

ROYAL BOROUGH OF WINDSOR & MAIDENHEAD SCHOOLS FORUM

Date:	25 March 2015		AGENDA ITEM: 06	
Title:	Update on 2015-16 DSG settlement and allocation of 2015-16 Schools Budget			
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1 SUMMARY

- 1.1 This paper sets out RBWM's expenditure plans for 2015-16 on services within the Schools Budget. It follows on from a paper to Schools Forum on 28 January notifying the provisional 2015-16 Dedicated Schools Grant Settlement (DSG) and other sources of funding in support of the 2015-16 Schools Budget. It confirms that planned expenditure will increase in 2015-16 by £4.278m overall compared with last year, with most of the additional expenditure being allocated to schools through the pre-16 funding formula. It also provides details of some of the budget pressures expected to take affect in 2015-16, as well as the budget savings and reallocations that are being made to help meet these additional costs within the overall funding envelope.
- 1.2 This paper also seeks Schools Forum approval for the specific central expenditure budgets where such approval is required by Schools Finance Regulations.

RECOMMENDATIONS

- 1.3 That Schools Forum agree the expenditure proposals in this paper and formally approve the planned central expenditure:
- within the Schools Block, set out in table 8 and 9.
 - for under 5s set out in table 10.

2 BACKGROUND

- 2.1 On 17th December, the EFA announced LAs' provisional 2015-16 DSG allocations. This included RBWM's High Needs Block funding allocation but not the deductions that are made for high needs pupils and places which are directly funded by the EFA, such as commissioned places in non-maintained special schools and post 16 high needs pupils. These deductions will be announced in March. In January, Schools Forum received a paper on the 2015-16 DSG December settlement. The first section of this paper follows on from this, and summarises the total funding available for distribution in 2015-16.
- 2.2 The second section sets out RBWM's plans for distributing the funding available across services within the Early Years, Schools and High Needs Blocks. Proposals take account of the funding required for schools' delegated budgets as determined by the finalised pre 16 mainstream funding formula submitted to the EFA in January 2015.
- 2.3 All funding allocations and planned expenditure figures quoted in this paper include academies and free schools (i.e. before recoupment by the EFA for academies).

3 FUNDING AVAILABLE FOR DISTRIBUTION IN 2015-16

DSG Settlement 2015-16 and funding in support of the Schools Budget

- 3.1 RBWM's indicative 2015-16 DSG settlement announced on 17 December and reported to Schools Forum in January confirmed RBWM's total DSG funding as £105.169m¹ (see table 1). A detailed breakdown is shown in **Annex A**.

Table 1: 2015-16 DSG funding December settlement	a+b+c	a	b	c	2014-15
	2015-16 Total £m	Schools Block £m	Early Years Block £m	High Needs Block £m	£m
2015-16 total DSG	105.169	81.334	7.782	16.053	101.068

- 3.2 An additional estimated £8.140m of other funding, mainly for post-16 pupils, is also available to support the Schools Budget (table 2), giving a total of £113.439m.

Table 2: 2015-16 total funding in support of Schools Budget	a+b+c	a	b	c	2014-15
	2015-16 Total £m	Schools Block £m	Early Years Block £m	High Needs Block £m	£m
2015-16 total DSG from table 1 (A)	105.169	81.334	7.782	16.053	101.068
Estimated reduction in Early Years funding due to reduction in pupils (para 3.3 and 3.4)	(0.216)		(0.216)		0
Estimated Post 16 funding (para 3.5)	9.500	9.257		0.243	8.745
Reimbursement for academy growth fund (para 3.6)	0.056	0.056			0
Estimated High Needs deductions (para 3.7)	(1.070)			(1.070)	(1.070)
DSG surplus applied	0				418
Subtotal (B)	8.270	9.313	(0.216)	(0.827)	8.093
2015-16 total (C = A+B)	113.439	90.647	7.566	15.226	109.161

Estimated reduction in early years funding (- £0.216m)

- 3.3 The EFA's December settlement identified an Early Years block allocation for three and four year olds of £7.782m. This was based on January 2014 pupil numbers of 1,631 and a funding rate of £4,248 per FTE. The finalised Early Years block allocation for 2015-16 will be adjusted for three and four year olds on the January 2015 census. Unconfirmed numbers from the census indicate a reduction if 51 pupils compared with last year, equivalent to £216k less funding.
- 3.4 As previously reported, two year old funding in 2015-16 will be based on actual pupil uptake rather than a fixed amount based on the EFA's estimate of eligible two year olds. The Early Years Block allocation in table 2 includes an amount of £0.782m based on RBWM's estimate of 250 FTE two year olds. This allocation will be adjusted either up or down depending on the whether uptake is more or less than estimated.

