

 Brent	Schools Forum 15 January 2014 Report from the Director of Children & Families
For Consultation	
Consultation on setting the schools budget 2014-15	

1. Update

- 1.1. In December the Education Funding Agency (EFA) announced information on the Schools Revenue Funding Settlement for 2014-15, including the detail of the Dedicated Schools Grant (DSG) allocations, as illustrated below.

	£'000
Schools Block	190,707
High Needs Block	54,874
Early Years Block	18,377
2 Year Olds Early Years Funding	6,762
Funding for Induction for Newly Qualified Teachers	57
Carbon Reduction Commitment Energy Efficiency Scheme	(275)
Total DSG Allocation	270,502

- 1.2. As part of the funding reforms introduced in 2013-14, the DSG is now split into three blocks by the DfE. However, although funding is given by blocks, Local Authorities are allowed to reallocate funds between blocks if necessary.
- 1.3. A summary of the funding distribution between blocks, including de-delegation/central funding and agreed movement between blocks is shown in Appendix A.
- 1.4. The timetable for completion of the Schools budget is similar to last year's – dates are shown below.

Date	Action
21 January 2014	Local Authorities submit final 2014-15 school budget proforma to the EFA
28 February 2014	Local Authorities confirm budgets for their maintained schools. EFA to confirm budgets for academies.

2. Schools Block

- 2.1. The schools formula has been calculated using the Authority Proforma Tool (APT) – the modelling tool provided by the DfE, and takes into account all previously agreed movement of funding between blocks.
- 2.2. Based on this, the final Schools ISB (including non-recoupment academies) for 2014-15 will be £190.7m, an increase of £1.9m from 2013-14.
- 2.3. A summary showing the Schools ISB is shown in Appendix B.
- 2.4. Note that in using the October 2013 census to complete the final budgets, that the Primary:Secondary ratio is now confirmed as 1:1.26. The Schools sub-group and subsequently the Schools Forum in October, decided that steps should be taken to increase the Primary:Secondary ratio closer to the national average of 1:27. A review was instigated because Brent's ratio was 1:1.09 in 2013/14 being the lowest in the country, and also Brent had the highest MFG in the country as a result. Consequently, all pupil-led factors were adjusted to facilitate the change in ratio as well as a reduction in minimum funding guaranteed (MFG) to prevent an over-reliance on MFG if it were to be withdrawn in the future. This was presented and agreed within the Provisional Budgets and sent out for consultation with schools in October.
- 2.5. The Schools ISB for the schools block, however currently shows an increase in primary funding by £3.5m from 2013/14, whilst the secondary funding has decreased by £1.6m. This has been caused by shifts in pupil numbers, with an increase of numbers on roll within the primary sector and schools within the secondary sector being affected by falling rolls.

3. High Needs Block

- 3.1. The funding formula for Special Schools is detailed in Appendix C (a). The top-up funding per place has been reviewed for 2014-15 and the SEN subgroup agreed to equalise the funding per band across all the Special Schools. This is subject to review in 2015/16 for one school which is losing funding as a result but will be able to manage in 2014/15 due to having a surplus carry forward. Special schools will also receive a lump sum in relation to de-delegations which are no longer possible for Special Schools. By increasing the top-up funding available to special schools, they can now choose whether to buy into these services, as per DfE operational guidance.
- 3.2. The funding formula for Alternative Resource Provision (ARP) Units is detailed in Appendix C (b). There has been a review of this funding for 2014-15 which has been agreed by the SEN subgroup. Details of this are included in a separate paper on High Needs.
- 3.3. The formula for Pupil Referral Units (PRUs) is detailed in Appendix C (c). There has been a complete review of the Alternative Education service this year, to be implemented for 2014/15. This review is nearing the stages of completion, and therefore the figures reported are provisional and subject to change. There will be another report brought to the Schools Forum in February regarding this.
- 3.4. The reforms for 2013-14 included a requirement for schools to fund the first £6k of each statemented pupil. It was agreed last year that where this contribution exceeded more than 2% of budget share, that a protection would apply over 3 years. The protection would only however apply to pupils recorded as statemented as at 31st December 2012. This is detailed in Appendix D (a).

3.5. In addition the DfE also requires Local Authorities to provide targeted funding for those schools identified as being overly disadvantaged by these changes. As a result an additional request was carried to the SEN subgroup, requesting that additional funding is provided to schools based on the percentage of in-borough statemented pupils on roll, as a percentage of the total number on roll. As such, calculations were presented to the subgroup based on last year's figures and the subgroup agreed to apply targeted funding for schools where statemented pupils account for 4% or more of the number on roll. This funding was agreed to be restricted to £5k per pupil, for each statemented pupil the school has above the average number of statements in Brent primary schools. The average % of statemented pupils is then applied to each school's number on roll (NOR) to take account of the difference in school sizes. The schools would only receive additional funding for statemented pupils above this average. This results in two schools receiving targeted funding in relation to SEN, totalling £70k. This is detailed in Appendix D (b).

