



Schools Forum

Date: Monday 17th November 2014

Time: 4.00pm

Venue: Scrutiny Room

Everyone is welcome to attend this committee meeting.

Membership of the Forum

Secondary Sector Headteachers (1) Gillian Houghton

Secondary Sector Governors (2) Fergus Kilroy, Fiaz Riasat

Primary Sector Headteachers (4), Patricia Adams, Samantha Offord, Mike Cooke, vacancy

Primary Sector Governors (4) Stuart Wild, Angela Henry, Robin Pinner, John Janulewski

Special School Headteachers (1) Bernice Kostic.

Special School Governor (1) Phillip Massey

Academy Representative (5) Peter Mulholland, Andy Park, Liza Carr, Ian Fenn, Collette Plant

Pupil Referral Unit Representative (1) Helen McAndrew

Nursery School Representative (1) Mary Metcalf

Non-School Members (9) Amanda Corcoran, Councillor Stone, Harry Spooner, Steve Scott, Mary Hunter, Cath Baggaley, vacancy x 3

Agenda

1. Urgent business
To consider any items which the Chair has agreed to have submitted as urgent.
2. Appeals
To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.
3. Minutes
To approve as a correct record the minutes and notes of the meeting held on 29th September 2014 (enclosed).
4. Elections of Chair and Vice Chair and membership update – verbal report
5. DSG Schools Budget 2015/16
6. Section 251 Benchmarking
7. Schools Forum Constitution
8. Growth Fund criteria revision proposal
9. Date of next meetings :
 - 15th December 2014
 - 19th January 2015
 - 23rd February 2015
 - 18th May 2015
 - 15th June 2015
 - 13th July 2015
10. Any other business

Information about the Forum

Schools are represented on the Forum by headteachers and school governors, elected to reflect all categories of school. In Manchester; there are non-school representatives from the teacher associations; additional non-voting places are reserved for invited elected members and representatives of other interested bodies.

The Forum members work together to provide a clear consensus of professional advice to education decision-makers, to achieve a transparent deployment of available resources. The Forum provides a formal channel of communication between the Council and schools for consultation concerning the funding of schools, and aims to agree recommendations which present the best possible compromise between competing claims on limited resources; has strategic oversight of ALL funding decisions affecting schools, and is involved in annual consultation in respect of the Council's functions relating to the schools budget in connection with the following:

- pupils with SEN (Special Educational Needs)
- early years
- revisions to the Council's scheme for the financing of schools
- administration of central government grants to schools including Standards Funds
- arrangements for free school meals

The Forum must be consulted on any proposed changes to the Council's school funding formula, and the financial effects of any proposed changes.

Sir Howard Bernstein
Chief Executive
Town Hall, Albert Square
Manchester, M60 2LA

Further Information

For help, advice and information about this meeting please contact:

Carolyn Whewell

Tel: 0161 234 3011

Email: c.whewell@manchester.gov.uk

Manchester Schools Forum

Minutes of the meeting held on 29 September 2014

Present:

Members of the Forum

Secondary Sector Head Teachers: Ian Fenn (in the Chair)

Secondary Sector Governors: Fergus Kilroy

Primary Sector Head Teachers: Maureen Curley, Michael Cooke, Samantha Offord

Primary Sector Governors:

Special School Head teacher: Bernice Kostick

Special School Governor:

Academy Representatives: Andy Park, Elizabeth Fritchley

Pupil Referral Unit Representative: Helen McAndrew

Non-School Members: Harry Spooner, **Steve Marciniak**, Councillor Bernard Stone

Councillor Sheila Newman (Executive Member for Children's Services), Councillor Rabnawaz Akbar (Assistant Executive Member for Children's Services)

Council Officers:

Reena Kohli, Directorate Financial Lead, Children and Families

Richard Shirley, (Senior Finance Manager, Children and Families)

John Edwards, Director, Education and Skills

Ian Jones, Governance and Scrutiny Support Unit

Apologies: Liza Carr, John Morgan, PAT Adams, Mary Metcalf, John Janulewski, Mary Metcalf, Liza Carr, Helen McAndrew, Amanda Corcoran

FF/14/26 Meeting not Quorate

Only eight School Funding Forum Voting Members attended, and as the Constitution requires there to be a minimum of nine Voting Members to be present at the start of the meeting, the meeting was not quorate and therefore no formal business was conducted by the Forum, and no decisions taken.

Notes Taken

Manchester Schools Forum

Notes of the meeting held on 29 September 2014

Present:

Members of the Forum

Secondary Sector Head Teachers: Ian Fenn (in the Chair)

Secondary Sector Governors: Fergus Kilroy

Primary Sector Head Teachers: Maureen Curley, Michael Cooke, Samantha Offord

Primary Sector Governors:

Special School Head teacher: Bernice Kostick

Special School Governor:

Academy Representatives: Andy Park, Elizabeth Fritchley

Pupil Referral Unit Representative: Helen McAndrew

Non-School Members: Harry Spooner, Steve Marciniak, Councillor Bernard Stone, Councillor Sheila Newman (Executive Member for Children's Services), Councillor Rabnawaz Akbar (Assistant Executive Member for Children's Services)

Council Officers:

Reena Kohli, Directorate Financial Lead, Children and Families

Richard Shirley, (Senior Finance Manager, Children and Families)

John Edwards, Director, Education and Skills

Ian Jones, Governance and Scrutiny Support Unit

Apologies: Liza Carr, John Morgan, PAT Adams, Mary Metcalf, John Janulewski, Mary Metcalf, Liza Carr, Helen McAndrew, Amanda Corcoran

FF/14/26 Meeting not Quorate

Only eight School Funding Forum Voting Members attended, and as the Constitution requires there to be a minimum of nine Voting Members to be present at the start of the meeting, the meeting was not quorate and therefore no formal business was conducted by the Forum, and no decisions taken. The Forum subsequently discussed in general terms the Agenda Items which will be brought back to the 17 November 2014 meeting.

➤ **Agenda Item 3**

The Forum Members noted the previous meeting minutes.

➤ **Agenda Item 4**

Reena Kohli who is the Children and Families Directorate Lead presented a DSG Schools Budget 2015/16 report to Forum Members. Reena advised that:

Local authorities receive funding for education and educational establishments through a number of grants, including Dedicated Schools Grant (DSG), Pupil Premium and Education Services Grant. DSG funds a variety of educational

establishments and services, including mainstream schools, special schools, early years provision and alternative provision (such as Pupil Referral Units). This funding is provided in two stages: first, the government provides the grant to a local authority, then the authority distributes the grant to the local educational establishments.

It will remain for the Local Authority, working with the Schools Forum, to decide how best to design Manchester's local school formula in order to meet local circumstances. Local authorities will have the same level of limited freedom to set local formulae for their schools in 2015/16 as they did in 2014/15, with the exception of the minor revision to the sparsity factor, this factor is not applicable to Manchester. Manchester is currently not proposing to change the 2015/16 schools block formula.

The Forum members further discussed this agenda item.

➤ **Agenda Item 5**

Reena Kohli who is the Children and Families Directorate Lead presented a Water Charges report to Forum Members. Reena advised that:

Schools Forums generally have a consultative role, working in partnership with the Council to gain a shared understanding of the priorities, issues and concerns of schools and the local authority. This report has been scheduled for discussion at the Schools Forum as it affects all schools in Manchester.

Benchmarking data is available to allow all schools to compare their financial data to other schools. A local authority based in the North West has recently highlighted notable regional differences in the amount paid by schools for water and sewerage, according to consistent financial reporting (CFR) data. The Council is currently working with other local authorities in the North West to understand whether there is a justifiable reason for high water charges in the region or whether there needs to be a change in the basis of water charges in the area to be aligned with the rest of the country.

It is recommended that Schools Forum support the Council in pursuing this matter on behalf of all schools in Manchester.

The Forum members further discussed this agenda item.

➤ **Agenda Item 6**

Richard Shirley, who is the Children and Families Directorate Senior Finance Manager presented a business case for additional funding for Gorton Mount Primary Academy to Forum Members. Richard advised that:

The aim of this business case is to demonstrate that the lag in GAG funding is having a detrimental impact on school funding at Gorton Mount Primary Academy (GMPA), an Academy that is expanding to meet basic need as requested by, and agreed with, Manchester City Council (MCC) in 2010.

The requested expansion was for GMPA to increase from two form entry to three

form entry. This has continued and currently there are three classes from reception to Year 3 and this will extend to Year 4 in September 2014.

At the time the expansion was agreed, GMPA was a state maintained school and funding was calculated based on January census data. The financial year ran from April to March, therefore the lag in funding was only ten weeks. In addition, funding was more accurately calculated because pupil numbers in January are more precise considering staggered admissions into Nursery and Reception during the autumn term.

The Forum members further discussed this agenda item.

➤ **Agenda Item 7**

Reena Kohli who is the Children and Families Directorate Lead updated the Forum Members on the current membership.

The Forum members further discussed this agenda item.

➤ **Agenda Item 8**

The Forum Chair referred the Forum Members to the dates which have been set for the next seven consecutive meetings.

➤ **Agenda Item 9**

The Forum Members discussed the current Constitutional Arrangements in light of recent changes and the meeting not being quorate. The quorum rule is 40% or 2/5ths of the actual membership as per Section 8 (3) of The Schools Forums (England) Regulations 2012. Forum Members felt that it would be helpful to specify at the side of an agenda item who is eligible to vote and how many Forum Members were needed for the vote to be valid. Reena Kohli is looking into this matter with Governance and Scrutiny and an update will be provided at the next meeting.

The Forum members further discussed this agenda item.

**Manchester City Council
Report for Resolution**

Report to: **Schools Forum – 17th November 2014**

Subject: **Dedicated Schools Grant - 2015/16**

Report of: Head of Finance - Directorate for Children and Families

Summary

The 2015/16 Dedicated Schools Grant (DSG) settlement from the Department for Education will be published week commencing the 15th December. The anticipated funding levels in the three DSG funding blocks – Schools, Early Years and High Needs are set out in the report.

The Local Authority will review the DSG budget following December's confirmation of the updated pupil data and DSG settlement. The final schools funding formula will be considered at the January 2015 School Forum meeting following December's settlement. This report seeks key approvals to the proposed 2015/16 DSG budget so that work can progress on calculating school budgets for next year.

