Andy Bridewell, Michelle Chilcott, Amanda Christopher, Tracy Cornelius, Mr J Hawkins, Mrs Sue Jiggins, Rob Parsons, Mr J Proctor, Ms I Sidmouth, Mr Martin Watson (Vice-Chair) and Mrs C Williamson

Also Present:

Grant Davis, Cllr Richard Gamble and Elizabeth Williams

14 Chairman's Welcome

The Chairman welcomed all present to the meeting.

15 Apologies and Changes of Membership

The Forum noted apologies from the following:

Jan Hatherell (Academy)

Steve Clarke (WASH)

Rev Alice Kemp (Observer)

Peter Biggs (WASH)

Claire Shaw (Wiltshire College)

Julia Cramp (Associate Director: Quality Assurance, Commissioning and Performance, School and Early Years Effectiveness)

The Forum noted the following changes to the membership:

out Alice Kemp (observer)

out Peter Biggs (WGA Secondary)

out Anne Ferries (WGA Primary)

out Claire Shaw (Wiltshire College)

in Amanda Burnside (Wiltshire College)

in Tracy Cornelius (PHF).

The Forum noted that Anne Ferries would advise in future on filling the vacancies for Primary and Secondary Governors.

16 **Minutes of the previous Meeting**

The minutes of the previous meeting held 16 January 2014 were presented and it was;

Resolved:

To agree and sign the minutes as a true and accurate record of the meeting held 16 January 2014.

17 **Declaration of Interests**

There were no declarations of interest to note at the meeting.

18 **Children and Young People's Trust Board Update**

No update was made at the meeting.

19 **Budget Monitoring 2013-14**

The Budget Monitoring 2013-14 report was presented to the Forum, focusing on key variances for the following:

- Early Years Free Entitlement for 3 & 4 year olds
- Early Years Free Entitlement for 2 year olds
- Independent Special School (ISS) placements
- Top Up Budgets for maintained schools and academies
- Top Up Budgets (Post-16)
- Named Pupil Allowances (NPAs)

Resolved:

To note the budget monitoring position for the overall School's Budget to the period April 2013 to January 2014.

20 **Reports from Working Groups**

20 (a) **School Funding Working Group**

The Head of DCE Finance gave an update on the findings of the Schools Funding Working Group.

Resolved

- 1) **To note the Schools Funding Working Group report and minutes of the previous meeting.**
- 2) **The Head of DCE Finance to circulate the Terms of Reference of the Schools Funding Working Group to Schools Forum members.**

20 (b) SEN Working Group

The Head of DCE Finance gave an update on the findings of the SEN Working Group which included a consideration of the top up values for 2014-15. The Forum discussed residential provision for High Needs pupils and discussed the pupil premium also. The Forum discussed the impact of reduced funding for residential provision across the County.

Resolved

- 1) To note the SEN Working Group report and minutes of the previous meeting.**
- 2) The Head of DCE Finance to circulate the Terms of Reference and a summary of the SEN Working Group to Schools Forum members.**
- 3) To receive a report at a future Schools Forum, detailing the review of residential provision, and its impact on the School's and other budgets, for example the Social Care budget.**

20 (c) Early Years Reference Group

A verbal update was given to the meeting by the Head of DCE Finance.

Resolved

- 1) To note the Early Years Reference Group update.**
- 2) The Head of DCE Finance to circulate the Terms of Reference and a summary of the Early Years Reference Group to Schools Forum members.**

20 (d) School Services Group

A verbal update was given to the meeting by the Head of DCE Finance, who noted the SSWG's first meeting since 2013. The Head of DCE Finance highlighted the need to review the Terms of Reference to identify where it fits into the structure, and to ensure it was fit for purpose.

Resolved

- 1) To note the Schools Services Working Group report and minutes of the previous meeting.**
- 2) Agreed to review and update the Terms of Reference for the School Services Working Group at the SSWG meeting.**

21 Schools Budget

21 (a) Update on the Schools Budget for 2014-15

The Head of DCE Finance discussed the Schools Budget report updated Schools Forum on the progress in relation to the school's budget for 2014-15 and the issues that had arisen since the last meeting.

The Head of DCE Finance stated that the Education Funding Agency (EFA) had confirmed that the final Wiltshire Schools Formula was compliant with the new regulations, and announced changes to Schools Delegated Budgets 2014-15 as detailed in the report. Further information was given regarding the budgets for High Needs Provision and the overall impact of funding changes.

The Forum discussed Universal Infant Free School Meal Entitlement and the guidance on revenue and transitional funding. The Forum discussed the Pupil Premium Grant (PPG) and changes to payments for 'looked after children'.

Resolved

- 1) **To note the report and the Schools Budget 2014-15 position.**
- 2) **The Head of Service Virtual Schools would attend meetings of WASSH and PHF to discuss the arrangements for spending the PPG Plus in 2014-15.**

21 (b) Minimum Funding Guarantee 2014-15

The Strategic Financial Support Manager outlined the role of the Minimum Funding Guarantee, drawing particular attention to the total MFG Funding decrease and the impact of MFG capping.

The Strategic Financial Support Manager discussed the amount of funding awarded to schools between 2013-14 and 2014-15, along with the size of the MFG over the two years and the percentage change in both years. The impact of capping was discussed by the Forum.

Resolved:

To note the content of the Minimum Funding Guarantee paper in relation to MFG Capping.

22 Special School Top Up Rates 2014-15

The Head of DCE Finance outlined the Special School 'Top Up Rates' report. The forum focussed on day and residential top up rates for special schools at the current rate, and the financial impact of amending the current rate.

Proposed changes to residential provision in Downlands school in 2014-15 would reduce the cost of residential top ups by £90k. It was proposed that the remaining shortfall be transferred from the budget for Independent Special School places.

Resolved:

- 1) To set Top Up rates for Wiltshire Special Schools in 2014-15 as follows:

	Day	Residential
Band 1+	£18,054	£54,508
Band 1	£12,361	£40,250
Band 2	£9,514	£33,122
Band 3	£6,668	£25,993
Band 4	£2,814	£16,342
Band 5	£485	£10,060

23 **Free School Meal Pooling Scheme**

The Head of DCE Finance outlined the Free School Meal Pooling Scheme report, and gave a summary of the scheme. The Forum discussed the impact of Universal Entitlement for Infant Free School Meals and its impact on the Free School Meals budget. The Forum discussed alternative proposals and the risk factors associated with the fund. The Forum discussed cashback payments over the last 2 years and options for redistribution.