Post 16 Funding (+ £9.5m)

¹ The December Settlement figure announced by the EFA was £104.387m. We have also included an estimate of a further £0.782m two year old funding which was not part of the announcement. This estimate is based on expected numbers of eligible children and the EFA's published rate of £5.49 per hour, and brings the total DSG figure to £105.169m.

- 3.5 The EFA is responsible for calculating and notifying post-16 allocations. The figures shown in table 2 are based on 2014/15 academic year allocations. 2015/16 allocations will be notified later in March.

Reimbursement for academy growth fund (+ £0.056m)

- 3.6 The EFA reimburses LAs for allocations made to academies from the LA's central growth fund for basic need for the period April to March. RBWM's DSG allocation will be increased by £56k for the amount we are committed to pay to two academies for this period.

Estimated High Needs deductions (- £1.070m)

- 3.7 The EFA deducts funding for high needs pupils and places which are directly funded by the EFA. These include pre-16 high needs places in non maintained special schools, and academies, and post 16 high needs pupils in all settings. In 2014-15, £1.070m was deducted from RBWM's allocation. The budget assumes a similar deduction in 2015-16, but the EFA will announce final figures later in March.

Pupil Premium

- 3.8 The funding available for allocation in 2015-16 does not include pupil premium grant, except for £72k of the new Early Years Pupil Premium which is allocated as part of the DSG (see annex A). Indicative 2015-16 pupil premium allocations, reported to Schools Forum in January, show that around £3.4m will be allocated to schools through pupil premium.

Comparison of 2015-16 with 2014-15

- 3.9 Total funding in support of the Schools Budget in 2015-16 is £4.278m (3.9%) more in cash terms than the previous year (see table 3). Most of this increase is in the Schools Block, and relates to the 3.1% uplift in the DSG Schools Block unit rate of funding announced by the EFA in the summer under its "Fairer Schools Funding proposals", as well as increases in pupil numbers. The High Needs Block allocation is not driven by pupil numbers, but is based on levels of funding in the previous year. The increase of £0.222m reflects additional funding of £0.134m for general growth in high needs pupils, plus adjustments for the part year affect of growth allocated in September 2014 for pupils already now in the system. The Early Years Block has seen a reduction of £0.351m. This reflects the ending of a specific fixed term 'two year old capacity building allocation" (see paragraph 5.6) and an expected reduction in the number of three and four year olds attracting EY funding.

Table 3: Comparison of 2015-16 funding with 2014-15	Total £m	EY Block £m	HN Block £m	Schools Block £m
2015-16 total (from table 2) (A)	113.439	7.566	15.226	90.647
2014-15 total (for comparison) (B)	109.161	7.917	15.004	86.240
Change (A-B)	4.278	(0.351)	0.222	4.407

- 3.10 Local authorities (LAs) can move funding between the blocks provided that they comply with requirements on the Minimum Funding Guarantee (MFG) and have the agreement of Schools Forum on relevant central expenditure levels.

4 PLANNED 2015-16 EXPENDITURE

- 4.1 The next section of this paper outlines our 2015-16 budget allocations proposals and summarises the main changes from 2014-15.

Changes in planned expenditure compared with 2014-15

- 4.2 Baseline expenditure on schools, early years and high needs was £109.162m in 2014-15. Increases in schools block and high needs expenditure coupled with a reduction in early years mean that planned expenditure overall will increase by £4.278m (3.9%) overall in 2015-16 (see table 4), with £4.033m of this increase in the Schools Block.

Table 4: Changes in planned expenditure	Early Years £m	High Needs £m	Schools Block £m	Total £m
Baseline Expenditure 2014-15	7.643	15.696	85.823	109.162
Budget Increase / (decrease)	(0.117)	0.362	4.033	4.278
Planned expenditure 2015-16	7.526	16.058	89.856	113.440

- 4.3 £4.127m (96.5%) of this increase is delegated to schools and early years providers' in their delegated budgets shares (see table 5) and £0.151m to central budgets.