4. Early Years Block

- 4.1. Indicative amounts are shown in Appendix E for the Early Years Single Funding Formula (EYSFF). These will be finalised when the actual hours of take up from the Spring 2014 count are known, as well as after the IDACI early years data is received.
- 4.2. Until final data is known, the hours used in the calculations for schools & PVIs are the Summer and Autumn 2013 actual hours of take up, and also the Autumn 2013 actual hours of take up again, as an estimate for Spring 2014.
- 4.3. In addition, there will an adjustment for actual hours of take up for 2013-14, i.e. the difference between the actual hours of take up as opposed to the budgeted (and paid for) hours of take up. This is estimated by using the Summer and Autumn 2013 take up, as well as Autumn 2013 again as an estimate for Spring 2014.
- 4.4. As with the special schools, de-delegations are no longer possible for nurseries and it has therefore been decided by the Early Years sub-group that the nurseries lump sum should be increased to fund these services.
- 4.5. For deprivation, IDACI data will be available at the end of February. In the meantime, last year's IDACI data is used in the calculations, for illustration purposes.

5. Carbon Reduction Commitment (CRC)

- 5.1. In December 2012 the Department of Energy and Climate Change announced that all state funded schools would be withdrawn from participation in the CRC Energy Efficiency Scheme from April 2014. Local Authorities are therefore no longer required to administer the scheme on behalf of schools. A deduction has therefore been made to the DSG for 2014-15 to compensate the Exchequer for the resulting loss of revenue. The deduction to Brent's DSG is £275k.

6. De-Delegations

- 6.1. A number of de-delegations were agreed at the October and December meetings, and have all been included in the Schools ISB. Just to confirm that as per DfE guidelines, de-delegations are no longer an option for Nursery and Special schools, and cannot be an option for non-maintained schools such as Academies. On this premise, it has been agreed to increase the lump sum for Nursery and Special schools to enable these schools to buy

such services. In addition, Academies continue to have access to these services on a buy-back basis.

6.2. The agreed de-delegations for maintained Primary and Secondary schools for 2014-15 are as follows:

a) Free School Meals eligibility	£28,384
b) Schools Causing Concern	£184,765
c) Maternity Grant	£241,470
d) Trade Union Funding	£106,547
e) Licenses (excluding Blanket Licences below)	£45,522

7. Centrally Retained

7.1. The Gordon Brown Outdoor Education Centre – It was agreed to continue to provide funding of £50k as a subsidy for this centre, an outdoor activity centre owned by Brent. The centre is an educational provision which provides a unique experience for children from Brent, especially those who may not otherwise be able to access and experience the environment.

7.2. Wembley Learning Zone - the Schools Forum agreed in October to retain £81k to part-fund this initiative. The Learning Zone is situated at Wembley Stadium and is the result of a partnership between the Local Authority and Wembley Stadium. It offers opportunities for young people to develop positive attitudes to learning, raise self-esteem and achieve their educational potential using sport and entertainment as a stimulus.

7.3. Blanket Licences – £75k was agreed at the October Forum, to be centrally-retained to pay for this. The DfE purchases a national blanket licence for all schools from the Copyright Licensing Agency (CLA) and Music Publishers Association (MPA). Academies are also covered by this licence. The CLA allows schools to use extracts of text and pictures from millions of print and digital books, journals and magazines, including websites. The MPA provides a Schools Printed Music Licence (SPML) which allows schools to make copies of printed music without having to contact the publisher directly to seek permission. Other licences are covered under de-delegations as listed in 6.2.

8. Children With Disabilities

8.1. There was inconsistent with the manner in which this funding was distributed in that some provisions were funded based on FTE and some based on number on roll. This has now been reviewed and is now consistent throughout all provisions with an SEN Band 5 being applied. This will be subject to review for 2015/16 as the needs of this funding varies between provisions. The 2014/15 budget is shown in Appendix F.

9. Growing Schools

9.1. Capping and scaling reductions are not applicable to growing schools. A growing school is defined as a school that has opened during the past 7 years and has not yet reached its full number of year groups. Within Brent this currently applies to one school for 2014/15.

10. Growth Funding

10.1. Under funding reforms growth funding needs to be identified for additional in-year admission. The demand in 2013/14 is projected to be £2.44m and it is anticipated to be similar in 2014/15. This would be in addition to the contingency allocated for rising rolls of £1.13m. Further detail is provided in a separate report – Agenda Item 4. This is currently funded within central DSG costs, but this now needs to be separately identified and approved.

11. Recommendations & Consultation Points

11.1. The Schools Forum is requested to approve the following:

- a) Targeted SEN funding at £5k per pupil above the average as per paragraph 3.5, totalling £70k;
- b) Growth funding at £2.44m (earmarked separately) as per paragraph 10.1.

11.2. The Schools Forum is being formally consulted on the following:

- a) the Schools ISB;
- b) the Special Schools, ARPs and PRUs budgets;
- c) the SEN stated funding and targeted funding as approved by the SEN sub-group;
- d) the Early Years budgets (indicative, subject to Spring hours of take up and updated IDACI data).

Appendices

- A. DSG Funding Distribution by blocks
- B. Schools ISB detail
- C. High Needs Block detail
 - a. Special Schools
 - b. ARP Units
 - c. PRUs
- D. Additional Help for SEN
 - a. SEN Stated Funding
 - b. Targeted Funding
- E. Early Years Block detail
- F. Children with Disabilities

Background Papers

1. DSG Allocations Table 2014-15.
2. DSG Pupil Number Information 2014-15.
3. DSG Operational Guide – December 2013.
4. DSG Technical Note for 2014-15.

All of the above background papers can be found on the DfE website:

<http://www.education.gov.uk/schools/adminandfinance/financialmanagement/schoolsrevenuefund/a00230728/schools-rev-fund-2014-2015>

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