Resolved:

- 1) To amend the Free School Meal Pool from April 2014 as follows:

- a. Following implementation of the school funding reform, and the universal infant free school meal entitlement, the FSM pool will cease to be fit for purpose and should close from 31st August 2014.
- b. Part year quotations for premiums to be issued to schools based on the current rates per meal for those schools who may wish to join the pool from April to August 2014 (at a rate of 5/12ths) prior to the implementation of the universal entitlement for infants.
- c. The final balance on the pool after closure will be redistributed to schools that have participated in the pool since 1st April 2012 (the last date that any cashback was applied) based on the contributions each school has made to the pool over that period.

- 2) Small school transitional funding for the implementation of the universal infant FSM entitlement to be considered alongside the allocation of capital funding.

24 **Schools Forum Regulations**

The Head of DCE Finance outlined the Schools Forum Regulations report, to bring the Forum's attention to the updated Schools Forum Regulations 2012

published by the Department for Education (DfE) on 26th February 2014 in order to consider any implications for the operation of the Wiltshire Schools Forum. Forum members' attention was drawn to changes in membership and procedures.

Resolved:

- 1) **Agreed to note the advice issued by the DfE in February 2014 and the good practice documents that have been published in relation to the operation of Schools Forums.**
- 2) **Agreed to circulate 'appendix 2' to the report attached in the Agenda Pack to all schools and Chairs of Governors to increase understanding of the role of Schools Forum and the responsibilities of schools.**

25 **Urgent Items**

There were no Urgent Items to note.

26 **Future Meeting Dates**

The next meeting date was confirmed as being: 1:30 pm on 18 June 2014, to be held in the Kennett Rom, County Hall, Trowbridge.

(Duration of meeting: 1.45 - 3.30 pm)

The Officer who has produced these minutes is Samuel Bath, of Democratic Services, direct line 01225 718211, e-mail samuel.bath@wiltshire.gov.uk

Press enquiries to Communications, direct line (01225) 713114/713115

Wiltshire Council

Schools Forum

18 June 2014

Subject: Schools Forum – Consideration of Confidential Reports

1. Introduction

1.1 There are two basic requirements in order to seek the protection of confidentiality. Firstly the information must be of limited public availability. So if the information is already widely and publicly available it is unlikely to benefit from the protection of rules relating to confidentiality. Secondly, the information must be of a nature for which the protection of the confidentiality laws may be appropriate, for example personal data, commercially sensitive data, etc.

2. Confidentiality in the Context of Schools Forum Work

2.1 Wiltshire Council will endeavour to conduct as much Schools Forum business in public session as possible and will endeavour to ensure that Reports are clear and informative. The process proposed within this report seeks to formalise existing arrangements.

2.2A report will only be considered in a confidential session when it contains confidential or exempt information. That will only apply if the report contains:

- a) Information furnished to the Council by a Government Department on terms which forbid the disclosure of the information to the public.
- b) Information the disclosure of which to the public is prohibited by or under any law or by the order of a court
- c) Information relating to any individual.
- d) Information which is likely to reveal the identity of an individual.
- e) Information relating to the financial or business affairs of any particular person (including the authority).
- f) Information relating to any consultations or negotiations, or contemplated consultations and negotiations, in connection with labour relations matters.
- g) Information in respect of which a claim to legal professional privilege could be maintained.
- h) Information which reveals that the authority proposes to serve certain Notices or make certain Orders or Directions.
- i) Information relating to action taken or to be taken in connection with the prevention investigation or prosecution of crime.

2.3 Where it is felt to be necessary for a report in Confidential Session, the report will identify the category of information justifying this and Officers will, if required by the Chair of Schools Forum in consultation with the Corporate Director for delegated decisions, justify and/or explain the

reason in public.

- 2.4 Where it is necessary to put a report in Confidential Session, Officers will, where practicable, provide the confidential information as a confidential annex to a report that is otherwise non-confidential.
- 2.5 After the Schools Forum has determined matters in a confidential report, Officers will give further consideration to publicity of the decision and any further appropriate release of information following consultation with the Communications Team.
- 2.6 Any query about the continuing extent of confidentiality should be addressed to the Lead Officer for the report in question.
- 2.7 Additional questions relating to access to confidential information would be referred to colleagues in the Legal team.

3. Process

- 3.1 The intention to conduct Forum business in Confidential Session will be indicated by the inclusion of the following text within the agenda:

‘Exclusion of Public;

To consider passing a resolution, in accordance with the Wiltshire Council Schools Forum Terms of Reference, that the public be excluded during the remainder of the meeting, on the basis that if they were present during the business to be transacted, there would be a likelihood of disclosure to them of exempt information of the following descriptions’

- 3.2 The descriptions referred to above relates to the categories of confidential information listed in paragraph 2.2.
- 3.3 Public would relate to anyone other than members of the Schools Forum plus the Democratic Services Officer, relevant officers and Cabinet members with exceptions determined by the Chair, in consultation with the Corporate Director.

Proposal

That the process for conducting School Forum business in Confidential Session as detailed at paragraph 3 of this report be adopted and incorporated into the School Forum’s Terms of Reference.

Yamina Rhouati
Democratic Governance Manager

Background Papers: None

SCHOOLS FORUM 18th June 2014

REVENUE BUDGET OUTTURN REPORT 2013-14 – DEDICATED SCHOOLS BUDGET

Purpose of the Paper

1. To report on the outturn position for the dedicated schools budget in 2013-14.

Main Considerations

Outturn 2013-14

2. Appendix 1 shows expenditure as at 31st March 2014. The Dedicated Schools Grant (DSG) was underspent by £1.324 million at the end of the year, an increase of £0.198m compared with the forecast at the end of January 2014.
3. There are a number of large movements in the variance within the overall total and the January forecast is shown on the summary for comparison. The reasons for the key variances and the movements in the last two months of the year are outline below.