Table 5: Split between delegated and central budgets	Early Years £m	High Needs £m	Schools Block £m	Total £m
Increase / (decrease) in delegated budgets	(0.010)	+ 0.184	+ 3.953	+ 4.127
Increase / (decrease) in central budgets	(0.107)	+0.178	+ 0.080	+0.151
Total budget increase / (decrease)	(0.117)	+ 0.362	+ 4.033	+ 4.278

- 4.4 **Annex B** sets out how the £113.440m of planned expenditure (shown in table 4) will be allocated across service budgets in 2015-16, assuming Schools Forum approval where necessary, and shows how these budgets have changed compared with 2014-15. It uses the format required by the DfE for the statutory Section 251 Budget Statement.
- 4.5 A detailed breakdown of the budget changes is given in **Annex C**. Some of the budget changes require specific Schools Forum approval, and these are highlighted and discussed in section 5. In summary, the main movements relate to:

Schools Block

- Increase in schools' delegated budget shares as a result of the uplift in the pre-16 formula rates for AWPU and deprivation, changes in pupil numbers and pupil data, and an additional budget allocation required for the two new free schools. This accounts for £3.141m of the total increase.
- Increase of £0.811m in schools' delegated budget shares for post 16 pupils – funded by an increase in post 16 grant. This is based on a/y 2014/15 allocations and will be updated with a/y 2015/16 allocations when notified by the EFA.
- A new budget of £0.110m to pay for specialist educational placements for pupils on the edge of care.

High Needs

- Manor Green's budget takes account of an expected 8% year on year increase in its pupil numbers, to 230 funded places in September 2015. More pupils are also expected to be placed in the new Forest Bridge Special School from September. The additional overall cost of this growth in high needs places is around £0.9m.

- £0.581m of this additional budget requirement can be funded from a re-allocation of existing central high needs budgets without any significant detrimental affect on existing services. This reallocation is based on a revised assessment of expected commitments in 2015-16 for high needs pupils in mainstream settings and in independent and non maintained special schools. In part, this reduction in out-borough placement budgets reflects the greater availability of provision within the Borough.
- The funding for alternative provision in the Borough will remain the same as in 2014-15.

Early Years

- The net reduction in planned early years expenditure of £117k is a combination of fewer 3 and 4 year olds taking up the free entitlement and a reduction in expenditure on '2 year old capacity building' following the cessation of this fixed term funding from the EFA.
- There have been off-setting increases in expenditure due to the introduction of the early years pupil premium and an expected increase in the number of two year old taking the free entitlement.

Comparison of expenditure by funding block

- 4.6 Local authorities have flexibility to move funding between the DSG funding blocks, provided that they comply with requirements on the minimum funding guarantee (MFG) and have the agreement of schools forum or the Secretary of State on any increase in centrally held budgets where such approval is required under the regulations. (See section 5). In 2014-15, schools block and early years block funding totalling £692k was used to support expenditure on high needs pupils (table 6).

Table 6: 2014-15 difference between funding and expenditure	Early Years £000	High Needs £000	Schools Block £000	Total £000
Planned expenditure (A)	7,643	15,696	85,823	109,162
Funding (B)	7,918	15,004	86,240	109,162
Funding to / (from) other blocks (A-B)	(276)	692	(416)	0

- 4.7 Tables 3 and 4 above showed a £4.278m overall increase in funding for 2015-16 matched by a corresponding overall increase in planned expenditure. However, not all of the increase in Schools Block funding has been applied to Schools Block expenditure lines. £374k (8.4%) has been used to support the growth in expenditure on high needs and to meet anticipated commitments on early years pupils (see table 7). In September 2014, we consulted schools on retaining 10% of the additional Schools Block DSG funding for early years and high needs, delegating 90% to schools. Our expenditure plans are consistent with this proposal.