Recommendations

- 1) Schools Forum are asked to note the annual redistribution of Early Years Block funding formerly used to fund the targeted full time early years funding (£10m) back to primary schools in the Schools Block funding formula for primary schools.
- 2) In accordance with the Forum powers, maintained school Primary and Secondary School members are asked to approve de-delegation for the following item:
 - Trade Union Duties (£278k which at current pupil levels equates to £6.59 per school aged pupil – para 3.2)
- 3) The Local Authority intends to retain the following budgets at 2013/14 and 2014/15 budget levels (para. 3.07-3.11). All Schools Forums members are asked to confirm the amount on each line:
 - Admissions team £1,582k – Budget for Admissions Team
 - Schools Forum £5k - Associated cost of operating Forum
 - Capital Expenditure from Revenue £737k
 - SEN transport costs £500k
- 4) The Local Authority seeks permission to centrally retain the following budget, all School Forum members are asked to approve this (para: 3.12)
 - Growth Fund £2.5m

Contact Officers:

Name: Reena Vandhna Kohli
Position: Directorate Lead Children and Families Finance
Telephone: 0161 234 4235
E-mail: r.kohli@manchester.gov.uk :

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

1. INTRODUCTION

- 1.1 The Education Funding Agency (“EFA”) published in August 2014 “Schools Revenue Funding 2015 to 2016 Operational Guide”. The aim of this document was to inform Local Authorities of all the actions they need to take to ensure their schools funding formula is compliant.
- 1.2 DSG is made up of three blocks: Schools Block, Early Years Block and High Needs block. In order to set budgets early in 2015 the LA requires a number of decisions from Forum.
- 1.3 The LA is not seeking to change any of the funding formula for: schools, early year’s providers or specialist providers. It does however require decisions on: permission to vary pupil numbers in the Schools Block formula and setting of Growth Fund budget. It also requires Forum to confirm that the level of certain DSG budgets the Local Authority holds has not changed since 2013/14.
- 1.4 Schools Block - There are very few DfE directed changes for 2015/16. The School Block changes are mainly around ‘sparsity’ which only applies to very rural areas and areas such as amalgamating schools which does not apply to Manchester currently. The local formula is compliant with current DSG formula funding requirements and the Local Authority does not feel it needs to propose any formula changes for 2015/16, given the Government has committed to further reform from 2016/17 onwards.
- 1.5 Early Years - The Local Authority is not seeking to make any changes to the Early Years funding formula. This report provides an update on the Early Years pupil premium which will be funded from DSG.
- 1.6 High Needs - The Local Authority has submitted a business case for additional funding. This block is static and without the additional funding the LA will not be able to adequately meet the increased need for High Needs places in the City.

2. DEDICATED SCHOOLS GRANT 2015/16

- 2.1 This funding is provided in two stages: first, the government provides the grant to a local authority, and then the authority distributes the grant to the local educational establishments.
- 2.2 2015/16 DSG funding to LA in 2015/16 will be calculated as follows :
- Schools block – funded through schools Guaranteed Unit of Funding (GUF) **£5,088.30** multiplied by October 14 pupil numbers.
 - Early Years block – funded through early years GUF **£5,822.91** multiplied by January 2014 free entitlement take up but revised in 2015/16 for January 2015 take up plus 2 year old offer funding based on level of take-up of offer. Early Years Pupil Premium of up to £300 per eligible pupil will be allocated next financial year.
 - High Needs block – likely to be cash frozen at 2014/15 level.
- 2.3 There is an anticipated change in the DSG allocation between 2014/15 and 2015/16 of 22m. This is a result of pupil growth attracting additional funding of £5.6m to the City, an additional £20m resulting from non-recoupment academies being changed to recoupment academies, 2 year offer funding is estimated to reduce to £4.2m due to allocation changing from DfE estimates to take-up rates and estimated Early Years Pupil Premium of £0.9m. The in-year Early Year adjustment for next year has not been estimated at this stage. The key expected movements are shown below:

<u>Dedicated Schools Grant 2015/16</u>	£m
DSG 2014/15	418.303
Schools Block	
Estimated pupil number increase	5.60
Non recoupment Academies change to Recoupment Academies	20
Early Years Block	
Reduction in 2 year old participation funding	-4.2
Early Years Pupil Premium	0.888
Early Years in-year adjustment 2014/15	-0.233
	440.355
Estimated DSG increase	22.052

- 2.4 Most, if not all of the additional allocation will be going out to schools and provider budget shares.

Schools Block – currently £312m

- 2.5 The Education Funding Agency budget timetable for 2015/16 is similar to 2014/15, whereby school formula information needed to be submitted to EFA by 31st October 2014 and cannot be changed after this date, subject to refinement of formula unit values. The LA will receive initial October 2014 pupil census data from DfE in December 2014 and it is expected that the final 2015/16 school budget return will need to be submitted to Education Funding Agency mid-January 2015.
- 2.6 When calculating the budgets of new and growing schools the LA may seek to base pupil numbers on estimates instead of using October 2014 census figures. The LA could seek permission to vary pupil numbers in a number of new schools funding formula, Forum is reminded that the Schools Block funding at LA level will be based on October 14 census. Any variation therefore creates a pressure on DSG. Approval to vary pupils number at institution level in new schools will be discussed in December's or January's Schools Forum.

Early Years Block – currently £43m

- 2.7 In December 2013 the Council's Executive agreed that from September 2014 the funding currently passed to schools to fund the additional 10 hours for full-time nursery places will remain within school budgets and be distributed based on deprivation indicators relating to pupils in individual schools. This will enable schools to continue to invest this funding in the provision of full-time nursery places which will be in addition to the free entitlement to 15 hours per week to which all three and four year olds are entitled to.
- 2.8 Schools Forum School Members are to note annual redistribution of Early Years Block funding formerly used to fund the targeted full time early years funding (£10m) back to primary schools in the Schools Block funding formula.
- 2.9 The Government is introducing an Early Years Pupil Premium (EYPP) for disadvantaged three and four year olds from April 2015. In 2015/16, £50m has been committed to fund this programme nationally. At this stage it is expected that the City will be allocated £0.888m Early Years Pupil Premium.

High needs funding 2015-16 - currently £63m

- 2.10 The initial place numbers that are used for allocating high needs funding are the published numbers for 2014/15. Manchester is one of the 113 LAs that have put in a case for additional funding for significant changes in places given existing ever growing need for high need places. The LA is expecting the decision on the business case in mid-December. In line with DfE guidance the business case is for additional place funding, the LA will need to find capacity within the current High Needs budget for the top-up of the proposed

additional places; this is estimated to total £1.5m.

- 2.11 The LA is reviewing high needs budgets and in order to create the capacity for additional high needs places and to manage other High Needs block pressures. At this stage the Forum is asked to note the transfer of Pre School Special Needs budget of £331k in the High Needs Block to the Early Years Block. The Local Authority believes there is capacity within the Early Years Block contingency to accommodate this transfer. The Local Authority will reduce the Early Years contingency budget as a result of this change.

3. DE-DELEGATION AND CENTRAL SERVICES BUDGET CONTINUATION APPROVAL

- 3.1 The Local Authority seeks approval on a number of DSG budgets held centrally. No changes are planned on the centrally retained budgets for Early Years and High Needs.

De-delegation - £279k - £6.59 per pupil

- 3.2 The LA is seeking the Forum (primary and secondary representatives only) approval to de-delegate the following budget in respect of primary and secondary schools only. The Local Authority will also offer this service on a traded basis to academies.

Trade Union Facility Arrangements

- 3.3 Facilities time is provided for specific Trade Unions representatives to represent staff in other schools and academies where required and cover for these representatives are reimbursed to the employing school through this budget. This covers the support of staff at all levels of seniority and includes representatives for a range of teaching and support staff from Trade Unions. Based on current academy conversions and estimated October 14 pupil numbers, this equates to a budget of £279k, which equates to approximately £6.59 per pupil.
- 3.4 Currently eleven academies purchase this SLA, this generates just over £35k and has been used to off-set the current overspend. Currently the projected £22k overspend will need to be charged to next year's TU facilities arrangements budget.
- 3.5 The LA is reviewing this area of the budget and is working with the relevant unions in order to manage any pressures in this area.
- 3.6 Primary and Secondary School Forum members are asked to approve the de-delegation of the Trade Union budget; approval is required at a phase level.

Centrally Retained School Block Budgets

- 3.7 Other than the de-delegated budget LAs needs to seek approval from Forum to retain funding at current levels. Forum is asked to confirm that the following budgets can be retained at 2013/14 and 2014/15 budget levels:
- Admissions team £1,582k – Budget for Admissions Team
 - Schools Forum £5k - Associated cost of operating Forum
 - Capital Expenditure from Revenue £737k
 - SEN transport costs £500k
- 3.8 The Admissions team has historically been charged to centrally retained DSG. This servicing of Schools Forum comprises the budgets for support for the Schools Forum by LA officers plus venue costs.
- 3.9 Capital expenditure from revenue relates to historic DSG commitments to PFI schemes (Temple and Wright Robinson) and unsupported borrowing against school capital schemes.
- 3.10 In the past Forum approved LA recommendation to retain £0.5m contribution to SEN transport from DSG as the rise in High Needs population has led to further pressures on Home to School Transport budget.
- 3.11 School Forum School members are asked to approve that these budgets can be centrally retained before allocating formula, there are no new commitments or increases in the budget level from 2014/15.
- 3.12 The LA is also seeking to retain the Growth Fund budget. As per 2014/15 the LA seeks Forum approval of revenue funding required for 2015/16 place pressures, this will cover temporary accommodation and teaching costs. Due to the ever increasing pressure on school places the LA may also seek to commit any underspend to this budget if any capacity emerges in other centrally retained DSG budgets.

4. CONCLUSION AND RECOMMENDATIONS

- 4.1 The next stages of reforms for 2015/16 are not as significant as last year but may cause some changes in budgets for individual schools.
- 4.2 Schools Forum School Members are asked to agree the annual redistribution of Early Years Block funding formerly used to fund the targeted full time early years funding (£10m) back to primary schools in the Schools Block funding formula.
- 4.3 In accordance with the Forum powers, maintained school Primary and Secondary School members are asked to approve de-delegation for the following item:

- Trade Union Duties (£278k which at current pupil levels equates to £6.59 per school aged pupil – para 3.2)

4.4 The Local Authority intends to retain the following budgets at 2013/14 and 2014/15 budget levels (para. 3.07-3.11). All Schools Forums members are asked to confirm the amount on each line:

- Admissions team £1,582k – Budget for Admissions Team
- Schools Forum £5k - Associated cost of operating Forum
- Capital Expenditure from Revenue £737k
- SEN transport costs £500k

4.5 The Local Authority seeks permission to centrally retain the following budget, all School Forum members are asked to approve this (para 3.12):

- Growth Fund £2.5m

Appendix one

Centrally Retained DSG budgets – Schools Forum approvals:

Can be centrally retained before allocating formula with agreement of Schools Forum:

- Funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy
- Funding to enable all schools to meet the infant class size requirement
- Funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years (see Annex 5)
- Back-pay for equal pay claims
- Remission of boarding fees at maintained schools and academies
- Places in independent schools for non-SEN pupils

Can be centrally retained before allocating formula but no increases in expenditure from 2014-15 (schools forum approval is required to confirm the amounts on each line):

- Admissions
- Servicing of schools forum

Can be centrally retained before allocating formula but no new commitments or increases in expenditure from 2014-15 (schools forum approval is required to confirm the amounts on each line):

- Capital expenditure funded from revenue (ie no new projects can be charged to the central schools budget)
- Contribution to combined budgets
- Existing termination of employment costs (i.e. no new redundancy costs can be charged to the central schools budget)
- Schools budget funded prudential borrowing costs
- Schools budget funded SEN transport costs

**Manchester City Council
Report for Resolution**

Report to: **Schools Forum – 17th November 2014**

Subject: **Benchmarking**

Report of: Head of Finance - Directorate for Children and Families

Summary

In considering the Schools Budget, schools' forums are expected to consider benchmarking data concerning its Local Authority (LA). The latest benchmarking information published by the DfE on planned expenditure by LA's is based on 2014/15 Section 251 Budget Statement.