Academy Recoupment

4. The final budget for 2013-14 has been adjusted to reflect all academy recoupment through the year, including part year adjustments for in year converting schools. This reduces the overall budget from £303.113m reported to the March meeting, to £197.969m as a final DSG allocation (prior to any adjustment for the Early Years block, see paragraph 7 below). The adjustment for recoupment has had an impact on the top up budgets within the high needs block that had not previously been reported to Schools Forum.
5. Recoupment by the EFA for academies with Resource Bases/ELP was adjusted because academies did not move on to the place plus system for high needs pupils until September 2013. This meant that a higher amount needed to be recouped for the first 5 months of the year so that Resource Base and ELP provision could be fully funded for that period. The effect of this adjustment was to reduce Wiltshire's high needs budget by a further £0.620m in 2013-14 in addition to the recoupment of places already incorporated in to the forecasts. The reduction was applied to the top up budgets for Resource Bases and ELP. This is a one off adjustment and will not need to be repeated in future years but the effect was to increase the overspend against top up budgets compared to the previous forecast.

Early Years

6. A further budget adjustment was made after the end of the financial year to reflect the impact of the January 2014 Early Years Census. Throughout 2013-14 we have been reporting a projected overspend against the budget for the free entitlement for 3 & 4 year olds as the budget had been set at the level allocated through the Early Years block but projected numbers were consistently higher. After verification of the January 2014 census data a further allocation of £0.542m was made to Wiltshire's Early Years Block, increasing the total DSG allocation for 2013-14 to £198.511m. The impact of this was that the budget for 3 & 4 year olds now shows a break even position (small underspend of £15,000) compared with the previous forecast of a £0.419m overspend.

7. The budget for the free entitlement for 2 year olds was underspent by £0.262m which is more than previously forecast. It has previously been agreed by Schools Forum that this underspend will be used to support the continuation of the £5.43 hourly rate through 2014-15.
8. The Early Years & Childcare team budget underspent by £0.391m in 2013-14. This underspend relates to the trajectory funding to support the implementation of the free entitlement for 2 year olds. Trajectory funding has been allocated in 2014-15 but at a reduced level.

High Needs Budgets (0-25 SEND Service)

9. Expenditure on Independent Special School placements was significantly lower than budgeted for, this underspend had been projected through the year.
10. Top up budgets in schools overspent by £1.2 million, this is higher than previously forecast. £0.620m of this variance relates to the impact on academy recoupment as described above, this wasn't previously forecast. The remaining overspend relates to the cost of the increased top up rates for Special Schools in 2013-14 and this has been offset by the underspend against ISS placements.

Other Variances

11. The budget for maternity costs was underspent by £0.234m and this had been projected throughout the year. This budget is de-delegated and held on behalf of maintained primary and secondary schools.
12. The budget for Personal Education Plans (PEPs) for looked after children overspent by £0.230m. A review of expenditure within this budget indicates that it is being utilised to support PEPs for children in Wiltshire schools and to support costs of individual tuition or alternative provision for a relatively small number of looked after children. All expenditure is related to education costs.

Utilisation of DSG Underspend

13. Any under or overspend against the Dedicated Schools Grant is to be carried forward in to the following financial year. The underspend of £1.324 million will therefore be transferred to an earmarked DSG Reserve. This gives a total DSG balance held within earmarked reserves of £3.502 million taking in to account unallocated funds rolled forward from previous years and the additional allocation of DSG for the Early Years block in 2013-14.
14. DSG balances from previous years may be moved in to the High Needs or Early Years blocks to support spending in those areas.
15. Schools Forum has previously agreed the following in respect of the DSG Reserve for 2014-15:
 - a) £0.150m allocated to the high needs block to support alternative provision for Hard to Place pupils coming in to Wiltshire secondary schools.

- b) That the underspend against the free entitlement for 2 year olds be carried forward to support the hourly rate for 2 year olds within the Early Years Single Funding Formula.
16. A proposal for additional funding to support transition of high needs pupils in to Reception is presented in a separate report on this agenda.

Proposal

17. Schools Forum is asked to note the outturn position for the Dedicated Schools Budget in 2013-14 and the proposals for utilisation of the DSG Reserve in 2014-15.

Report Author: Liz Williams, Head of Finance

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Financial Monitoring

Service Areas	Revised Budget £m	Projected Outturn for £m	Variation for Year £m	% Variance	January Forecast £m
1 Funding Schools					
DSG Funded Expenditure (after Academy Recoupment)	149.063	148.835	-0.228	-0.2%	-
Total	149.063	148.835	- 0.228		-
2 0-25 SEND Service					
Independent Special Schools	4.035	2.518	-1.517	-37.6%	- 1.653
Named Pupil Allowances and Specialist Provision	1.439	1.698	0.259	18.0%	0.524
Top Up Payments - Maintained Schools & Academies	8.861	10.098	1.238	14.0%	0.300
Top Up Payments - Post- 16 Placements	4.428	4.292	-0.136	-3.1%	- 0.215
Specialist SEN Service & SEND	0.800	1.120	0.320	40.1%	- 0.099
Sensory Service	0.522	0.460	-0.062	-11.9%	- 0.064
Early Intervention	1.117	0.921	-0.196	-17.6%	-
Other SEN & Inclusion Services	0.240	0.258	0.019	7.8%	- 0.031
Total 0-25 SEND Service	21.440	21.365	-0.075		-1.237
3 Commissioning & Performance and School Effectiveness					
Schools Maternity Costs	0.836	0.602	-0.234	-28.0%	- 0.219
Trades Union Facilities Costs	0.050	0.039	-0.011	-22.7%	- 0.004
SIMS & HCSS Licence	0.249	0.184	-0.065	-26.2%	- 0.072
Other Costs	0.201	0.210	0.009	4.5%	0.001
Strategic Planning	0.036	0.036	0.000	0.0%	-
Early Years & Childcare Team	0.808	0.417	-0.391	-48.4%	-
Admissions Service	0.261	0.258	-0.002	-0.9%	-
	2.441	1.746	-0.695		-0.294
Early Years					
Early Years Single Funding Formula - 3 & 4 yo	15.344	15.330	-0.015	-0.1%	0.419
Early Years Single Funding Formula - 2 yo	2.059	1.797	-0.262	-12.7%	- 0.131
	17.403	17.127	-0.276		0.288
Total Commissioning, Performance & School Effectiveness	19.844	18.873	- 0.971		- 0.006
4 Safeguarding					
Child Protection in Schools	0.028	0.028	0.000	0.0%	-
Total	0.028	0.028	-		0.000
5 Integrated Youth and Preventative Services					
Assisted Places Scheme	0.047	0.027	-0.020	-42.5%	-
Ethnic Minority Achievement Service	0.322	0.278	-0.044	-13.6%	- 0.022
Travellers Education Service	0.188	0.146	-0.042	-22.3%	- 0.049
Alternative Provision/EOTAS	2.863	2.733	-0.130	-4.5%	0.025
Other Preventative Services and support	0.146	0.133	-0.013	-9.2%	-
Behaviour Support	0.784	0.754	-0.030	-3.8%	- 0.028
	4.350	4.071	-0.279		-0.073
6 Children's Social Care					
Looked After Children Education Service	0.150	0.380	0.230	153.2%	0.190
Total	0.150	0.380	0.230		0.190
7 DSG Within Corporate Services					
Gross Expenditure	3.636	3.636	0.000	0.0%	-
Total	3.636	3.636	-		-
	198.511	197.187	- 1.324	-0.7%	- 1.126
Delegated To Schools	147.964	147.964	0.000	0.0%	
Central DSG	50.547	49.223	-1.324	-2.6%	

