



Walsall Council

Walsall Children's Services

Report to: Schools Forum

Date: 8 November 2011

Subject: School Finance Regulations 2012

Contact: Julie Taylor (julie.taylor@walsallcs.serco.com)

Purpose of the report: To inform the Schools Forum of the minor changes proposed to the 2012 School Finance Regulations.

Recommendation: To note the changes and their impact on the 2012-13 school budget setting process.

1. Introduction

1.1 As the Department for Education is not making any significant changes to the school funding system in 2012-13, there are only a few proposed changes to the regulations. These changes are intended to improve and speed up the school budget preparation process.

2. Minimum Funding Guarantee(MFG) Disapplications

2.1 In 2011-12 all proposals to disapply the MFG had to be approved by the Secretary of State, other than certain specified exemptions delegated to Schools Forums, see 2.2 below. For 2012-13 the Schools Forum will also be able to approve:

- exceptions that were unconditionally agreed by the Secretary of State in 2011-12; and
- factors that were consistently approved in 2011-12, that is Advanced Skills Teachers, SEN units funded on places and site/school specific factors where the school's circumstances have changed.

2.2 Other MFG exceptions that can be agreed locally are:

- an amount which replicates the cash value or formulaic calculation of any sum paid to the school as Diploma Formula Grant in an earlier funding period;
- the determination or redetermination of the budget shares of maintained nursery schools and nursery classes; and
- the continuation in 2012-13 of any approvals given by the Secretary of State in 2011-12, if appropriate.

2.3 The DfE has also provided information on the types of applications to disapply the MFG it received last year, and which of those were successful or not. MFG disapplications rejected related to major formula reviews or the mainstreaming of the Standards Fund grants where the changes instigated significant losses for individual schools. Applications which related to factors based on actual costs and where it made sense to enable funding to move around without major financial consequences were approved. There were also some conditional approvals which required the LA to make further changes, for example in relation to extended schools where distribution was likely to change significantly.

3. Pupil Premium for excluded pupils

- 3.1 The new regulations will say that where a pupil is excluded then the Pupil Premium funding will follow the pupil as well as the Age Weighted Pupil Unit (AWPU). Further clarity is required regarding how this will be applied to pupils moving between Academies and maintained schools.

4. Remission of Boarding Fees

- 4.1 A home local authority can pay the boarding fees for a registered pupil at a maintained boarding school. The current Education Bill will replicate this right for Academies. A specific category will be introduced within the central schools budget to accommodate any such expenditure.

5. Recommendations

- 5.1 The Schools Forum is asked to note the likely changes to the School Finance Regulations. The local authority will ask the DfE to clarify within the regulations the situation in respect of excluded pupils moving between a maintained school and an Academy.