This report outlines the DfE budget data collection return and provides a summary of the current benchmarking information produced by the DfE from returns submitted by each local authority.

Recommendations

Forum Members are asked to note and comment on the contents of the report.

Contact Officers:

Name: Reena Vandhna Kohli
Position: Directorate Lead Children and Families Finance
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Name: Richard Shirley
Position: Senior Finance Manager (School Funding)
Telephone: 0161 234 1463
E-mail: r.shirley@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

1. INTRODUCTION

- 1.1 Prior to the start of the financial year all councils are required to publish a statement showing their planned expenditure on children's services. The statement is prescribed by the DfE and requires councils to set out in a common format their planned spending on children's services for the forthcoming financial year.
- 1.2 Since 2003/04 this has enabled the DfE to publish comparative information. The latest S251 benchmarking information was published by the DfE in September 2014 and is available at:
<https://www.gov.uk/government/publications/local-authority-benchmarking-tables-2014-to-2015>

2. SECTION 251

- 2.1 Electronic copies of the benchmarking data from LA Table of S251 are attached at appendices A and B of the School Forum reports.
- 2.2 The Schools Forum's principal role is to focus on the use of the Dedicated Schools Grant, i.e. those lines up to 1.6.1 or Column 36. The other budget lines and columns beyond that will nevertheless be of interest to the Schools Forum, because they support schools and, more broadly, children's services across the City.
- 2.3 This report looks mainly at Manchester's geographical and statistical neighbours, due to the similar characteristics and proximity of these Councils. The report considers the key statistics within S251 and highlights a number of key issues relating to them.
- 2.4 When analysing the data, the DfE have provided median figures when calculating the average, rather than the mean. The median is less sensitive to extreme values than the mean, and is therefore often used for benchmarking.
- 2.5 Council spend relates to all children living in the Authority area, figures provided are per capita, not per pupil. Capita figures vary from dataset to dataset, but generally include all pupils aged 3 – 19 when analysing school only services, and total population aged 0 – 19 when analysing services provided to any child in the authority area.

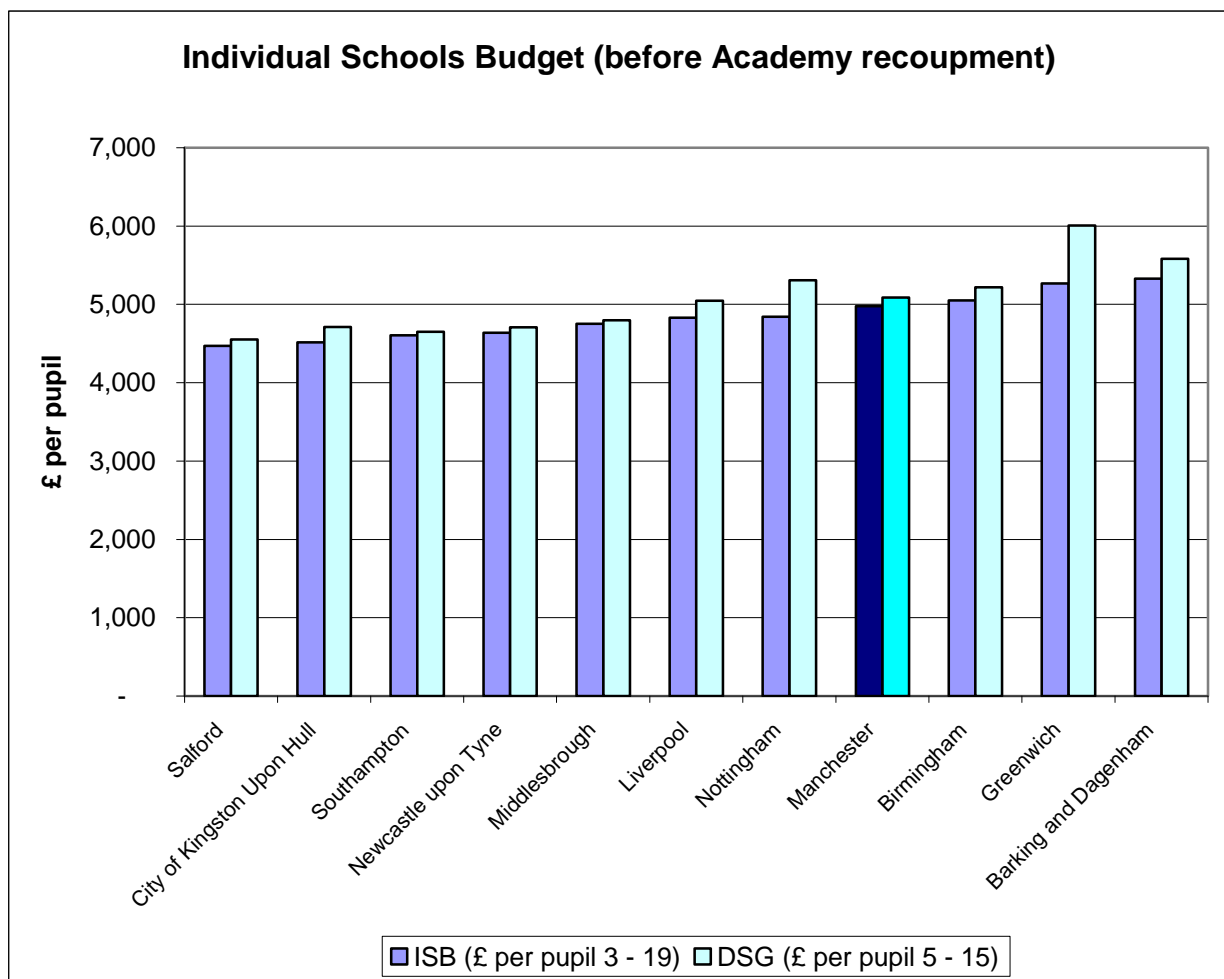
3. COMPARISON TO STATISTICAL NEIGHBOURS

- 3.1 Manchester has 10 statistical neighbours, chosen based on population, as follows:
- Barking and Dagenham
 - Birmingham
 - City of Kingston Upon Hull
 - Greenwich
 - Liverpool
 - Middlesbrough

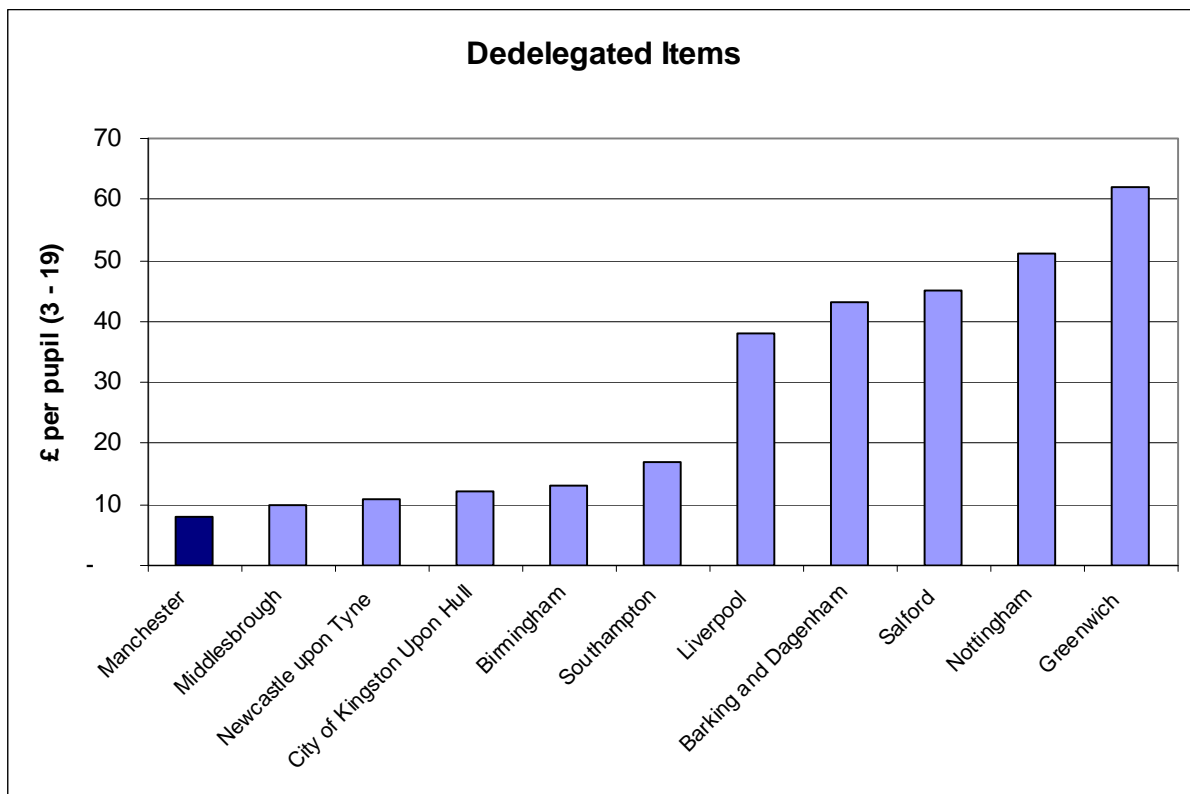
- Newcastle upon Tyne
- Nottingham
- Salford
- Southampton

3.2 In 2013/14 Manchester City Council delegated more per capita to mainstream and special schools through the individual schools budget than any other statistical neighbour excepting Barking and Dagenham – a London Borough. In 2014/15 Manchester has delegated the fourth highest ISB per capita (behind Barking, Greenwich and Birmingham). In 2013/14 Manchester coded all special school budgets to this line item in S251. In 2014/15 this has been corrected to include only the place funding for special schools. The top up element of special school budgets is now – correctly – coded to the high needs budget. This also explains the previously low high needs budget comparison in 2013/14.

3.3 For information the allocated School Block DSG per pupil is included next to the ISB figure. This is not an exact match, as special school budgets are not funded through this per pupil allocation, but can give an indication of the trend of the chart.
(In all following charts Manchester will appear as the darker blue bar).