Note POSITIVE variances = OVERSPEND

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Wiltshire Council

Schools Forum
18th June 2014

Report from the School Funding Working Group

Purpose of report

1. To report on the meetings of the School Funding Working Group held on 31st March 2014 and 4th June 2014.

Main considerations for School Forum

2. The School Funding Working Group has met twice in the period since the last Schools Forum meeting.
3. The meeting on 31st March was held in order to discuss the consultation Fairer Schools Funding in 2015-16 and to agree a response from Wiltshire Schools Forum. The minutes of that meeting are attached to this report.
4. The minutes of the meeting of 4th June 2014 are also attached to this report.
5. The issues discussed by the Group are all picked up within other papers on this agenda.

Proposals

6. That Schools Forum note the minutes of the School Funding Working Group meetings.
7. That Schools Forum note the recommendation from the meeting of 31st March that any additional funding received as a result of the DfE proposals for Fairer Schools Funding in 2015-16 be allocated to schools through increases to Age Weighted Pupil Units (AWPUs)

Carolyn Godfrey
Corporate Director

Report author: Liz Williams, Head of Finance
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Elizabeth.williams@wiltshire.gov.uk

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Schools Funding Working Group

31st March 2014, 8:30am, Salisbury Meeting Room, County Hall

Minutes

Present: Liz Williams, Grant Davis, Neil Baker, Catriona Williamson, Andy Bridewell, Martin Watson, John Hawkins

Apologies: Steve Clark, Phil Cook

1	<p>Fairer Funding for Schools 2015-16</p> <p>The purpose of the meeting was to discuss the DfE consultation <i>Fairer Schools Funding in 2015-16</i> which was issued on 13th March 2014 and to agree a response on behalf of Wiltshire Schools Forum. The deadline for response is 30th April 2014.</p> <p>EW presented a briefing paper on the consultation highlighting the main features:</p> <ul style="list-style-type: none">a) A further £350 million is proposed to be allocated to increase funding in the lowest funding authorities;b) It is proposed to update the calculation method for the Area Cost Adjustment (ACA) to include teaching and non-teaching employment costs;c) Minimum funding levels are to be used to set the funding for the Schools Block element of each local authority's DSG allocation. <p>The questions within the document focussed on whether the approach of using minimum funding values was the right one and whether the values had been set appropriately.</p> <p>Wiltshire is expected to gain from the allocation of additional funding and so in addition to discussing the response to the consultation the Working Group also considered how any additional funding could be allocated in 2015-16.</p> <p>EW confirmed the assumption that the additional £350m would be added to the overall schools budget on a recurrent basis and would not be one off. The final allocation of funding for 2015-16 would be based on October 2014 pupil numbers and so the values published within the consultation document were indicative.</p> <p>In terms of how any additional funding should be allocated the Working Group confirmed that the priority should be to reduce the overall cost of the Minimum Funding Guarantee within Wiltshire and therefore the number of schools currently being capped. GD presented initial financial modelling work which indicated that:</p> <ul style="list-style-type: none">a) It would not be affordable to implement the minimum funding values identified within the consultation document as these values were being used to calculate the overall Schools Block allocation for each authority, not the values that should be included in the local formula.b) Changing values of individual formula factors to move towards the published values would cause turbulence in school budgets and potentially increase the cost of the MFG.c) The most effective way to increase funding to all schools and reduce the numbers of schools, and amounts, subject to MFG and capping would be to increase the Age Weighted Pupil Unit (AWPU) across all	
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	<p>phases by the percentage increase in funding received.</p> <p><i>It was agreed to recommend to Schools Forum that any increase in funding received in 2015-16 as a result of the fairer funding methodology should be allocated through AWPUs.</i></p> <p>In relation to the consultation questions EW presented an analysis, drawing on work carried out by other South West authorities, indicating that the methodology used by the DfE in targeting the Schools Block element of DSG may not fully address relative funding values between different local authorities. The analysis compared the projected increase in funding for Wiltshire compared with other similar authorities which had previously benchmarked higher or lower than Wiltshire in terms of overall schools budget funding and showed the impact of historical spending decisions on the proposed allocation of increased funding.</p> <p><i>It was agreed that the Wiltshire consultation response should focus on the impact of the proposed methodology on relative funding values rather than commenting on the proposed minimum funding values.</i></p> <p><i>It was agreed that the draft response would be circulated to members of the working group for comment prior to submission on 30th April.</i></p>	<p>EW</p>
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Schools Funding Working Group

4th June 2014, 8:30am, Salisbury Meeting Room, County Hall

Minutes

Present: Liz Williams, Neil Baker, Catriona Williamson, Martin Watson, Phil Cook, John Hawkins

Apologies: Andy Bridewell, Steve Clark, Grant Davis

1	Minutes from Previous Meeting Universal Infant Free School Meal Entitlement – NB asked whether any details were available on the question that would be asked in the pupil census to drive the funding for UIFSM. EW confirmed that no information had yet been received.	
2	Final Outturn 2013-14 EW presented a summary of the provisional outturn for the Dedicated Schools Budget 2013-14. Whilst the overall position was similar to the forecast presented to Schools Forum in March there was some movement on individual lines as a result of: <ul style="list-style-type: none">• Final budget adjustment for academy recoupment• Final adjustment to the funding for the Early Years Block following the January 2014 Early Years Census The Group discussed the expenditure on Education for Looked After Children and EW confirmed that a review of spend showed all expenditure was on education provision, in some cases in Wiltshire schools and in other cases the budget was supporting Alternative Provision costs for individual children.	
3	Procurement of Licence for School Information Management System EW updated the Working Group on the current position with regard to the procurement of licences for the Schools Information Management System. The Council is currently reviewing options to ensure that it is compliant with Procurement Regulations and a report will be brought to the June Schools Forum meeting to outline the options available. After discussing the issue, members of the Working Group confirmed that the priority for Schools Forum would be to achieve the best value for schools	
4	Fairer Funding for Schools 2015-16 It was agreed that the report to Schools Forum would summarise the issues discussed at the SFWG meeting of 31 st March (minutes attached) including the response to the DfE consultation and the proposal that any additional funding received in 2015-16 should be allocated through increases in AWPUs rather than through making changes to the local funding formula as this would be the most effective way to reduce the impact of the MFG and cap on schools.	
5	AOB No items of AOB were raised at the meeting	
6	Date of Next Meeting Tuesday 23 rd September 2014, 8:30am, County Hall	

