

MEETING:	SCHOOLS FORUM
DATE:	23 SEPTEMBER 2011
TITLE OF REPORT:	DEDICATED SCHOOLS GRANT 2012/13 – BUDGET CONSULTATION
OFFICER	SCHOOLS FINANCE MANAGER

CLASSIFICATION: Open

Wards Affected

County-wide – All Schools

Purpose

To consider a budget consultation paper which explains the budget options for the 2012/13 Dedicated Schools Grant and to seek the views of schools prior to developing initial budget proposals for School Forum's consideration in December 2011.

Key Decision

This is not a Key Decision.

Recommendation

THAT School Forum is asked to:

- a. comment on the draft budget consultation paper for the Dedicated Schools Grant 2012/13 as appropriate;
- b. approve the consultation paper for distribution to schools and PVI nurseries;
- c. agree the budget process and timeline as set out in the consultation paper, i.e.
 - i. briefings for all schools, governors and PVIs in October – dates to be confirmed.
 - ii. individual response form to be returned by 11th November
 - iii. Budget Working Group to meet on 25th November prior to Schools Forum to consider responses and prepare initial budget proposals
 - iv. Schools Forum to consider the response to the consultation
 - v. Budget Working Group to meet on 14th December to consider whether any changes are required to the budget strategy following the DfE announcement of the school budget settlement in early/mid December and to determine whether

a further short consultation with schools and PVIs is necessary

- vi Schools Forum to consider the final budget proposals on 24th February 2012 and recommend final budget proposals to the Cabinet Member for Corporate Services and Education.

Key Points Summary

There is a potential shortfall of £1m in the Dedicated Schools Grant for 2012/13. The consultation paper will seek the views of schools and PVIs on a range of budget options and will be essential in preparing final budget proposals.

Alternative Options

- 1 There are no alternative options for consideration.

Reasons for Recommendations

- 2 The budget consultation paper needs to be approved by Schools Forum prior to distribution to schools and PVI nurseries.

Introduction and Background

- 3 Last year the government's schools funding settlement was received late on the 13th December 2010 and by necessity the consultation with schools and PVIs was squeezed into a very short timescale after Christmas. In order to give schools and PVIs more time for consideration of the budget options the Budget Working Group prefers an early consultation and if necessary following the schools budget settlement, a brief secondary consultation limited to any changes prior to preparing final budget proposals for Schools Forum on 24th February 2011.
- 4 The draft budget consultation, as considered by the Budget Working Group on the 9th September is attached as an Appendix. The proposals contained in the consultation paper will impact on all schools in Herefordshire including academies. Currently academies are funded by the Young People's Learning Agency using the base Herefordshire school funding formula although there is an option in the national school funding formula for academies to be funded by the new national formula.
5. The proposals in the consultation paper aim to meet the increased cost pressures of £400k (i.e. £1.1m cost pressures net of £700k existing savings) and provide a further £500k to meet the costs of the implementation of the first year of changes proposed by the review of the mainstreamed grants undertaken by the Budget Working Group.
6. The budget proposals provide for the overall cost increase of £900k to be met by a package of budget reductions, similar to last year, but largely through reductions in social deprivation funding which will be offset by increases in the pupil premium for 2012-13.
7. A detailed schedule of illustrative budgets school by school showing the impact of the budget proposals will be attached to the consultation paper prior to distribution to schools. To achieve a reasonable degree of accuracy the schedule of school budget changes can only be prepared when the September pupil census is available. A response form will also be included in the consultation pack prior to distribution.
8. The results of the consultation will be considered by the Budget Working Group in late November prior to Schools Forum receiving a full report at the December meeting.

Key Considerations

9 None identified.

Community Impact

10 None At this stage as the report relates to consultation only at this stage.

Financial Implications

11 None at this stage as the report relates to consultation only at this stage. .

Legal Implications

12 There are no legal implications arising from the consultation paper.

Risk Management

13 A detailed budget consultation exercise with schools will ensure that the widest consideration is given to managing the impact and risk associated with the necessary budget reductions. Schools Forum will have the feedback from the consultation available when framing the final budget proposals for the Schools Forum meeting on 24th February 2012.

Appendices

14 The Dedicated Schools Grant 2012/13 – Budget Consultation paper for schools and PVIs.

Background Papers

15 None.