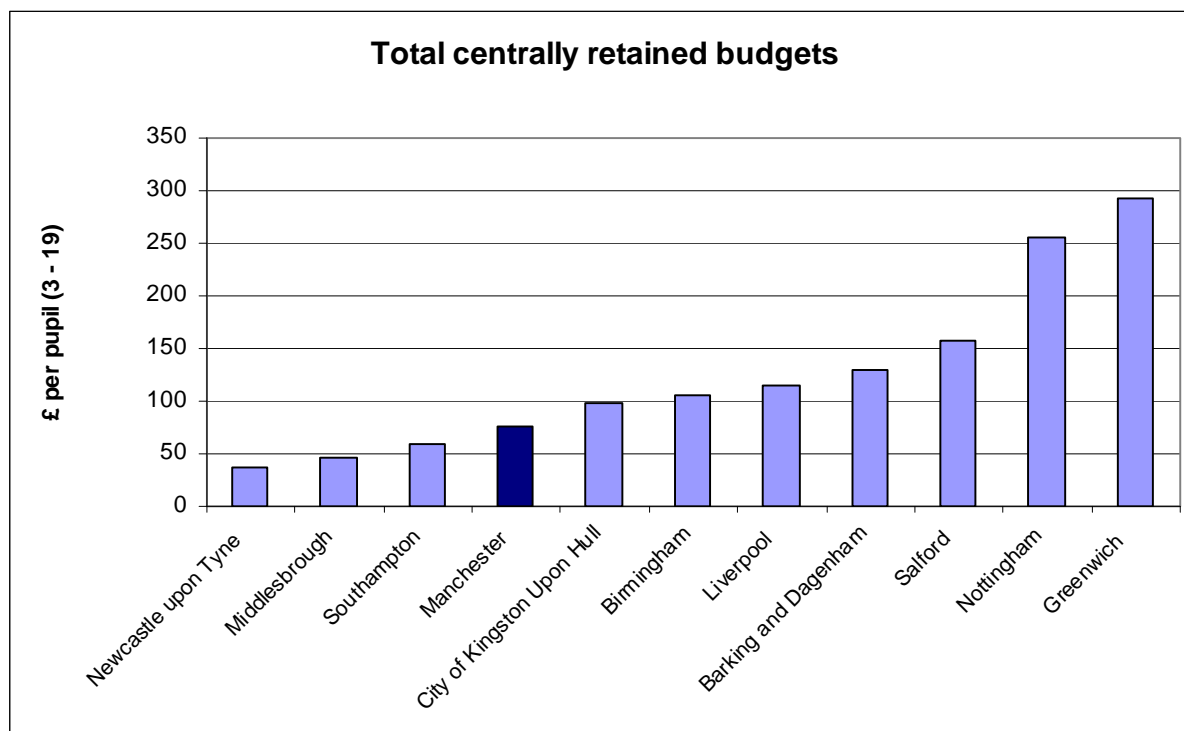


- 3.4 Under the new school funding arrangements it is the Government's intention to achieve maximum delegation of funding to schools, meaning that only in exceptional circumstances should funding be held centrally by the LA for the provision of central education services. In addition, schools can agree to return funding delegated to them to provide some services centrally; this is termed de-delegation. De-delegation takes place after calculation of the formula but before the budget has been provided to the school. It has the effect of giving money back to the LA to provide for some services centrally.
- 3.5 The DfE prescribes which services can be de-delegated. De-delegation is not an option for academies, special schools, nurseries or PRUs. With this in mind only those members from the primary and secondary sector can agree items to be de-delegated. Decisions can be taken by each sector (i.e. primary or secondary) but must relate to all schools in that sector.
- 3.6 As in 2013/14, Manchester de-delegates less funding per capita from maintained schools when compared to statistical neighbour authorities. In 2013/14 two statistical neighbours (Barking and Dagenham and Middlesbrough) did not de-delegate budgets from maintained schools. In 2014/15 these authorities de-delegate £43 and £10 respectively.



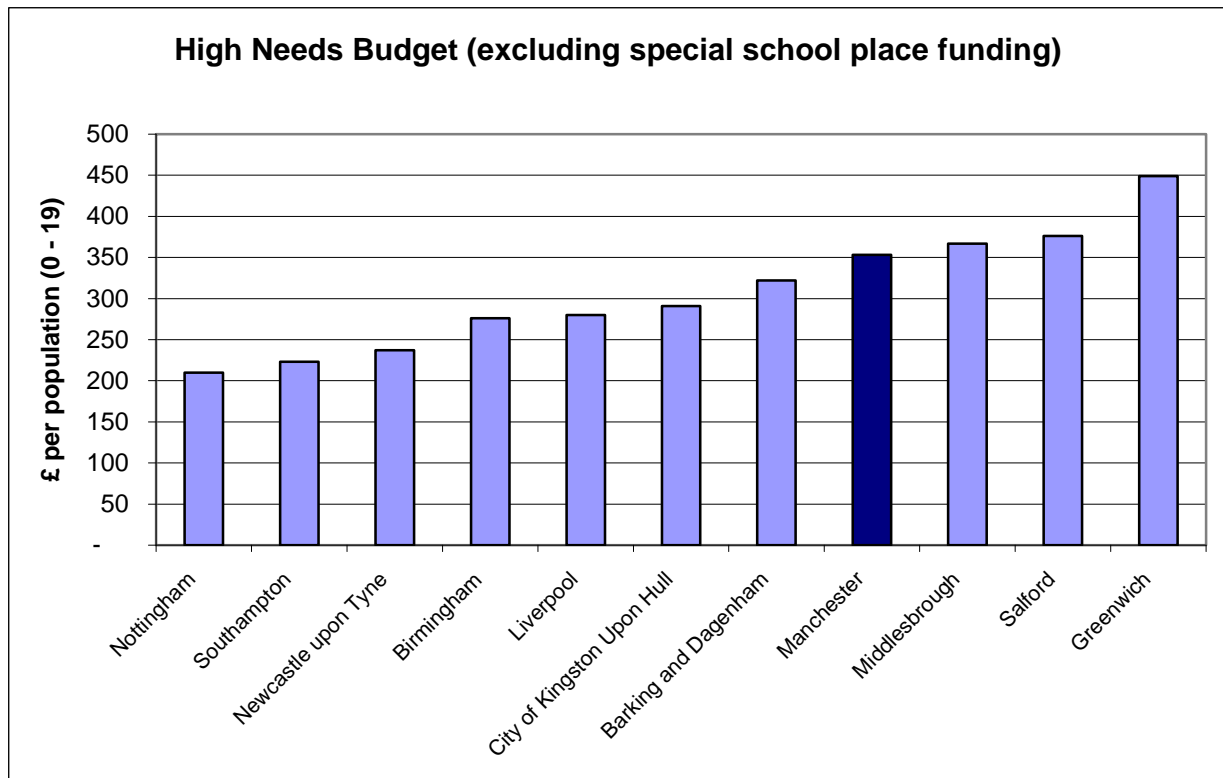
Dedegated budgets (detail – to nearest whole pound)	Contingencies	Behaviour support services	Support to UPEG and bilingual learners	Free school meals eligibility	Insurance	Museum and Library services	Licences / subscriptions	Staff costs – supply cover excluding facility time	Staff costs – supply cover for facility time
Barking and Dagenham	£33	-	-	£1	-	-	-	-	£8
Birmingham	£8	£3	-	-	-	-	-	£3	-
City of Kingston Upon Hull	£12	-	-	-	-	-	-	-	-
Greenwich	£36	£16	-	£3	-	-	£4	-	£3
Liverpool	£5	£7	£13	£3	-	-	-	£7	£3
Manchester	-	-	-	£1	-	£2	-	-	£5
Middlesbrough	-	-	-	£1	-	-	£7	-	£1
Newcastle upon Tyne	£3	£2	-	£2	-	-	£1	-	£4
Nottingham	£11	£22	£10	-	-	-	£1	-	£6
Salford	£5	£2	£14	£2	-	-	-	£22	£1
Southampton	£14	-	-	-	-	-	-	-	£3

3.7 Centrally retained School Block budgets are resource held centrally either by direction of DfE, by virtue of previous historic agreement or subsequent agreement with Forum prior to allocation through school funding formula.



Centrally retained School Block budgets (detail)	Contribution to combined budgets	School admissions	Servicing of schools forums	Termination of employment costs	Falling Rolls Fund	Capital expenditure from revenue	Prudential borrowing costs	Fees to independent schools without SEN	Equal pay - back pay	Pupil growth/ Infant class sizes	SEN transport	Exceptions agreed by Secretary of State	Other Items	Other Specific Grants
Barking and Dagenham	£31	£13	£2	-	-	-	-	-	-	£76	£5	£2	-	-
Birmingham	£73	£8	£1	-	£3	-	-	-	-	£18	-	-	£2	£1
City of Kingston Upon Hull	£16	-	£1	£5	-	-	£15	-	£4	£47	£11	-	-	-
Greenwich	£79	£17	-	£13	-	£90	£30	-	-	£52	£9	-	£2	-
Liverpool	£55	£7	-	£3	-	£47	-	-	-	-	-	-	£3	-
Manchester	-	£22	-	-	-	-	£10	-	-	£35	£7	-	£2	-
Middlesbrough	£13	£12	£2	£11	-	£5	-	-	-	-	£2	-	£2	-
Newcastle upon Tyne	£26	£9	-	-	-	-	-	-	-	-	-	-	£2	-
Nottingham	£95	£16	£1	£39	-	£37	£8	-	-	£18	£24	-	£18	-
Salford	£102	£5	£1	£4	-	-	-	-	-	£43	-	£1	£1	-
Southampton	£20	£14	-	-	-	-	-	-	-	£24	-	-	£2	-

3.8 In 2013/14 the S251 centrally retained high needs budget figures did not include special school budgets, as these were included in the ISB figures. In 2014/15 commissioned place funding at special schools has been included in the ISB, but top up pupil funding has been included in the high needs budget figures. This explains Manchester's relatively low high needs budget funding levels in 2013/14. In 2014/15 Manchester delegates the fourth highest per capita budget of our statistical neighbours.