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Wiltshire Council

**Schools Forum
18th June 2014**

Report from the Schools Forum SEN Working Group

Purpose of report

1. To report on the meeting of the SEN Working Group held on 5th June 2014.

Main considerations for School Forum

2. The draft minutes of the meeting are attached at Appendix 1.
3. The items discussed at the meeting are covered in specific reports elsewhere on this agenda and Schools Forum is asked to note the views of the SEN Working Group in considering those reports.

4. *Proposals*

That Schools Forum notes the minutes of the SEN Working Group.

**Carolyn Godfrey
Corporate Director**

Report author: Liz Williams, Head of Finance
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Schools Forum SEN Working Group

5th June 2014, 1.30pm, Lacock Meeting Room, County Hall

Minutes

Present: Liz Williams, Grant Davis, Susan Tanner, Chris Whitfield, Catriona Williamson, Debbie Bennett, Carol Grant, Ingrid Sidmouth, Jon Hamp, Bruce Douglas, John Hawkins

Apologies: Becky O'Brien

1	Minutes from Previous Meeting There were no matters arising from these minutes that would not be covered on the current agenda.	
2	Funding to Support Transition in to Primary School for High Needs Pupils EW presented a paper containing a proposal for additional funding to be allocated to support transition for high needs pupils in to primary schools. The following points were raised in the discussion: What measures would be used to review and evaluate the scheme – it was agreed that the outcomes would be agreed as part of each support plan and these could be measured to evaluate the impact of funding It was requested that the SEND Service consider making a lead SEND worker available at the start of term so that Schools could have a contact to start the support planning process for pupils not previously identified It was noted that there is no similar funding mechanism in place for pupils transitioning to secondary school. Members of the Group felt that this could be considered at a future point, once the evaluation of the proposed scheme was complete. <i>It was agreed to recommend to Schools Forum that the proposed scheme be implemented for 2014-15 and that £0.200m be allocated from the DSG Reserve in order to fund in the current year. It was further agreed that the £0.2m should be the maximum to be spent in the first year.</i>	
3	Special Schools – review of residential places ST introduced a confidential paper to update the Working Group on the review of residential places in Wiltshire special schools. A review of the number and cost of residential places had been requested at the October 2013 Schools Forum meeting as part of the discussion on supporting the increased top up rates for day provision. It was noted that residential provision at Downlands school had ceased from April 2014. The Working Group considered the updated proposals in relation to Springfields and Rowdeford schools and discussed the report in some detail. <i>It was agreed that the comments and concerns of the Working Group should be reflected in the paper to Schools Forum.</i>	EW/ST
4	AOB No AOB raised at the meeting	

5	Date of Next Meeting To be agreed	
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SCHOOLS FORUM
18th June 2014

Allocation of Funding to Support Transition in to Primary School for High Needs Pupils

Purpose of the Paper

1. To consider proposals for additional funding to be allocated to support transition for high needs pupils in to primary school.

Background

2. At the meeting on 16th January 2014 Schools Forum resolved “to formalise a proposal for consideration at the next meeting for a fund to support the transition of pupils with high needs in to Reception, to be funded in 2014-15 from the DSG Reserve”.
3. Since that meeting further discussions have been held with a small working group including Head Teachers nominated by PHF and officers to look at the purpose of any such funding and how it could be applied. The proposal was discussed at the Schools Forum SEN Working Group on the June 2014.

Main Considerations

4. The working group focussed on 3 main questions:
 - i. Who are we trying to support?
 - ii. What should the process be for agreeing any additional funding?
 - iii. What funding should be allocated for this purpose?
5. In response to the first question it was agreed that any additional funding should be aimed towards pupils who do not have a statutory support plan but who could still need additional support in making the transition in to primary school. These pupils may have already attended a pre-school setting, and therefore be known to schools and LA staff, or may be pupils who are not previously known and who present with additional needs.
6. In response to the second question it was agreed that any process needed to be simple and not add unnecessary bureaucracy to the system. It also needed to be able to be built in to the processes already being developed within the SEND Service so that it was not operating outside of the agreed assessment and support processes.
7. In relation to funding it was noted that this would need to be funded from one off DSG reserves in the current year but needed to be affordable moving forward. Comparisons were drawn with the previous mechanism of TISM funding which allowed funding of a maximum of £514 per term, for a maximum of two terms, for any child agreed to be eligible for support. It was also noted that at the time the previous mechanism was in place schools had lower levels of SEN funding delegated within the funding formula.

Proposals

8. Bearing the above principles in mind it is proposed that:
 - a) To be eligible for access to transitional funding children must already have a Support Plan. They must also be thought to require/ evidence the need for more than 15 hours of support once they move in to school. This will include children who may move on to be assessed for an Education, Health & Care Plan or children who after some support for transition do not require further support over and above 15 hours. The Support Plan could already be in place for children who have been in a pre-school setting but for a pupil who joins a school having not previously been identified with high needs the starting point would be to agree a Support Plan. The need for additional support would be discussed and agreed as part of the review meeting and writing of the plan and this will be submitted as the request for funding. Decisions in relation to funding will be made by Officers within the SEND & Early Intervention Service and will be final.
 - b) Funding will be agreed for one term (6 weeks) initially and any further funding allocation would be as a result of further review. It would be the responsibility of the school to put the review process in place.
 - c) Funding should be front loaded and allocated for a maximum of 2 terms. It is proposed that for the first 6 week period the funding allocation is £500, to be reduced to £300 in the second term if further funding is agreed.
 - d) There will be admin time that will need to be agreed as part of the process.

