

School Funding Reform 2013/14

Project Plan April 2012

(v1 for discussion with Children's Services Leadership Team 19/4/12)

Why?

On 26th March 2012 the DfE issued a consultation document outlining proposals for a new funding system for schools to be implemented in 2013/14. The document covers all aspects of schools funding. The stated aims of the proposals are to:

- Move towards a national funding formula
- Simplify local funding arrangements
- Change the way in which LAs are funded
- Improve funding arrangements for pupils with high needs
- Improve funding arrangements for Early Years provision

The proposals will require a full review of Wiltshire's funding formula for mainstream schools and for special schools in order to meet the requirements for simplification of local funding arrangements. The current Wiltshire funding formula includes elements that reflect local circumstances and needs and will not be compliant with the new simplified arrangements proposed by the government. The new formula must be approved by the Education Funding Agency (EFA) (who replace the Young Person's Learning Agency from 1/4/2012) by the end of October 2012 in time for implementation in schools budgets for April 2013.

Proposals for the new LMS formula will also need to include proposals for the delegation of a number of services and budgets that are currently held centrally. These services will be delegated to academies via the formula and for maintained schools Schools Forum can agree to de-delegate and retain centrally or incorporate within the delegated budgets for schools. The impact on those central services will need to be quantified.

A review of the Early Years Single Funding Formula (EYSFF) will also be required.

All schools and early years settings must be consulted on the new formula and must receive details of the potential impact on their individual budgets.

There are proposed changes to the constitution of Schools Forum which will require us to reconstitute our Schools Forum by September 2012.

What?

In order to achieve the aims set out by the DfE within the timescales the following broad pieces of work will need to be completed:

- To respond to the consultation element of the document and ensure particular impacts on Wiltshire are raised.
- To fully review the Wiltshire LMS formula and implement a compliant formula for approval in October 2012
- Develop formulae for centrally held services that need to be delegated
- To implement the new funding mechanism for high cost pupils
- To review and implement a revised EYSFF
- To reconstitute Schools Forum in accordance with the rules
- To consult with all schools on the new formula and issue impact statements
- Implement appropriate systems and process changes that are required in order to issue schools budgets and to ensure a mechanism is in place for funding provision for high cost pupils.

How?

The following Workstreams are proposed:

1. Early Years – review of formula to ensure compliance
2. Schools Block – review of LMS formula
3. Schools Block – delegation of centrally retained services and potential proposals to “de-delegate”
4. High Needs Pupils – including banding moderation, planned places, funding of specialist provision
5. High Needs Pupils – implications of the proposals to align post-16 funding with funding for 0-16 year olds
6. Schools Forum Constitution
7. Consultation Response
8. Update of Financial Planning Software
9. Issuing budgets to schools
10. Overall DSG budget setting and Implications of changes to LGFS 2013/14
11. Communications Strategy – including consultation roadshows, briefing for members, etc

A detailed project task plan is being developed to include all tasks and milestone dates. Key dates are outlined further on within this document

Who?

Whilst focussing on school funding reform the project cannot be a purely finance led project because of the wider implications of the changes to the funding regime.

Key stakeholders include:

- Schools Forum – and associated working groups
- Elected members
- Children’s Services Leadership Team
- Schools & Learning Leadership Team
- PHF & WASSH
- Wiltshire Governors Association

Key officers who will need to be involved in the detail of the project are:

- Liz Williams – Head of Finance – overall lead
- Phil Cooch – Principal Accountant (Schools) – detailed modelling work and lead on developing software and issuing budgets to schools
- Simon Burke – Head of Business & Commercial Services – lead on Early Years workstream, through EY Reference Group and link with traded services
- Julie Cathcart – Head of School Improvement – post-16 issues and school organisation/strategic issues
- Mark Brotherton – Head of Targeted Schools & Learner Support – high cost pupil element
- Karina Kulawik – Head of Inclusion – high cost pupils
- Julia Cramp – Service Director for Commissioning & Performance – high cost pupils and development of commissioner/provider relationship with special schools etc
- David Hitch – Research & Stats – detailed modelling work and data provision
- Jayne Hartnell – data provision re attainment

- Annabel Billet – Post 16 issues
- Kath Elsdon – PA Support

Owners of specific workstreams and tasks are detailed on the project task plan

When?