3.9 Other budgets:

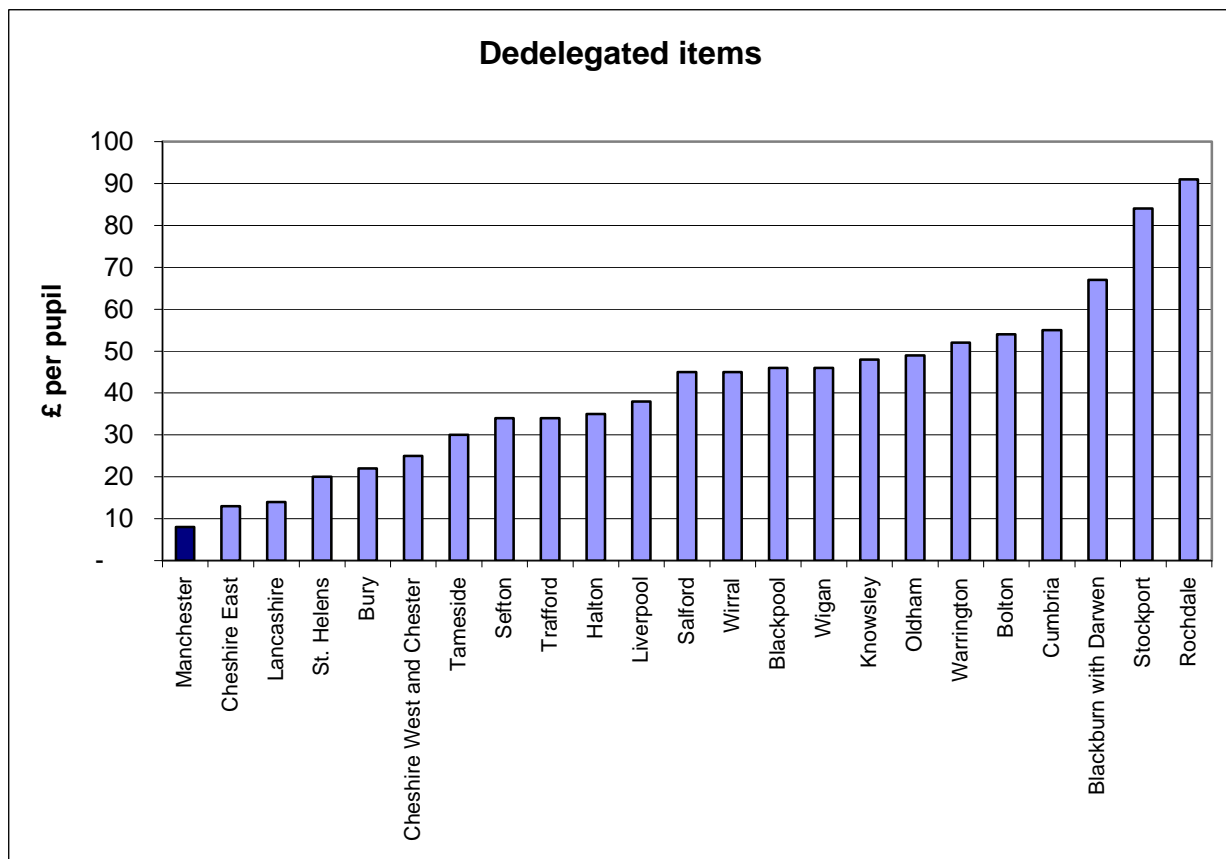
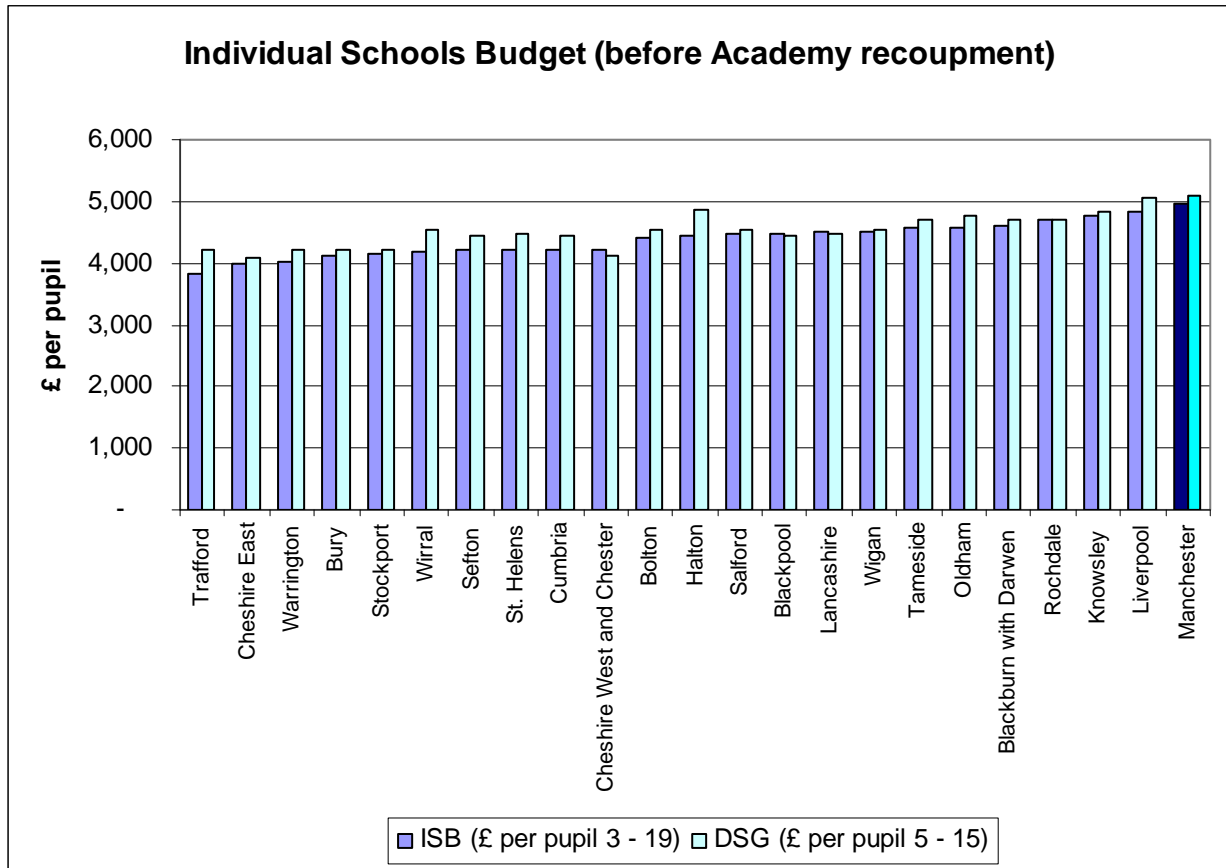
- Per capital central expenditure on children under 5 is now the third lowest per capita compared to statistical neighbours (up from the lowest in 2013/14).
- The top up funding for maintained providers is the highest of the statistical neighbours.
- School admissions expenditure per capita remains significantly higher than all other statistical neighbours, although this is likely due to the significant pupil growth and school place pressures in the City.
- Manchester's spend on SEN transport is broadly in line with the mean average spend by statistical neighbours.

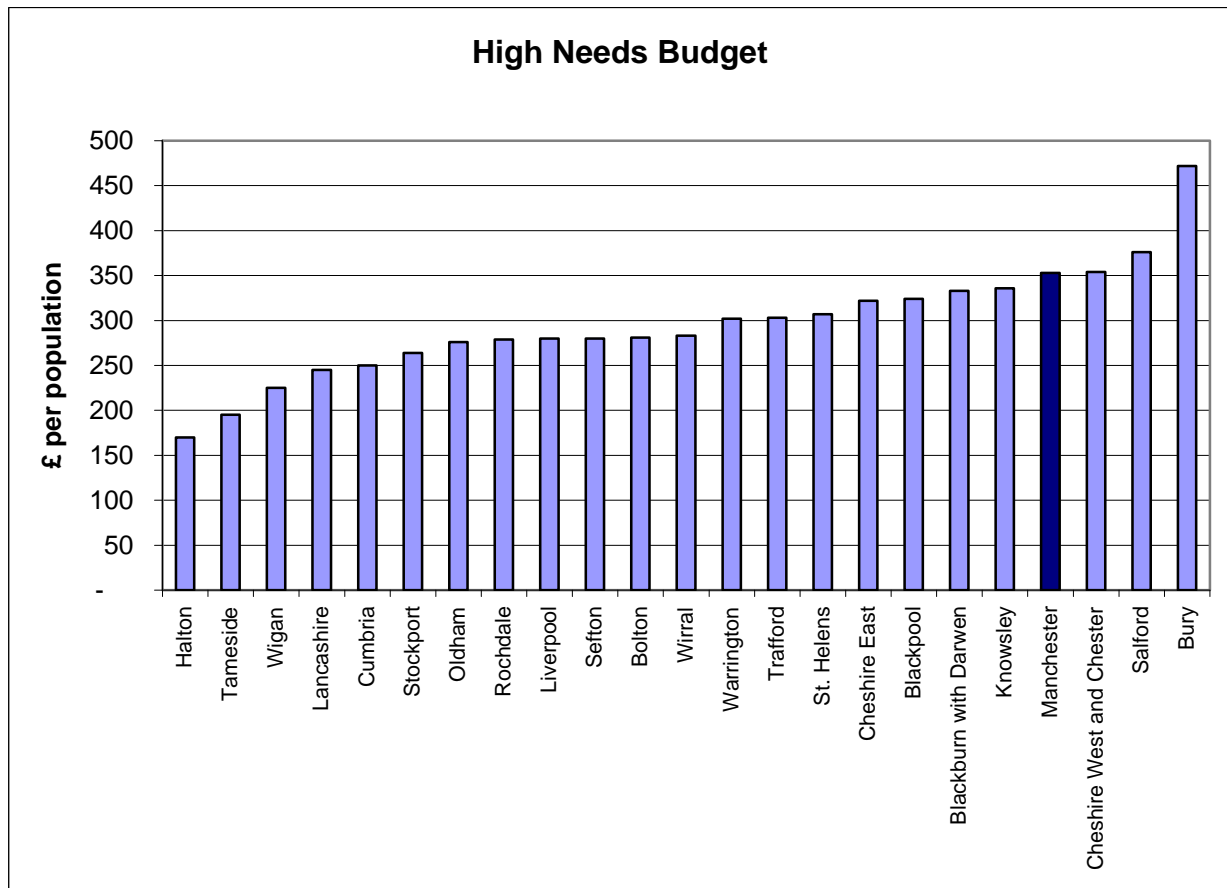
4. COMPARISON TO GEOGRAPHICAL NEIGHBOURS

4.1 Comparison to North West (NW) authorities identifies that Manchester continues to de-delegate the least from maintained schools. The corrected individual school budget remains the largest in the NW per pupil, whilst the corrected high needs budgets has risen from amongst the lowest to the 4th highest per capita.

4.2 Other budgets:

- Expenditure on admissions is the largest per capita in the NW.
- Expenditure on pupil growth remains the second largest per capita, after Salford.
- Contribution from DSG to SEN transport is the highest per capita in the NW.
- Manchester's total schools budget is the largest in the NW.





5 CONCLUSION

5.1 In 2013/14 Manchester appeared to be an outlier when compared to both statistical neighbours and NW authorities, as more money per capita is delegated to schools through the Individual Schools Budgets, and less is retained centrally when compared to neighbouring and statistical neighbours. With corrected budget allocations Manchester's figures appear much more in line with DSG allocations compared to statistical neighbours. This highlights the uncertainty and risk of misinterpretation when completing the S251 reports.