Financial Implications

9. In previous years the allocation of funding through TISM meetings, which is the best comparable mechanism, has cost an average of £0.200m per year with approximately 150 pupils attracting funding in any one year.
10. It is proposed that £0.200m be set aside from the DSG reserve to enable the process outlined in paragraph 8 to be piloted in 2014-15. Any funding in future years would need to be agreed as part of the budget setting process and consideration of priorities within the high needs block. It is proposed that a review of the costs, numbers of pupils and outcomes of the proposed scheme should be reported to Schools Forum in January or March 2015 in order to allow those budget decisions to take place.

Recommendation of the SEN Working Group

11. The SEN Working Group considered the proposal on 5th June 2014 and supported the recommendation to allocate £0.200m from the DSG Reserve in 2014-15.
12. The Working Group discussed the evaluation of the scheme and it was agreed that the evaluation would consider whether the funding had supported the outcomes agreed in the Support Plan.

13. The Group also discussed transition in to secondary schools and whether a similar scheme could be successful in supporting pupils with high needs making the transition in to secondary school. It was agreed that this might be something that Schools Forum would want to consider once the initial pilot has been evaluated.

Recommendation

14. Schools Forum is asked to agree the scheme outlined in paragraph 8 of this report and the allocation of £0.200 million from the DSG Reserve in 2014-15 to fund it in the current year.

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FAIRER SCHOOLS FUNDING 2015-16 – BRIEFING ON DfE CONSULTATION

Purpose of the Report

1. To provide a briefing on the recent DfE consultation document Fairer Schools Funding in 2015-16 issued on 13th March 2014 and the Wiltshire response.
2. To make proposals on how any increase in funding should be allocated to schools in 2015-16.

Main Considerations

3. Following the implementation of school funding reform in 2013-14 it has been anticipated that the government would bring forward proposals for a national school funding formula. On 13 March 2014 the Department for Education (DfE) published the '[Fairer Schools Funding in 2015/16](#)' consultation paper. The consultation set out how the Department intend allocating an "additional £350m in 2015/16 to increase the per-pupil budgets for the least fairly funded local areas". The consultation did not contain proposals on a national funding formula and the government stated that, whilst this is still the ambition, it is not appropriate to set a national funding formula until funding can be allocated to schools over a longer period of time, ie., within the next spending review period.
4. The main features of the consultation were as follows:
 - a. A further £350 million is proposed to be allocated to increase funding in the lowest funding authorities;
 - b. It is proposed to update the calculation method for the Area Cost Adjustment (ACA) to include teaching and non-teaching employment costs;
 - c. Minimum funding levels are to be used to set the funding for the Schools Block element of each local authority's DSG allocation.
5. The DfE provided worked examples to each LA that is expected to gain from the additional funding. Initial figures circulated by the DfE are based on October 2012 pupil numbers and these will be updated to October 2013 values later this year. Final allocations for 2015-16 will be based on October 2014 pupil numbers.
6. The methodology used is to apply minimum funding levels to each formula factor and multiply by the number of eligible pupils for each factor. The overall total is multiplied by the ACA. If the total achieved through this calculation is higher than the schools block funding to be allocated through a flat cash settlement then the LA will receive the increased Schools Block value.
7. The consultation period closed on 30th April and Schools Funding Working Group met on 31st March to consider the issues and to agree a response from Wiltshire Schools Forum.

Impact of the Proposals on Wiltshire Schools

8. Indicative figures released as part of the consultation indicate that Wiltshire would benefit from the proposed change with a potential £5.4m additional funding based on October 2012 pupil numbers and the proposed minimum funding values.
9. Whilst the consultation document gave minimum proposed values for each formula factor Councils will not be required to use these minimum values or change their local funding formula as a result of the changes. This is important as the minimum values are to be used as a way of distributing funding to local authority areas not to individual schools. The minimum values are used to calculate the overall value of the schools block not the value of the overall budget. A number of items are top

sliced from the overall schools block before delegated budgets can be calculated, these include the Pupil Growth Fund, Admissions, Capital Financing costs, etc. The DfE's exemplification suggests that applying the minimum values would result in an additional £5.4m being added to the Schools Block for Wiltshire, but it would cost in excess of £15m to apply these minimum values to the Wiltshire formula and would therefore not be affordable.

10. It is also important to note that the initial calculations are based on October 2012 pupil numbers. These will be updated and the final funding for 2015-16 will be based on October 2014 pupil numbers. As the total amount of additional funding will not change (£350m), movement in pupil numbers will result in adjustment of the minimum funding levels meaning Councils could receive more or less funding when funding allocations are finalised.

Response to the Consultation

11. A copy of the response to the consultation is attached to this report (Appendix 1)
12. The consultation questions focussed on whether the approach of ascribing minimum funding values is the correct one and whether the values are correct. It was difficult to answer the specific questions about values as they are based on averages and will be subject to change as pupil number data is updated.
13. Perhaps a more fundamental question is whether the methodology is correct or equitable in the first place.
14. Until (and including) 2012-13 DSG funding was allocated on the basis of a Guaranteed Unit of Funding (GUF) for each LA. The GUF was multiplied by the total number of pupils to arrive at the DSG total for each LA. The level of the GUF was based on historical spend at the point at which DSG was implemented and in 2012-13 the GUF for Wiltshire ranked 148th out of 151 LAs.
15. From 2013-14 DSG has been split in to 3 blocks Schools Block, Early Years Block and High Needs. The split is based on historical spend between the blocks in each LA area and, rather than a single GUF, funding is now allocated on a per pupil basis for the Schools Block, per pupil basis for Early Years and a combination of place numbers and historical spend for High Needs. The calculation of the Schools Block is therefore based on a Schools Block Unit of Funding derived from levels of spend in 2012-13. When Schools Block funding is compared for 2013-14 Wiltshire's unit of funding ranks 126th out of 151 authorities. This is not because Wiltshire's funding has increased from 2012-13 to 2013-14, instead it reflects historical decisions on the allocation of funding. At the point at which the blocks were split Wiltshire was spending 82% of total DSG on the Schools Block. The proportion varies across all LAs between 70% and 88% and this impacts on the proposals for the allocation of the increase in funding for 2015-16.
16. The table attached to the consultation response illustrates this in more detail by comparing the increases in funding to be allocated to authorities with previously similar ranking in GUF levels. To follow through the analysis for the comparison between Wiltshire and Gloucestershire shows the following:
 1. In 2012-13 Wiltshire received a lower GUF than Gloucestershire by £68 per pupil;
 2. When comparing 2013-14 data Wiltshire has a higher Schools Block Unit of Funding (SBUF) than Gloucestershire and a much lower Early Years Block Unit of Funding – this is because of historical spend;
 3. Because the calculation only looks at Schools Block spend Gloucestershire will receive a higher increase in SBUF than Wiltshire even though historically Gloucestershire has been funded at a higher level overall.
17. Whilst it is possible to look at the increases in a number of ways, a review of the list of authorities benefiting from the proposals would suggest that the proposals will not result in a reduction of inequalities in total funding between Councils. To do this

would require a more fundamental review of the distribution of funding between local authority areas. This is stressed within Wiltshire's response to the consultation.

