

Schools Forum – 19th September 2012

Timeline and decision making process for setting budgets for 2013/14 – For Information

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Executive Summary:

The purpose of this brief report is to set out for members of Schools Forum the timeline and decision making process that has to be followed to set budgets for 2013/14. Membership has changed to accommodate 2 representatives of Academies. Non-schools members now have restricted voting rights.

The report sets out the reports which will be presented to Schools Forum in order to set school and PVI budget shares for 2013/14. The most important decisions are taken in January 2013.

(a) Powers of Schools Forum and voting rights of members

The constitution of Schools Forum has been amended so that representation is now:

Primary Schools	9 (4 headteachers, 5 governors)
Secondary Schools	5 (3 headteachers, 2 governors)
Special Schools	1 (1 headteacher)
Academies	2 (1 primary, 1 secondary)
Non-schools members	5 (Trade Union, Diocesan Board, Vulnerable Children, 14-19, PVI settings)

Primary schools include one Nursery School representative.

All members have the right to vote on general financial matters e.g. those relating to High Needs Block, Early Years Block and retention of funding for certain central services within the Schools Block.

However, the non-school members cannot vote on matters relating to school budget shares for schools such as the funding formula. This is restricted to schools, Academy and independent (PVI) members.

In the case of de-delegation of funding or pooling, only the phase representatives can vote. Thus if there is a proposal to de-delegate funding for occupational health, decisions will be taken separately for primary schools / academies and secondary schools / Academies. Note that the nursery school representative has no voting rights on de-delegation of funding by primary schools as it does not affect nursery school funding.

The DfE are still considering whether or not Pupil Referral Units should be a separate group among school members as they will have delegated budgets from April 2013. Should this

happen, the Local Authority proposes that the representative for vulnerable children becomes the PRU representative.

To assist members, all reports in future will make clear which members have the right of vote on any decision making.

The proposed changes to the School Finance (England) Regulations 2012, which will come into force from 1st January 2013 and are currently out for consultation, make clear that the Local Authority needs the authorisation of Schools Forum for the following funding arrangements:

- The criteria to be used for determining expenditure through the Growth Fund. [See separate report on the Growth Fund to this meeting].
- The making of deductions from the schools' budget for certain central expenditure e.g. CERA and Termination of Employment Costs. [See the report to next meeting of Schools Forum].
- The funding of any deficit in the local authority's central expenditure from the schools' budget. [The Local Authority has an under-spend in 2012/13. See the separate report on DSG for 2012/13 including underspends in 2011/1].
- The redetermination of schools' budget shares by removal of any expenditure from schools' budget shares where it is instead to be treated by the authority as central expenditure; e.g. de-delegation for occupational health and staff supply costs (trade unions). [See the separate report to Schools Forum at the next meeting].

On all other matters, the Local Authority consults with and seeks the views of Schools Forum but the ultimate decision rests with the Local Authority. For example, the Local Authority is required to consult with Schools Forum on the size of funding within the Schools Block, High Needs Block and Early Years Block and the factors (and the rates applied) within the Local Funding Formula, listening to and taking account of comments. However, as in the past it will be for Cabinet to approve the factors within the Local Funding Formula. The EFA will be to check that factors within the Local Funding Formula sit within the Schools Finance Regulations.

(b) Timelines:

The decision-making process has to fit within the framework announced by the DfE for the implementation of the school funding reform. This is set out in the **Table 1** which states:

- what reports will be presented to which meeting of Schools Forum; and
- dates for the exchange of information between the Education Funding Agency (EFA) and the DfE and Local Authorities in order comply with the School Finance regulations.