5.2 In the main, areas of spend where Manchester was an outlier can be attributed to the budget areas certain expenditure was assigned to in 2013/14. Areas where Manchester remains an outlier can be explained relate to pupil growth within the City and it is likely that these areas of larger than average expenditure will remain until the City's significant growth ceases.

6 RECOMMENDATION

6.1 Forum Members are asked to note and comment on the contents of the report.

14-15 Budget LA Table (Gross) £ per capita

Statistical Neighbours

To print use the buttons below.

LA	Col 1	Col 2	Col 3	Col 4	Col 5	Col 6
	1.0.1 Individual Schools Budget (before Academy recoupme nt)**	1.1.2 Behavi our support	1.1.3 Support to UPEG and bilingual learners*	1.1.4 Free school meals eligibilit y*	1.1.5 Insuran ce*	
ENGLAND - Average (mean)	£4,361	£10	£6	£6	£1	£3
ENGLAND - Average (median)	£4,300	£6	£3	£3	£1	£0
ENGLAND - Minimum	£3,720	£0	£0	£0	£0	£0
ENGLAND - Maximum	£6,851	£76	£57	£125	£10	£40
Average (median)	£4,829	£8	£2	£0	£1	£0
Minimum	£4,471	£0	£0	£0	£0	£0
Maximum	£5,327	£36	£22	£14	£3	£0
301 Barking and Dagenham	£5,327	£33	£0	£0	£1	£0
330 Birmingham	£5,052	£8	£3	£0	£0	£0
810 City of Kingston Upon Hull	£4,514	£12	£0	£0	£0	£0
203 Greenwich	£5,269	£36	£16	£0	£3	£0
341 Liverpool	£4,829	£5	£7	£13	£3	£0
352 Manchester	£4,977	£0	£0	£0	£1	£0
806 Middlesbrough	£4,754	£0	£0	£0	£1	£0
391 Newcastle upon Tyne	£4,638	£3	£2	£0	£2	£0
892 Nottingham	£4,842	£11	£22	£10	£0	£0
355 Salford	£4,471	£5	£2	£14	£2	£0
852 Southampton	£4,607	£14	£0	£0	£0	£0

1) Pupil Divisors Used.

* Total pupils aged 3-19 from maintained schools only.

** Total pupils aged 3-19 from maintained schools and recoupment academies only.

*** Total pupils aged 3-19 from maintained schools & all academies.

**** Total population aged between 0-17.

***** Total population aged between 0-19.

2) The national mean is calculated as the Total Budget (£)/ Total Pupils.

3) The median shows an average LA amount of spending (£).

4) England figures do not include data for City of London or Isles of Scilly.

Col 7	Col 8	Col 9	Col 10	Col 11	Col 12	Col 13	Col 14	Col 15	Col 16
1.1.6 Museum and Library services*	1.1.7 Licence s/subsc riptions *	1.1.8 Staff costs – supply cover 1.1.9 excludin g cover for facility time*	1.1.9 Staff costs – supply cover for facility time*	DEDEL EGATE D ITEMS*	1.2.1 Top up funding - maintain ed provider s*****	1.2.2 Top- up funding – academie s, free schools and colleges** ***	1.2.3 Top- up and other funding – non- maintained and independent providers**** *	1.2.4 Additional high needs targeted funding for mainstream schools and academies* ****	1.2.5 SEN support services** ***
£0	£2	£6	£2	£36	£130	£30	£69	£4	£35
£0	£0	£1	£2	£30	£124	£25	£66	£1	£32
£0	£0	£0	£0	£0	£18	£0	£0	£0	£0
£11	£33	£48	£8	£205	£344	£168	£207	£99	£110
£0	£0	£0	£3	£17	£152	£27	£56	£0	£35
£0	£0	£0	£0	£8	£85	£1	£10	£0	£0
£2	£7	£22	£8	£62	£198	£84	£104	£37	£75
£0	£0	£0	£8	£43	£167	£1	£104	£0	£0
£0	£0	£3	£0	£13	£152	£20	£56	£2	£35
£0	£0	£0	£0	£12	£120	£45	£36	£8	£62
£0	£4	£0	£3	£62	£178	£84	£77	£0	£67
£0	£0	£7	£3	£38	£140	£6	£48	£0	£75
£2	£0	£0	£5	£8	£198	£23	£72	£1	£25
£0	£7	£0	£1	£10	£175	£32	£42	£37	£41
£0	£1	£0	£4	£11	£85	£6	£56	£0	£71
£0	£1	£0	£6	£51	£111	£27	£10	£0	£24
£0	£0	£22	£1	£45	£179	£52	£92	£16	£31
£0	£0	£0	£3	£17	£104	£29	£48	£0	£23

Col 17	Col 18	Col 19	Col 20	Col 21	Col 22	Col 23	Col 24	Col 25	Col 26
1.2.6 Hospital education services *****	1.2.7 Other alternative provision services *****	1.2.8 Support for inclusion *****	1.2.9 Special schools and PRUs in financial difficulty* *****	1.2.10 PFI/BSF costs at special schools and AP/PRUs** **	1.2.11 Direct payments (SEN and disability)** ***	1.2.12 Carbon reduction commitment allowances (PRUs)** ***	HIGH NEEDS BUDGET *****	1.3.1 Central expenditure on children under 5 *****	1.4.1 Contribution to combined budgets* *
£3	£10	£13	£0	£1	£0	£0	£295	£33	£25
£1	£6	£8	£0	£0	£0	£0	£295	£25	£15
£0	£0	£0	£0	£0	£0	£0	£81	£1	£0
£46	£59	£74	£7	£38	£36	£3	£617	£177	£117
£0	£7	£5	£0	£0	£0	£0	£291	£38	£31
£0	£0	£0	£0	£0	£0	£0	£210	£10	£0
£35	£32	£41	£0	£10	£0	£0	£449	£116	£102
£3	£7	£41	£0	£0	£0	£0	£322	£50	£31
£0	£9	£1	£0	£0	£0	£0	£276	£26	£73
£8	£11	£0	£0	£0	£0	£0	£291	£39	£16
£0	£32	£11	£0	£0	£0	£0	£449	£38	£79
£0	£11	£0	£0	£0	£0	£0	£280	£23	£55
£14	£2	£18	£0	£0	£0	£0	£353	£21	£0
£35	£0	£5	£0	£0	£0	£0	£367	£14	£13
£11	£6	£3	£0	£0	£0	£0	£237	£10	£26
£0	£22	£5	£0	£10	£0	£0	£210	£43	£95
£0	£4	£1	£0	£0	£0	£0	£376	£116	£102
£0	£3	£17	£0	£0	£0	£0	£223	£49	£20

Col 37	Col 38	Col 39	Col 40
1.4.12 Exceptions agreed by Secretary of State**	1.4.13 Other Items**	1.5.1 Other Specific Grants**	1.6.1 TOTAL SCHOOLS BUDGET (before Academy recoupmen t)**
£1	£2	£9	£5,013
£0	£2	£0	£4,933
£0	£0	£0	£4,239
£92	£41	£375	£8,240
£0	£2	£0	£5,516
£0	£0	£0	£5,107
£2	£18	£1	£6,493
£2	£0	£0	£6,083
£0	£2	£1	£5,665
£0	£0	£0	£5,159
£0	£2	£0	£6,493
£0	£3	£0	£5,454
£0	£2	£0	£5,740
£0	£2	£0	£5,509
£0	£2	£0	£5,107
£0	£18	£0	£5,596
£1	£1	£0	£5,516
£0	£2	£0	£5,174

14-15 Budget LA Table (Gross) £ per capita

North West

To print use the buttons below.

LA	Col 1	Col 2	Col 3	Col 4	Col 5	Col 6
	1.0.1 Individual Schools Budget (before Academy recoupme nt)**	1.1.1 Conting encies*	1.1.2 Behavi our support service s*	1.1.3 Support to UPEG and bilingual learners*	1.1.4 Free school meals eligibilit y*	1.1.5 Insuran ce*
ENGLAND - Average (mean)	£4,361	£10	£6	£6	£1	£3
ENGLAND - Average (median)	£4,300	£6	£3	£3	£1	£0
ENGLAND - Minimum	£3,720	£0	£0	£0	£0	£0
ENGLAND - Maximum	£6,851	£76	£57	£125	£10	£40
Average (median)	£4,459	£5	£2	£3	£1	£0
Minimum	£3,833	£0	£0	£0	£0	£0
Maximum	£4,977	£28	£34	£19	£4	£40
889 Blackburn with Darwen	£4,607	£11	£15	£19	£4	£0
890 Blackpool	£4,482	£0	£0	£0	£2	£40
350 Bolton	£4,423	£0	£22	£0	£1	£0
351 Bury	£4,124	£4	£6	£5	£1	£0
895 Cheshire East	£3,997	£4	£3	£0	£0	£0
896 Cheshire West and Chester	£4,221	£4	£0	£0	£1	£0
909 Cumbria	£4,220	£13	£0	£0	£0	£12
876 Halton	£4,459	£22	£0	£9	£1	£0
340 Knowsley	£4,763	£22	£1	£3	£1	£0
888 Lancashire	£4,517	£8	£0	£0	£0	£0
341 Liverpool	£4,829	£5	£7	£13	£3	£0
352 Manchester	£4,977	£0	£0	£0	£1	£0
353 Oldham	£4,570	£28	£0	£0	£0	£18
354 Rochdale	£4,712	£4	£17	£14	£4	£24
355 Salford	£4,471	£5	£2	£14	£2	£0
343 Sefton	£4,210	£0	£0	£2	£1	£24
342 St. Helens	£4,218	£8	£1	£3	£1	£0
356 Stockport	£4,160	£12	£34	£16	£0	£0
357 Tameside	£4,569	£5	£16	£4	£0	£0
358 Trafford	£3,833	£16	£2	£0	£0	£0
877 Warrington	£4,010	£25	£0	£0	£2	£0
359 Wigan	£4,520	£8	£17	£12	£0	£0
344 Wirral	£4,175	£3	£4	£7	£0	£2

1) Pupil Divisors Used.

* Total pupils aged 3-19 from maintained schools only.

** Total pupils aged 3-19 from maintained schools and recoupment academies only.

*** Total pupils aged 3-19 from maintained schools & all academies.

**** Total population aged between 0-17.

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- 2) The national mean is calculated as the Total Budget (£)/ Total Pupils.
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- 4) England figures do not include data for City of London or Isles of Scilly.