Allocation of Additional Funding

18. The indicative figures within the DfE consultation indicate that Wiltshire would benefit from the allocation of an additional £350m nationally. It is not yet known how much additional funding will be received as the allocation will be based on October 2014 pupil numbers and the revised minimum funding values at that stage. The minimum funding values published in the consultation will be subject to change as pupil numbers are updated because the overall total available to allocation will remain at £350m. It is assumed that the allocation of £350m will increase the base funding for the Schools Budget nationally and not be a one off increase.
19. Schools Forum will need to consider how any additional funding should be distributed in 2015-16. In doing so Schools Forum may want to consider the potential impact of making changes to the local funding formula, particularly given the numbers of schools in Wiltshire already being affected by Minimum Funding Guarantee and Capping. A report considered by Schools Forum at the March meeting identified that in 2014-15 168 schools in Wiltshire are affected by either MFG or capping and the total cost of the MFG in 2014-15 is £1.611m.
20. At the meeting on 31st March Schools Funding Working Group discussed the allocation of any additional funding and were keen to ensure that the impact would be to reduce the cost of the MFG in Wiltshire and the numbers of schools subject to capping as a result. The Working Group also felt that there should be minimal change to the Wiltshire formula for 2015-16 after the significant changes that have been implemented in the last 2 financial years.
21. As a result the recommendation of the School Funding Working Group is that any increase in funding received as a result of the changes for 2015-16 should be allocated through an increase in the Age Weighted Pupil Unit (AWPU) in order to maximise the impact of any increase across all schools. Whilst the level of additional funding has still to be confirmed the impact of a £5.4m increase applied to the current AWPU and pupil numbers would be as follows:

	Current	Estimate with additional Funding (£5.4m)
Potential increase in AWPU		2.69%
Total Cost of MFG	£1,611,101	£815,517
Number of Schools on MFG	77	43
Number of Schools Capped	91	58
Maximum MFG	£133,683	£72,865
Maximum Cap	£117,443	£73,340

22. If it is agreed that any increase in funding should be allocated through AWPU's then there will be no requirement to consult with Wiltshire schools on formulaic changes for 2015-16 other than to seek schools' views on the delegation/de-delegation of central services. An approach of minimal change to the formula would give a year of relative stability and support schools in planning for next year.

Proposal

23. Schools Forum is asked to:
 - a) Note the Wiltshire response to the DfE consultation
 - b) Confirm that any increase in funding in 2015-16 should be allocated to schools via Age Weighted Pupil Units

Report Author: Liz Williams, Head of Finance (DCE)

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Impact of Proposed Changes on Funding Per Pupil

LA Number	865	916		836		878		933		850	
Local Authority	Wiltshire	Gloucestershire	Difference compared to Wiltshire	Poole	Difference compared to Wiltshire	Devon	Difference compared to Wiltshire	Somerset	Difference compared to Wiltshire	Hampshire	Difference compared to Wiltshire
2012-13 GUF (£)	4,593	4,661	(68)	4,579	14	4,603	(10)	4,668	(75)	4,648	(55)
2012-13 Rank	148	136		149		146		133		142	
2013-14 Schools Block per pupil unit of funding (£)	4,213	4,203	10	4,007	206	4,156	57	4,278	(64)	4,277	(64)
2013-14 Rank	126	129		148		135		115		116	
Proportion of spend on Schools block	81.6%	82.2%		77.0%		83.3%		84.6%		84.0%	
2013-14 Early Years Block per pupil unit of funding (£)	3,646	3,928	(282)	4,072	(426)	3,663	(17)	3,586	60	4,231	(585)
2013-14 Rank	123	86		71		121		127		54	
Proportion of spend on Early Years Block	4.6%	5.0%		5.2%		5.0%		4.6%		5.8%	
2013-14 High Needs block allocation (£m)	41	49		16		51		35		84	
Per Pupil Allocation	699	654	45	924	(225)	587	111	547	152	515	184
Rank Per Pupil	123	124		60		124		137		146	
Proportion of spend on High Needs	13.5%	12.8%		17.8%		11.8%		10.8%		10.1%	
2015-16 Proposed Schools Block per pupil	4,305	4,331	(26)	4,142	163	4,345	(40)	4,320	(15)	4,277	28
Rank	126	121		150		119		123		131	
2013-14 schools block pupil numbers	59,143	75,131		16,884		86,493		64,043		163,280	
Increase in Schools Block Per Pupil funding (£)	92	128	(36)	135	(43)	189	(97)	42	49	0	92
15-16 additional £	5,432,285	9,625,784		2,276,301		16,331,608		2,718,625		0	

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28 April 2014

Associate Director Finance
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Ministerial and Public Communication Division
Level 2
Department for Education
Mowden Hall
Staindrop Road
DARLINGTON
DL3 9BG

Dear Sir/Madam

Fairer Schools Funding in 2015-16 – Consultation Response

I am writing in response to the consultation on Fairer Schools Funding in 2015-16. This letter contains the combined response from Wiltshire Council and Wiltshire Schools Forum to the consultation document issued in March 2014.

Wiltshire Council and its Schools Forum welcomes the announcement of additional funding to address inequalities within the current schools funding system however there are a number of concerns in relation to the approach being taken in the distribution of that funding. These are outlined below in the response to the consultation questions.

Question 1 – Current Funding Distribution

Wiltshire strongly agrees that the existing distribution of schools funding is unfair. The current “spend plus” system perpetuates the relative funding position of each local authority at a single point in time and cannot be amended to reflect changing circumstances for example increases in costs in certain areas or changes in the pattern of deprivation.