Table 7: Movement of additional 2015-16 between blocks.	Early Years £000	High Needs £000	Schools Block £000	Total £000
Increase / (decrease) in expenditure (table 4)	(117)	362	4,033	4,278
Increase / (decrease) in funding (table 3)	(351)	222	4,407	4,278
Additional funding allocated to / (from) other blocks	234	140	(374)	0

5 CENTRALLY RETAINED SERVICES

- 5.1 This section deals with planned central expenditure and seeks approval from Schools Forum to hold certain budgets centrally where approval is required.
- 5.2 Funding for some services can be centrally retained with the agreement of the Schools Forum provided that budgets are made available to recoupment academies on the same basis as maintained schools. A number of these services are subject to a limitation of no new commitments or increases in expenditure from 2014-15. Schools Forum approval is required each year to confirm the amounts on each line. Table 8 sets out which services can be retained centrally, what approval is required, and proposed budget changes for 2015-16²:

Table 8: Central expenditure lines and required approvals

	2014-15 £000	2015-16 £000	Change	Reason for change
No SF approval required				
High Needs Block provision	15,696	16,058	+ 362	See annex C.
Central licenses negotiated by the DfE (Annex C line 5)	52	98	+ 46	Addition of new licenses under the national copyright license arrangements.
SF approval required				
Funding for significant pre-16 pupil growth to meet basic need. (Annex C line 3)	562	480	(82)	Reduced budget requirement following change to 'growth fund criteria'. Unspent growth funding remaining at the year-end may be carried forward to the following funding period.
Places in independent schools or boarding fees at maintained schools for pupils without SEN (Annex C line 4)	0	110	+ 110	Cost of school placements including maintained boarding schools for pupils on the edge of care.
SF approval required, no increases in expenditure from 2014-15 allowed				
Admissions	277	277	0	No change
Schools Forum	46	46	0	No change
SF approval required, no increases in expenditure from 2014-15, and no new commitments allowed				
Contribution to combined budgets (see para 5.3)	268	268	0	No change

Combined budgets (Annex B line 1.4.1)

- 5.3 'Combined services budgets' are services funded partly from central expenditure and partly from other budgets of the LA, where spend relates to types of expenditure that are normally outside eligible Schools Block expenditure. Last year Schools Forum approved the use of £268k DSG funding to support expenditure on the services set out in table 9. 2015-16 proposals for these budgets remain the same as in 2014-15.

Table 9: Combined budgets			
Service	2014-15	2015-16	Comment
Contribution to discretionary education psychology services	£104	£104	Expenditure on non statutory psychology services for the benefit of pupils in schools.
Parent Partnership	£60	£60	Provision of Information and advice for families with children with SEND.
Early Help and Social Care in schools	£104	£104	Expenditure on early intervention social care support for pupils in school. In January 2015, Schools Forum agreed to carry

² The table only includes budget lines which are relevant to RBWM.

			forward the unspent 2014-15 budget for use in 2015-16. This will be in addition to the requested allocation of £104k for 2015-16. RBWM would risk losing this allocation for future years if approval is withheld. This is because no increases from the previous year are allowed.
Total combined budgets	£268	£268	

RECOMMENDATION

- 5.4 That Schools Forum approve the planned central expenditure on the services set out in table 8 and table 9.

Centrally Held Budgets in support of Early Years

- 5.5 Schools Forum approval is also required for central expenditure on Under 5s. Table 10 showed that planned total spend on early years is £7.526m in 2015-16. Of this amount, £7.423m is earmarked for the direct provision of the free entitlement for two, three and four years olds, and £103k is held centrally in support of early years functions.

Table 10: Planned expenditure on Early Years	2014-15 £000	2015-16 £000
3 and 4 year olds – nursery schools and classes	£2,085	£2,139
3 and 4 year olds - private, voluntary and independent	£4,642	£4,457
2 year olds – all providers	£706	£755
Early Years pupil premium	0	£72
Direct provision to 2, 3 and 4 year olds	£7,433	£7,423
Central expenditure on under 5s	£210	£103
Total planned expenditure on early years	£7,643	£7,526

- 5.6 As well as administration and support functions, the £103k central budget also includes expenditure for maternity cover, licenses, contingency for nursery schools, which is allocated through the pre 16 formula for mainstream schools and then de-delegated. De-delegation is not available to schools funded through the EYSSF. The reduction in the central budget reflects the removal of the £107k two year old capacity building budget (see annex C line 18).

RECOMMENDATION

- 5.7 That Schools Forum approve a budget of £103k for central expenditure on under 5s as shown in table 10.