Col 7	Col 8	Col 9	Col 10	Col 11	Col 12	Col 13	Col 14	Col 15	Col 16
1.1.6 Museum and Library services*	1.1.7 Licence s/subsc riptions *	1.1.8 Staff costs – supply cover 1.1.9 excludin g cover for facility time*	1.1.9 Staff costs – supply cover for facility time*	DEDEL EGATE D ITEMS*	1.2.1 Top up funding - maintain ed provider s*****	1.2.2 Top- up funding – academie s, free schools and colleges** ***	1.2.3 Top- up and other funding – non- maintained and independent providers**** *	1.2.4 Additional high needs targeted funding for mainstream schools and academies* ****	1.2.5 SEN support services** ***
£0	£2	£6	£2	£36	£130	£30	£69	£4	£35
£0	£0	£1	£2	£30	£124	£25	£66	£1	£32
£0	£0	£0	£0	£0	£18	£0	£0	£0	£0
£11	£33	£48	£8	£205	£344	£168	£207	£99	£110
£0	£1	£7	£3	£45	£147	£10	£61	£0	£36
£0	£0	£0	£0	£8	£24	£0	£25	£0	£7
£8	£7	£23	£7	£91	£208	£74	£109	£99	£110
£0	£1	£12	£5	£67	£154	£8	£61	£0	£110
£0	£1	£3	£0	£46	£164	£25	£90	£11	£31
£6	£0	£23	£2	£54	£159	£7	£61	£2	£37
£0	£3	£0	£3	£22	£166	£4	£100	£99	£71
£0	£4	£0	£3	£13	£147	£68	£58	£0	£36
£0	£5	£13	£2	£25	£189	£28	£61	£0	£32
£8	£1	£16	£5	£55	£125	£22	£80	£5	£14
£0	£0	£2	£0	£35	£24	£3	£109	£0	£29
£0	£4	£12	£4	£48	£202	£29	£50	£0	£33
£1	£1	£2	£2	£14	£115	£19	£62	£0	£18
£0	£0	£7	£3	£38	£140	£6	£48	£0	£75
£2	£0	£0	£5	£8	£198	£23	£72	£1	£25
£0	£0	£0	£4	£49	£112	£74	£25	£0	£38
£0	£7	£18	£3	£91	£157	£8	£54	£0	£45
£0	£0	£22	£1	£45	£179	£52	£92	£16	£31
£0	£0	£0	£7	£34	£147	£3	£59	£3	£58
£0	£6	£0	£0	£20	£208	£0	£50	£0	£49
£0	£0	£20	£2	£84	£99	£12	£48	£1	£73
£0	£0	£0	£5	£30	£90	£10	£63	£0	£29
£0	£2	£13	£0	£34	£132	£14	£86	£7	£36
£0	£2	£20	£3	£52	£148	£10	£47	£1	£7
£0	£2	£2	£5	£46	£122	£3	£49	£2	£39
£5	£4	£17	£2	£45	£113	£5	£44	£0	£31

Col 17	Col 18	Col 19	Col 20	Col 21	Col 22	Col 23	Col 24	Col 25	Col 26
1.2.6 Hospital education services *****	1.2.7 Other alternative provision services *****	1.2.8 Support for inclusion *****	1.2.9 Special schools and PRUs in financial difficulty* *****	1.2.10 PFI/ BSF costs at special schools and AP/ PRUs*** **	1.2.11 Direct payments (SEN and disability)** ***	1.2.12 Carbon reduction commitment allowances (PRUs)** ***	HIGH NEEDS BUDGET *****	1.3.1 Central expenditure on children under 5*****	1.4.1 Contribution to combined budgets* *
£3	£10	£13	£0	£1	£0	£0	£295	£33	£25
£1	£6	£8	£0	£0	£0	£0	£295	£25	£15
£0	£0	£0	£0	£0	£0	£0	£81	£1	£0
£46	£59	£74	£7	£38	£36	£3	£617	£177	£117
£0	£4	£5	£0	£0	£0	£0	£283	£28	£10
£0	£0	£0	£0	£0	£0	£0	£170	£2	£0
£18	£26	£63	£1	£3	£36	£0	£472	£116	£102
£0	£0	£0	£0	£0	£0	£0	£333	£103	£39
£0	£0	£5	£0	£0	£0	£0	£324	£31	£49
£0	£0	£15	£0	£0	£0	£0	£281	£33	£14
£0	£4	£25	£0	£0	£2	£0	£472	£38	£13
£0	£11	£2	£0	£0	£0	£0	£322	£25	£10
£7	£26	£10	£0	£0	£0	£0	£354	£41	£28
£0	£0	£4	£0	£0	£0	£0	£250	£18	£18
£0	£0	£4	£0	£0	£0	£0	£170	£63	£2
£2	£13	£5	£1	£0	£0	£0	£336	£28	£50
£2	£17	£7	£0	£3	£0	£0	£245	£24	£10
£0	£11	£0	£0	£0	£0	£0	£280	£23	£55
£14	£2	£18	£0	£0	£0	£0	£353	£21	£0
£0	£0	£27	£0	£0	£0	£0	£276	£53	£21
£1	£9	£5	£0	£0	£0	£0	£279	£13	£0
£0	£4	£1	£0	£0	£0	£0	£376	£116	£102
£0	£0	£8	£0	£0	£0	£0	£280	£4	£6
£0	£0	£0	£0	£0	£0	£0	£307	£97	£7
£2	£4	£27	£0	£0	£0	£0	£264	£59	£1
£1	£0	£3	£0	£0	£0	£0	£195	£2	£0
£0	£20	£8	£0	£0	£0	£0	£303	£8	£0
£6	£11	£35	£0	£0	£36	£0	£302	£6	£5
£6	£0	£4	£0	£0	£0	£0	£225	£2	£0
£18	£10	£63	£0	£0	£0	£0	£283	£39	£56

Col 27	Col 28	Col 29	Col 30	Col 31	Col 32	Col 33	Col 34	Col 35	Col 36
		1.4.4		1.4.6		1.4.8		1.4.10	
1.4.2	1.4.3	Terminat	1.4.5	Capital	1.4.7	Fees to		Pupil	1.4.11
School	Servicing	ion of	Falling	expenditur	Prudenti	independ	1.4.9	growth/	SEN
admissio	of schools	employ	Rolls	e from	al	ent	Equal pay	Infant	transport
ns**	forums**	ment	Fund**	revenue	borrowin	schools	back pay**	class	**
		costs**		(CERA)**	g costs**	without		sizes**	
£9	£1	£5	£1	£15	£4	£1	£2	£20	£3
£9	£1	£0	£0	£0	£0	£0	£0	£14	£0
£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
£42	£27	£41	£19	£170	£69	£51	£56	£115	£49
£7	£1	£0	£0	£0	£0	£0	£0	£7	£0
£3	£0	£0	£0	£0	£0	£0	£0	£0	£0
£22	£3	£31	£3	£170	£69	£0	£28	£43	£7
£15	£2	£0	£0	£0	£25	£0	£0	£7	£0
£9	£1	£0	£0	£0	£0	£0	£0	£19	£0
£5	£0	£0	£0	£31	£0	£0	£0	£9	£0
£7	£1	£0	£0	£0	£0	£0	£0	£5	£0
£5	£0	£0	£0	£0	£17	£0	£0	£5	£0
£12	£1	£0	£0	£0	£9	£0	£0	£3	£0
£12	£1	£11	£0	£31	£8	£0	£11	£0	£0
£3	£0	£13	£0	£22	£0	£0	£0	£9	£0
£11	£3	£0	£0	£0	£69	£0	£28	£0	£0
£5	£1	£3	£0	£0	£1	£0	£0	£8	£0
£7	£0	£3	£0	£47	£0	£0	£0	£0	£0
£22	£0	£0	£0	£0	£10	£0	£0	£35	£7
£17	£1	£31	£0	£13	£26	£0	£0	£11	£0
£5	£1	£0	£0	£11	£0	£0	£0	£11	£0
£5	£1	£4	£0	£0	£0	£0	£0	£43	£0
£3	£2	£5	£0	£14	£0	£0	£0	£4	£0
£7	£1	£6	£0	£81	£0	£0	£0	£21	£2
£12	£0	£15	£3	£0	£12	£0	£0	£8	£0
£7	£0	£0	£0	£0	£0	£0	£0	£6	£0
£11	£1	£6	£0	£0	£2	£0	£0	£14	£0
£12	£0	£0	£3	£2	£0	£0	£0	£0	£0
£3	£1	£0	£2	£0	£0	£0	£0	£0	£0
£7	£0	£7	£0	£170	£0	£0	£0	£0	£1

Col 37	Col 38	Col 39	Col 40
1.4.12 Exceptions agreed by Secretary of State**	1.4.13 Other Items**	1.5.1 Other Specific Grants**	1.6.1 TOTAL SCHOOLS BUDGET (before Academy recoupmen t)**
£1	£2	£9	£5,013
£0	£2	£0	£4,933
£0	£0	£0	£4,239
£92	£41	£375	£8,240
£0	£2	£0	£4,968
£0	£0	£0	£4,359
£3	£10	£28	£5,740
£0	£0	£0	£5,463
£0	£3	£0	£5,155
£0	£2	£0	£5,005
£0	£1	£0	£4,982
£0	£3	£0	£4,575
£0	£5	£28	£4,912
£0	£3	£0	£4,744
£0	£3	£0	£4,902
£0	£2	£0	£5,599
£0	£0	£0	£4,978
£0	£3	£0	£5,454
£0	£2	£0	£5,740
£0	£2	£0	£5,214
£0	£2	£0	£5,302
£1	£1	£0	£5,516
£0	£6	£0	£4,683
£0	£2	£11	£4,968
£0	£2	£0	£4,824
£0	£0	£0	£4,904
£0	£10	£0	£4,359
£3	£0	£1	£4,540
£0	£0	£0	£4,928
£0	£0	£0	£4,922

**Manchester City Council
Report for Resolution**

Report to: **Schools Forum – 17th November 2014**

Subject: **Schools Forum Constitution**

Report of: Head of Finance - Directorate for Children and Families

Summary

The purpose of this paper is to present to the Schools Funding Forum the Constitution and Procedural Rules of the Forum.

Recommendations

All Schools Forum members are asked to:

- Consider a proposal to change union membership to two teaching unions and one non teaching union representatives.
- Consider proposed change to School Member term of office from three to four years.
- Consider need for diocesan representation in non-school membership.
- Comment and approve the updated constitution.

Contact Officers:

Name: Reena Vandhna Kohli

Position: Directorate Lead Children and Families Finance

Telephone: 0161 234 4235

E-mail: r.kohli@manchester.gov.uk :

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact the officer above.

1. INTRODUCTION

- 1.1 The purpose of this paper is to present to the Schools Forum the Constitution and Procedural Rules of the Forum.

2. PROPOSED CHANGES

Non School Members appointments

- 2.1 As per DfE regulations before appointing additional non-schools members to the Schools Forum, the local authority should consider whether the Church of England and the Roman Catholic dioceses situated in the local authority's area; and, where there are schools or academies in the area with a different religious character, the appropriate faith group, should be represented on the Schools Forum. If diocesan authorities nominate members for appointment as non-schools members they may wish to consider what type of representative would be most appropriate, such as a headteacher or governor, or someone linked more generally with the diocese, e.g. a member of the education board. Schools Forum is asked to comment on this requirement.