Questions 2 & 3 – Use of Minimum Funding Values

The proposal to use minimum funding values for specific characteristics of schools/pupils for the distribution of funding to local authorities creates a number of issues:

1. The values are based on the average values in 2013-14 (except for lump sum and sparsity where 2014-15 average values are to be used) for specific formula factors. Local Authorities currently have local flexibility to set their own values for each formula factor within the constraints of the funding regulations. The use of an average value as a method for distributing funding is not necessarily an indication of need in any single local authority area, simply a measure of distance from the average and a reflection of previous decisions.
2. The minimum values are used to distribute the Schools Block funding to local authorities. The schools block is also utilised to fund a number of services over and above the budget delegated to schools, including pupil growth fund, admissions, capital expenditure charged to the revenue account (CERA), falling rolls fund, etc. As a result of this the

minimum values could not be used to distribute funding to schools via the local formula as it would not be affordable. Whilst the distinction between using the values as a methodology to distribute funding to local authorities and not schools is made in the document, the use of published minimum values may raise expectations at school level that funding for individual schools should be at those values and so could be misleading. In Wiltshire the estimated increase in schools block allocation for 2015-16 amounts to £5.4m, based on October 2012 pupil numbers, but to utilise the minimum funding values in the local formula would cost an additional £15m.

3. By only applying the increase in funding to the Schools Block, the methodology still has the effect of perpetuating historical distributions and decisions made at individual local authority level. The methodology does not address the differentials in overall DSG funding between local authorities – this is examined in more detail later in this consultation response.

It is not possible to comment on the individual proposed minimum values for each characteristic as it is not proposed that these values should be used at school level and the values will change once pupil data is finalised for October 2014.

Questions 4-6 – Area Cost Adjustment

Wiltshire agrees that labour market costs should be taken in to account in the allocation of funding and that the hybrid approach is the most appropriate method – taking in to account both teaching and non-teaching staff costs.

Questions 7 to 9 – Sparsity Review

Wiltshire Council and Schools Forum lobbied strongly to the DfE that the new funding model implemented in 2013-14 did not support small rural schools. In Wiltshire the need to support smaller schools has previously been addressed through the lump sum element of the formula and through support for federations, split site schools etc. In responding to the DfE consultation in March 2013 Schools Forum expressed concern that the proposed sparsity factor was too complex and that differential lump sums would be a more appropriate way to support schools in rural authorities. In 2014-15 the Wiltshire formula includes differential lump sums for primary and secondary schools.

Wiltshire Schools Forum considered the impact of the sparsity factor as proposed for 2014-15 and opted not to implement it within the local formula. Within Wiltshire there are a large number of small rural schools both at primary and secondary level with 92 primary schools and 7 secondary schools meeting the size criteria of having fewer than 150 or 600 pupils on roll respectively. When the distance criteria are also applied the number of qualifying schools reduces to 31 primary and 3 secondary schools. The application of a sparsity factor to those schools was not considered helpful for a number of reasons, including:

- Affordability – the cost of the model would have been in excess of £1.1m and this would have impacted on all Wiltshire schools;
- Impact on per pupil funding levels in individual schools – the application of the sparsity factor has a significant impact on the per pupil funding in what would otherwise be considered similar schools. Schools Forum therefore needed to consider whether, in the Wiltshire context, any single school would be considered so much more remote than other similar schools as to justify significant additional per pupil funding.

- Impact of grammar schools – the location of grammar schools in parts of Wiltshire has an effect on which secondary schools are eligible for sparsity factor as they impact on the calculation of “distance to nearest alternative school”.

Whilst the sparsity factor may be helpful in supporting small schools in remote areas it is not a suitable method for supporting small rural schools located in village communities in a county such as Wiltshire. It is still the view of Wiltshire Council and Wiltshire Schools Forum that small rural schools could be supported through more flexibility in the value of the lump sum and through the new changes introduced to the lump sum for amalgamated schools.

Other Comments

One of the biggest concerns in Wiltshire is that the proposed methodology for the distribution of additional funding does not address inequalities in overall funding levels between local authorities.

Until (and including) 2012-13 DSG funding was allocated on the basis of a Guaranteed Unit of Funding (GUF) for each local authority. The GUF was multiplied by the total number of pupils to arrive at the DSG total for each local authority. The level of the GUF was based on historical spend at the point at which DSG was implemented and in 2012-13 the GUF for Wiltshire ranked 148th out of 151 authorities.

From 2013-14 DSG has been split in to 3 blocks Schools Block, Early Years Block and High Needs. The split is based on historical spend between the blocks in each local authority area and rather than a single GUF funding is now allocated on a per pupil basis for the Schools Block, per pupil basis for Early Years and a combination of place numbers and historical spend for High Needs. The calculation of the Schools Block is therefore based on a Schools Block Unit of Funding derived from levels of spend in 2012-13. When Schools Block funding is compared for 2013-14 Wiltshire’s unit of funding ranks 126th out of 151 authorities. This is not because Wiltshire’s funding has increased from 2012-13 to 2013-14, instead it reflects historical decisions on the allocation of funding. At the point at which the blocks were split Wiltshire was spending 82% of total DSG on the Schools Block. The proportion varies across all local authorities between 70% and 88% and this impacts on the proposals for the allocation of the increase in funding for 2015-16.

Appendix 1 to this letter illustrates this in more detail by comparing the increases in funding to be allocated to authorities with previously similar ranking in GUF levels. To follow through the analysis, the comparison between Wiltshire and Gloucestershire shows the following:

- a) In 2012-13 Wiltshire received a lower GUF than Gloucestershire by £68 per pupil;
- b) When comparing 2013-14 data Wiltshire has a higher Schools Block Unit of Funding (SBUF) than Gloucestershire and a much lower Early Years Block Unit of Funding – this is because of historical spend;
- c) Because the calculation only looks at Schools Block spend Gloucestershire will receive a higher increase in SBUF than Wiltshire even though historically Gloucestershire has been funded at a higher level overall.

Whilst it is possible to look at the increases in a number of ways, a review of the list of authorities benefiting from the proposals would suggest that the proposals will not result in a reduction of inequalities in total funding between Councils as many of the authorities benefitting from the increase in funding are authorities that have been ranked above the median for overall

funding levels in previous years. To do this would require a more fundamental review of the distribution of funding between local authority areas by considering the demands across all types of provision including high needs.

I hope that you find these comments helpful.

Yours sincerely

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