2015-16 DSG Funding Settlement (December 2014) – notified to Schools Forum 25 January 2015

	Pupil count	Unit rate
Schools Block	17,968	£4,456 pp
New free schools	Funding transfer	
Early Years Block 3&4 year olds	1,631	£4,248 pp
Early Years Pupil Premium (estimated)	250	£0.51 ph
High Needs Block	Block allocation	
Additions for NQT Induction		
Total indicative DSG settlement (17 Dec 2014) (A)		

Post settlement adjustments (estimated)
2 year old free entitlement
2 year old capacity building
DSG settlement & Two Year old funding

Estimated deductions
2015-16 academy recoupment
High Needs places directly funded by EFA
TOTAL

2015-16 £m	Schools Block £m	Early Years Block £m	High Needs Block £m	2014-15 £m	Change £m
80.068	80.068			77.349	2.719
1.239	1.239			0	1.239
6.928		6.928		6.928	0
0.072		0.072		0	0.072
16.053			16.053	15.774	0.279
0.027	0.027			0.027	0
104.387	81.334	7.000	16.053	100.078	4.309

0.782		0.782		0.882	(0.100)
0		0		0.108	(0.108)
105.169	81.334	7.782	16.053	101.068	4.101

(27.756)	(27.756)			(23.294)	(4.462)
(1.100)			(1.100)	(1.100)	0
76.313	53.578	7.782	14.953	76.674	(0.361)

Indicative 2015-16 Schools Budget – Planned Expenditure and Funding

SCHOOLS BUDGET before Academy recoupment	2014-15 base- Finalised 2014-15 S251 v2 Jul 14				% of 2014 15 spend	Indicative 2015-16 Budget				Movement compared to 2014-15				% of 2015 16 spend
	Total 2014- 15 S251 v2 Jul 14 £m	Early Years Block £m	High Needs Block £m	Schools Block £m		2015-16 TOTAL Schools Budget £m	Early Years Block £m	High Needs Block £m	Schools Block £m	Movement compared to 2014-15 £m	Early Years Block £m	High Needs Block £m	Schools Block £m	
EXPENDITURE														
Delegated budget														
1.0.1 Individual Schools Budget - Pri & Sec Pre 16	75,604			75,604	69.3%	78,781	0	0	78,781	3,177	0	0	3,177	69.4%
1.0.1 Individual Schools Budget - Sec Post 16	8,446			8,446	7.7%	9,257	0	0	9,257	811	0	0	811	8.2%
1.0.1 Resource Unit Place funding Pri and Sec	320		320		0.3%	320	0	320	0	0	0	0	0	0.3%
1.0.1 Individual Schools Budget - Special Pre 16	1,850		1,850		1.7%	2,030	0	2,030	0	180	0	180	0	1.8%
1.0.1 Individual Schools Budget - Special Post 16	299		299		0.3%	243	0	243	0	(56)	0	(56)	0	0.2%
1.0.1 Individual Schools Budget - AP	240		240		0.2%	300	0	300	0	60	0	60	0	0.3%
1.0.1 Free education on 3 & 4 year olds (Schools)	2,085	2,085			1.9%	2,139	2,139	0	0	54	54	0	0	1.9%
1.0.1 Free education on 3 & 4 year olds (PVI's)	4,642	4,642			4.3%	4,457	4,457	0	0	(185)	(185)	0	0	3.9%
1.0.1 Early Years pupil premium	0	0			0.0%	72	72	0	0	72	72	0	0	0.1%
1.0.1 Spending on 2 year olds - new	706	706			0.6%	755	755	0	0	49	49	0	0	0.7%
De-delegated budget					0.0%									0.0%
1.1.1 Contingencies	80			80	0.1%	86	0	0	86	7	0	0	7	0.1%
1.1.2 Behaviour support services	96			96	0.1%	67	0	0	67	(29)	0	0	(29)	0.1%
1.1.7 Licences/subscriptions	20			20	0.0%	19	0	0	19	(1)	0	0	(1)	0.0%
1.1.8 Staff costs - supply cover	276			276	0.3%	264	0	0	264	(12)	0	0	(12)	0.2%
1.1.9 Staff costs - supply cover union duties	42			42	0.0%	42	0	0	42	0	0	0	0	0.0%
High Needs Budget					0.0%									0.0%
1.2.1 Top up funding - maintained providers	4,977		4,977		4.6%	5,558	0	5,558	0	581	0	581	0	4.9%
1.2.2 Top up funding - academies and free schools	485		485		0.4%	385	0	385	0	(99)	0	(99)	0	0.3%
1.2.3 Top up funding - independent providers	5,440		5,440		5.0%	5,082	0	5,082	0	(358)	0	(358)	0	4.5%
1.2.4 Additional high needs targeted funding for mainstream schools and academies	150		150		0.1%	150	0	150	0	0	0	0	0	0.1%
1.2.5 SEN support services	955		955		0.9%	955	0	955	0	(0)	0	(0)	0	0.8%
1.2.6 Hospital education services	43		43		0.0%	43	0	43	0	0	0	0	0	0.0%
1.2.7 Other alternative provision services	112		112		0.1%	118	0	118	0	6	0	6	0	0.1%
1.2.8 Support for inclusion	825		825		0.8%	874	0	874	0	49	0	49	0	0.8%
Early Years central budgets					0.0%									0.0%
1.3.1 Central expenditure on children under 5	210	210			0.2%	103	103	0	0	(107)	(107)	0	0	0.1%
Central Provision within Schools Budget					0.0%									0.0%
1.4.1 Contribution to combined budgets	268			268	0.2%	268	0	0	268	0	0	0	0	0.2%
1.4.2 School admissions	277			277	0.3%	280	0	0	280	3	0	0	3	0.2%
1.4.3 Servicing of schools forums	46			46	0.0%	46	0	0	46	0	0	0	0	0.0%
1.4.5 Carbon reduction commitment allowances	0			0	0.0%	0	0	0	0	0	0	0	0	0.0%
1.4.6 Capital expenditure from revenue (CERA)	0			0	0.0%	0	0	0	0	0	0	0	0	0.0%
1.4.8 Fees to independent schools without SEN	0			0	0.0%	110	0	0	110	110	0	0	110	0.1%
1.4.10 Pupil growth/ Infant class sizes	562			562	0.5%	480	0	0	480	(82)	0	0	(82)	0.4%
1.4.12 Exceptions agreed by Sec of State	0			0	0.0%	0	0	0	0	0	0	0	0	0.0%
1.4.13 Other Items	107			107	0.1%	158	0	0	157	50	0	0	50	0.1%
1.6.1 TOTAL SCHOOLS BUDGET (before Academy recoupment)	109,162	7,643	15,696	85,823	100%	113,440	7,526	16,058	89,856	4,279	(117)	362	4,033	100%