See Project Plan for key milestone dates

The proposed timetable for the review of the Schools Block formula is as follows:

Revised Schools Block formula to be submitted to EFA by end October 2012

No date has been specified by the DfE for issuing budgets to schools. Our initial proposal is that we should aim to have budgets issued by the end of February in the first year of operating the new formula.

In order to meet the EFA's approval deadline the timetable for **Schools Forum meetings** and consultation is proposed as follows:

- 20 April 2012 – Joint Meeting of SFWG and SEN Group to commence project – agree schedule of working group meetings
- 10th May 2012 – **additional** Schools Forum meeting to agree way forward, set principles, etc
- 25th May – SF Early Years Reference Group to agree revisions to formula
- 21st June '12 – Schools Forum to agree proposals for consultation. Schools Forum also consider proposals for the new membership and constitution
- Early July '12 – issue consultation and impact assessments
- 14th September '12 – close consultation
- 4th October '12 – Scheduled Schools Forum meeting – consider outcomes of consultation
- Late October '12 – **additional** schools Forum meeting to agree final formula
- December '12 – Schools Forum – DSG estimate, impact of October pupil numbers on formula values, budget issues, high needs pupils elements
- January '13 – Schools Forum – set final budget
- End February '13 – issue budgets to maintained schools

Council Business Planning and budget process for 2013/14 to commence June 2012

Governance

The revised funding formula for schools and the revised EYSFF will need to be signed off by Schools Forum. The detailed work on the formula can therefore be managed through the existing Schools Forum working groups although there is an expectation that there will need to be additional working groups focussing on the more detailed proposals – for example we will need to involve schools with Resource Bases, School Business Managers, etc

Because of the impact on strategic issues and on services provided by the LA there needs to be oversight within Children's Services in addition to the work managed through Schools Forum. It is therefore proposed that a Project Board be established – membership to be confirmed.

Interdependencies/links with other projects

Other projects that this work will be linked to include:

- Section 251 Budget Return (lead Liz Williams)
- School Organisation Plan (lead Nick Glass)
- Changes to post 16 funding
- TSLS restructure (lead Mark Brotherton)
- Recharges/trading project (lead Liz Williams)
- Budget setting 2013/14 (lead Michael Hudson)
- Academies Board/Academy strategy (lead Stephanie Denovan)
- DCA Review and Personal Budgets

Resources and Constraints

There is no national redistribution of funding through a national funding formula and therefore the new funding regime for school, early years settings and high cost pupils must be implemented from within the existing schools budget resource. The Council has consistently confirmed its policy not to top up Dedicated Schools Grant.

Any transition for schools who would lose funding under the new formula will be managed through the Minimum Funding Guarantee of -1.5%. This would need to be paid for through capping the gains in those schools who should receive more funding.

The DfE has indicated it will provide a modelling tool and the required deprivation data to enable modelling to take place. This is to be provided by the end of April – any delay will delay the work that needs to take place and so we are reliant on DfE meeting its deadlines

The project will require significant officer capacity through May and June to work on the modelling of the formulae and through September and October to consult with schools and finalise the formula. This will need to be managed within existing capacity. Within Finance a workforce plan is currently being drawn up.

Two formula review groups will need to be established – one for the mainstream formula and one for high needs pupil. As well as officer capacity we will require contributions from Head Teachers, Business Managers and other school based staff (for example SENCOs) and potentially Governors. Schools Forum have requested that the LA consider providing backfill funding to schools where staff are attending frequent meetings – no funding for this has yet been identified.

Risks

(Risk Register required – not yet completed)