Table 1 – Timetable for decision making for 2013/14 budgets

Date	Organisation	Action
2012		
12 th July	EFA	<ul style="list-style-type: none"> EFA sends LAs information on DSG Baseline data for checking. This includes baseline estimates of High Needs, Early Years and Schools Blocks and tables setting out the number of high needs pupils and places supported by each local authority.
15 th August	EFA	<ul style="list-style-type: none"> Deadline for LAs to confirm DSG Baseline data including number of places to be funded in specialist SEN and AP settings for 2013/14.
Early September	EFA	<ul style="list-style-type: none"> Confirmation of DSG Baseline data which enables LAs to complete school budget pro-forma.
19 th September	Schools Forum	<ul style="list-style-type: none"> Report on timeline and decision-making process for setting budgets for 2013/14 (information). Report on feedback from consultation on factors within the local funding formula (information). Report on DSG, Control Total and underspends in 2011/12 (information and decisions) Report on School Balances as at 31st March 2012 (information) Report on factors within the Local Funding Formula (for recommendation to Cabinet). Report on establishing a Growth Fund and criteria for expenditure (for approval). Report on Early Years Block and factors for allocating funding to settings for the education of 2, 3 and 4 year olds (for agreement to consult). Report on High Needs Block expenditure and implications for individual schools of funding for pupils with high cost needs including alternative provision and PRUs (information and decision).
4 th October	DfE	<ul style="list-style-type: none"> School Census Day. EFA and LAs check and validate School Census
9 th October	Cabinet	<ul style="list-style-type: none"> Approval of factors within the Local Funding Formula
17 th October	Schools Forum	<ul style="list-style-type: none"> Report on draft school budget shares based on provisional census data (information). Report on consultation on de-delegation of funding from School Budget shares – including occupational health, trade union activities and pooling for educational psychologists, speech & language therapy, strategic framework agreement, Primary Area Co-ordinator (for agreement to consult). Report on consultation on central retained funding for Contingencies, School Admissions, Schools Forum, Carbon Reduction Commitment, Termination of Employment Costs and CERA (for agreement to consult).
31 st October	EFA	<ul style="list-style-type: none"> LA submits provisional pro-formas setting out agreed Local Funding Formula. Factors within the formula cannot be changes although the rate may change, if required, following confirmation of final DSG and pupil data in December 2012.
14 th November	Schools Forum	<ul style="list-style-type: none"> Report on feedback on consultation with early years providers on factors within the Early Years Single Funding Formula (information). Report on factors within the Early Years Single Funding Formula (for recommendation to Cabinet). Report on Special School budget shares for 2013/14 (information)
28 th November	EFA / DfE	<ul style="list-style-type: none"> School Census data base is closed.
5 th December	Schools Forum	<ul style="list-style-type: none"> Report on feedback on consultation on de-delegation and LA central expenditure and determination of final arrangements for

		funding held back from schools' budgets (for approval).
10 th December	EFA / DfE	<ul style="list-style-type: none"> EFA confirms pupil numbers to be used in Schools Block and Early Years Block. DfE provides updated datasets for pupil characteristics. LAs now able to estimate their 2013/14 DSG.
Late December	DfE	<ul style="list-style-type: none"> DfE confirms 2013/14 DSG (prior to Academy recoupment).
2013		
15 th January	Cabinet	<ul style="list-style-type: none"> Approval of factors in Early Years Single Funding Formula
16 th January	Schools Forum	<ul style="list-style-type: none"> Report on final allocation of School Budget Shares and minimum funding guarantee for 2013/14 for confirmation prior to submission to EFA (information). Report on final high cost SEN pupil's top-up funding allocations for mainstream and specialist provision (information).
18 th January	EFA	LAs submit final school budget pro-formas and underlying data to EFA
13 th February	Schools Forum	<ul style="list-style-type: none"> Report on budget allocations for early year's providers based on actual attendance in 2012 and agreed factors within the EYSFF (information).
13 th March	Schools Forum	No reports identified at this stage.
15 th March	LA	<ul style="list-style-type: none"> National Deadline for informing schools and PRUs of their school budget shares for 2013/14.
31 st March	LA	<ul style="list-style-type: none"> National deadline for informing maintained and PVI providers of their budget shares for 2013/14.
15 th May	Schools Forum	No reports identified at this stage.
13 th June	Schools Forum	No reports identified at this stage.
June 2013	EFA	EFA provides updated funding for Early Years Block which takes account of January 2013 Early Years pupil numbers
April 2014	EFA	EFA further updates funding for Early Years Block for January 2014 Early Years pupil numbers (pro-rata 7/12ths as this only covers September 2013 to March 2014).

Action by Schools Forum:

- (a) To consider the information contained in the report relating to the timeline for decision making.
- (b) To seek clarification on any issues relating to voting rights and those aspects of funding where the Local Authority requires the approval of Schools Forum to implement its proposals.