FUNDING

DSG Early Years Block	7,918	7,918			7,783	7,783	(136)	(136)
DSG Early Years - Post Dec Settlement	0				(217)	(217)	(217)	(217)
DSG High Needs Block	15,774		15,774		16,053		279	279
DSG High Needs Block - deductions	(1,070)		(1,070)		(1,070)		0	0
DSG Schools Block	77,376			77,376	81,334		3,959	3,959
DSG surplus applied	418			418	0	0	(418)	(418)
Allocation from DSG reserves	0				0	0	0	0
EFA Post 16 funding - Secondary	8,446			8,446	9,258	0	812	811
EFA Post 16 funding - Special	299		299		243	0	(56)	(56)
Recoupment for academy growth					56	0	56	56
TOTAL FUNDING	109,162	7,918	15,004	86,240	113,440	7,566	4,279	4,408

Budget changes in 2015-16 compared with 2014-15 base budget

Schools Block		Increase £000	Decrease £000	£000
Changes to delegated budgets				
1	Individual Schools Budget - uplift in pre 16 formula rates and pupil changes	3,141		3,141
2	Delegated funding for post 16 pupils	811		811
A	Subtotal delegated budgets (A)	3,952	0	3,953

Changes to central budgets				
3	Growth fund for basic need SF approval required.		(82)	(82)
4	Placement fees for pupils on the edge of being taken into care SF approval required	110		110
5	New national copyright licenses	46		46
6	Other adjustments	7		7
B	Subtotal central budget changes (B)	163	(82)	81

A+B	Total budget changes Schools Block	4,115	(82)	4,033
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Schools' delegated budgets for pre 16 pupils in primary and secondary schools has increased in 2015-16 by £3.141m from £76.117m to £79.258m. This increase is due to:

- The uplift in AWPU and deprivation rates following the 3.1% increase in RBWM's DSG Schools Block unit of funding.
- Additional budget required for the allocations to the two new free schools
- changes in pupil numbers and other pupil data.

Additional budget required for post 16 pupils based on the EFA's a/y 2014/15 allocations (funded by post 16 grant). Figures will be updated when the a/y 2015/16 allocations are notified.

The growth fund for basic need is for planned pre-16 school expansions. In October 2014, SF agreed changes to the eligibility and allocation criteria. These changes have resulted in an £82k reduction in the budget required for 2015-16, from £562k to £480k.

This is a new budget for pupils who have been placed or are expected to be placed in specialist schools, to prevent the pupil going into care. The budget is based on four pupils expected to be in such schools in September 2015. This budget is expected to increase to £295k by September 2022 if placements continued to be made at a rate of 2 per year.

The DfE procures a single national licence for all state-funded schools from a number of agencies, including the Copyright Licensing Agency and the Performing Rights Society. (See SF paper 28 Jan 2015). £46k is the additional cost to RBWM of the new licenses being added for 2015-16, from £52 to £98k.

Other minor adjustments.

High Needs Block		Increase £000	Decrease £000	Total £000
Changes to delegated budgets				
7	Growth in pre-16 places at Manor Green	180		180
8	Reduction EFA grant for post-16 places at Manor Green.		(56)	(56)
A	Subtotal delegated budgets (A)	180	(56)	124

Changes to central budgets				
9	Re-alignment of high needs top-up budgets		(165)	(165)
10	Increase in top-up for Manor Green	478		478
11	Contingency for additional high needs growth	245		149
12	Virtual school	40		40
13	Out-borough reduced requirement		(349)	(349)
14	Other adjustments		(11)	(11)
B	Subtotal central budget changes (B)	763	(525)	238

A+B	Total budget changes - High Needs	943	(581)	362
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Manor Green expects to have 230 pupils on roll in September 2015, 16 more than in September 2014. 180k is the cost of an additional 18 'annualised' pre 16 places (from 185 in 2014-15 to 203 in 2015-16) at £10k per place. Post 16 places are funded directly by the EFA.

The EFA will fund MG for post 16 places in 2015-16 based on the 24 pupils on roll in Sep 14. This results in a reduction in grant of £56k which is passed on to the school.

Around £2.174m was held centrally for allocating top-up funding to for high needs pupils in RBWM's mainstream schools, resource units, and FE colleges. Analysis of expenditure patterns in the last two years suggests that £165k can be released from these budgets for reallocation.

RBWM currently holds £1.974m for top-up funding at Manor Green. An additional £478k, based on current levels of need, is required to fund the top-up associated with the expected growth in pupils.

Forest Bridge is the new special school starting in Sep 2015. The EFA will fund places at the school directly, but RBWM will need to fund the top-up costs for any RBWM pupils at the school. A contingency of £245k is earmarked for further growth in pupils at Manor Green and Forest Bridge from September.

Realignment of budget earmarked for the Virtual school.

RBWM currently holds £4.962m for the education of high needs pre and post 16 pupils in independent and non maintained special schools. Analysis of known pupils, their costs, and projections for new pupils, suggests that £349k can be released for reallocation.

Other minor adjustments

Early Years		Increase £000	Decrease £000	Total £000
Changes to delegated budgets				
15	Early Years Pupil Premium	72		72
16	Increase in two year olds eligible for the free entitlement	49		49
17	Reduction in number of three and four year olds receiving free entitlement.		(131)	(131)
A	Subtotal delegated budgets (A)	121	(131)	(10)

Changes to central budgets				
18	End of two year old "capacity building" funding		(107)	(107)
B	Subtotal central budget changes (B)	0	(107)	(107)

A+B	Total budget changes - Early Years	121	(238)	(117)
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Total budget changes for 2015-16		5,179	(901)	4,278
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The EFA has notified RBWM of its indicative Early Years Pupil Premium based on an estimate of 238 eligible pupils (PTEs) (250 headcount) at just over £300 per pupil. Unlike other pupil premium allocations, EYPP will be included in DSG.

The cost of providing the free entitlement to an estimated 250 two year olds in 2015-16 at the rate of £5.30 per hour will be £755k, £49k over the amount in 2014-15 base budget.

The January 2015 Early Years census (unconfirmed) shows a reduction of 51 three and four year old pupils (PTEs) taking up the free entitlement compared to January 2014, from 1,631 to 1,580. This means that £131k can be released from the base budget for reallocation.

In 2013-14 and 2014-15 the EFA provided additional funding to help LAs promote and build capacity for the provision of the two year old free entitlement. This funding ceases in 2015-16. Expenditure is reduced accordingly.