Trade Union Representatives

- 2.2 The constitution states that the local authority shall invite nominations from the relevant teacher and non-teaching unions for the two Union representatives. The Local Authority has received a proposal to change this to two teaching union representatives and one non teaching representative.

Term of Office

- 2.3 The current term of office for the Forum is currently three years. Forum members are asked to consider whether Schools Forum school's membership should be aligned to term of office held in other Council committees, which is currently four years.

Quorate - Meeting

- 2.4 Meetings are only quorate if two fifths of the total membership is present (this excludes any observers, and it is two fifths of the current members of twenty nine members). If a meeting is inquorate it can proceed but it cannot legally take decisions (e.g. election of a Chair, or a decision relating to funding conferred by the funding regulations). An inquorate meeting can respond to local authority consultation, and give views to the local authority. It would normally be good practice for the local authority to take account of such 'unofficial' views, but it is not legally obliged to do so.
- 2.5 If the Forum is required to take a vote on a decision, two fifths of the members that are eligible to vote on that decision must be present at the meeting. Table one of the draft constitution provides a breakdown of the different types of decisions and voting rights.

3. RECOMMENDATIONS

3.1 All Schools Forum members are asked to:

- Consider a proposal to change union membership to two teaching unions and one non teaching union representatives.
- Consider proposed change to School Member term of office from three to four years.
- Consider need for diocesan representation in non-school membership.
- Comment and approve the updated constitution.

Constitution, Membership and Procedural Rules for the Conduct of Meetings 2014

1. Interpretation and Chair's Ruling

- 1.1 These procedural rules apply to all meetings of the Schools Forum.
- 1.2 References in these rules to the Chair include the appointed Vice Chair, or any other member appointed by the Forum to act in their absence.
- 1.3 Any reference in the rules to "Forum" shall apply to any subgroups where appropriate.
- *1.4 These rules are subject to any statute or other enactment whether passed before or after they came into effect.
- 1.5 The ruling of the Chair on the application and interpretation of these rules is final.

2. Suspension of Rules

- *2.1 With the exception of rules marked with an asterisk (*), any rule may be suspended at a meeting, either by a motion included in the agenda, or by a motion put to the meeting without notice and passed by a majority of those members present and voting.

3. Chair and Vice Chair

- *3.1 The Chair and Vice Chair will be elected annually at the second meeting after the start of the academic year. At the end of their term, both the Chair and Vice Chair shall be eligible for re-election.
- *3.2 In the interests of balance, the Forum should try to ensure that the Chair and Vice Chair are drawn from members representing different categories of interest. In addition, the Chair or Vice Chair cannot be an elected member or officer of the Council.
- *3.3 The Chair and Vice Chair shall be elected by a simple majority of the constituent members defined in rule 4.1 present and voting.
- *3.4 If there are an equal number of votes between candidates for the office of Chair or Vice Chair, those candidates will be deemed not to have been elected. The Clerk will then invite further nominations.
- *3.5 In the event of a casual vacancy in the office of Chair or Vice Chair, the Forum should elect a member to fill that vacancy at its next meeting. Any member elected will (subject to rule 4.6) hold office until the date of the meeting at which the Chair or Vice Chair would have held office had the casual vacancy not occurred. This will be subject to the provisions of rule 3.2 above continuing to be observed by such an appointment.

- *3.6 A Chair or Vice Chair shall cease to hold office if (a) they resign their office by written notice given to appointing authority, or (b) ceases to be a member of the Forum.

4. Membership

- *4.1 The Forum shall consist of 29 members to represent the following groups -
- (a) Nine non-school members as appointed by Manchester City Council. This will specifically exclude any Executive member of the Council, and any officer involved with responsibility for strategic resource management.
(To include two union representatives – see paragraph 4.9, one non executive member, one operational senior manager, one Private, Voluntary & Independent sector representative and one 16-19 representative)
 - (b) Four members appointed to represent primary school headteachers;
 - (c) One member appointed to represent secondary school headteachers
 - (d) One member appointed to represent special school headteachers;
 - (e) Two members to represent the governing bodies of secondary schools
 - (f) Four members appointed to represent the governing bodies of primary schools (*)
 - (g) One member appointed to represent the governing bodies of special schools (*)
 - (h) Five members to represent academies
 - (i) One member appointed to represent the governing bodies of nursery schools
 - (j) One member appointed to represent the headteachers of pupil referral units
- (*) This excludes Executive Members of the Council who may not be regarded as a schools' member in their capacity of governor of any maintained school.
- 4.2 Manchester City Council will organise the elections for Schools Forum representatives. In doing so, the Council will ensure that all relevant bodies are involved in the election process within the relevant peer groups.
- 4.3 Individuals appointed to be members of the Forum shall hold and vacate office in accordance with their term of appointment which is for a period of 4 years from the date of appointment. Members will then be eligible for re-election. A non-schools' member shall remain in office until they resigns his office or until the relevant authority makes a further appointment to replace him/her or nominate from the relevant body.
- 4.4 Executive members and senior officers with responsibility for resource management are entitled to attend and speak at a Forum meeting.

- 4.5 A member may resign their membership at any time by giving written notice to the Council.
- 4.6 A member must vacate their office where -
- (a) they cease to hold the office by virtue of which they became eligible for appointment to the Forum;
 - (b) their office as a member comes to an end or
 - (c) they resign as a schools' forum member.
- 4.7 A member will be deemed to have vacated their office if they fail to attend Forum meetings on three consecutive occasions without good cause or reason.
- 4.9 The local authority shall invite nominations from the other groups referred to in above and the relevant teacher and non-teaching unions for the two Union representatives, and seek nomination of LA Operational Senior Manager from the Head of Children's Services. The elected member will be appointed annually in May by the Constitutional and Nomination Committee. Rule 4.9 below will apply to these appointments. Non schools' member shall remain in office until they resign their office or until the relevant authority makes a further appointment to replace them or nominate from the relevant body.

5. Substitute And Alternate Members

- *5.1 A member of the Forum may nominate a substitute member to attend meetings of the Forum in their absence. The absence of members of the Forum will however still be deemed to be accountable in accordance with rule **4.8 above**.

6. Clerk

- 6.1 Manchester City Council will appoint an independent clerk to the Forum

7. Notice of Meetings

- *7.1 The dates of meetings will be agreed between the Chair and the local authority, but, subject to rule 7.3 below, they shall comply with any direction in the matter -
- (a) given by the Forum at a previous meeting, or
 - (b) given by the Chair, or in their absence, the Vice Chair, so far as such direction is not inconsistent with any direction given at (a) above.
- 7.2 Every member of the Forum shall be given at least five working days before the date of the meeting:
- (a) written notice of the date, time and place of the meeting
 - (b) a copy of the agenda for the meeting and associated papers.
- 7.3 The Chair may cancel or postpone any meeting, prior to the issue of the

agenda, or subsequently, if there is no business to be transacted.

8. Urgent Business

8.1 In the exceptional case where there is a genuine business need for a decision or formal view to be expressed by the Forum before the next scheduled meeting, and it is not possible to call an unscheduled meeting, clearance of proposals will be conducted via e-mail with a formal report then being brought to the next scheduled meeting.

9. Voting

*9.1 Each member of the Schools Forum will have a single vote. The decisions on proposals presented to the Forum will be determined by a simple majority vote of those members attending and voting (i.e. excluding abstentions). Where there is an equal number of votes for or against a particular proposal, the Chair can exercise a casting vote.

*9.2 The voting eligibility for members on different decisions is set out in table one below:

Table One:

Schools Members	Academies Members	Non-School Members
<ul style="list-style-type: none"> • Only primary representatives can vote on primary school de-delegation • Only secondary representatives can vote on secondary school de-delegation • All schools members can vote on any other Schools Forum business, including the consultation on the funding formula 	<ul style="list-style-type: none"> • No voting on de-delegation • All academy members can vote on any other Schools Forum business, including the consultation on the funding formula 	<ul style="list-style-type: none"> • No voting on de-delegation • Only PVI representatives can vote on the consultation on the funding formula. • All non-school members can vote on any other business.

9.3 The overall vote on the Forum must be recorded in the minutes including details of number of votes for, against and abstaining.

10. Quorum

*10.1 The meeting will be quorate if at least two fifths of the total membership is present at the meeting. For 2014/15 the meeting will be quorate with 12 members.

*10.2 If the meeting is inquorate it can proceed only in terms of responding to authority consultation and give views to the authority but cannot legally take

any decisions. This rule also applies if the number of members present falls below the quorum level during the course of a meeting.

- 10.3 If the Forum is required to take a vote on a decision, two fifths of the members that are eligible to vote on that decision must be present at the meeting.

11. Minutes of meetings

- 11.1 The Clerk will prepare the minutes of each meeting as soon as practical after the meeting. The minutes will be submitted for approval as a correct record at the following meeting.

12. Motions without notice

- 12.1 The following motions may be moved without prior notice:
- (a) To appoint a member to Chair the meeting;
 - (b) To approve or correct the minutes of the previous meeting;
 - (c) To change the order of business on the agenda;
 - (d) To withdraw an item from the agenda;
 - (e) To require a member to leave the meeting;
 - (f) To suspend particular rules;
 - (g) To go to the next business item of business. If seconded, the vote will then be taken and if carried the item under discussion will be treated as withdrawn;
 - (h) Put the question immediately to a vote. If seconded, the vote will then be taken and if carried the mover of the original motion shall have a right of reply;
 - (i) To adjourn the meeting. If the motion to adjourn is carried, there will be no right of reply allowed;
 - (g) To exclude the public during considerate and confidential business in accordance with access to information regulations.

13. Conduct at meetings

- 13.1 If the Chair calls the meeting to order, members shall be silent.
- 13.2 If a member behaves improperly or offensively, or deliberately obstructs business, the Chair may direct that member to be silent. If the member continues such behaviour, the Chair may direct either that the member leaves the meeting, or that the meeting be adjourned for a specified period.
- 13.3 If a member of the public interrupts the meeting, the Chair will warn the person concerned. If the interruption continues the Chair may order their removal from the meeting.

14. Public Admission to Meetings

- *14.1 All meetings are open to the public.
- *14.2 Members of the public can be invited to speak at the Chair's discretion.
- *14.3 The public may be excluded from a meeting during the consideration of

confidential business. The reasons for confidentiality must be recorded in the minutes.

15. Interests

- 15.1 A member of the Forum must declare an interest in an individual proposal which directly affects:
- An individual school where they work;
 - an individual school at which their children attend, or
 - An individual decision where in which they might have a prejudicial interest in the decision made. A prejudicial interest is defined as one where the personal interest in an item of business could be perceived as prejudicial if a member of the public with knowledge of the relevant facts would reasonably regard this as so significant that it is likely to prejudice your judgment of the public interest. Where such a declaration is made, a member must withdraw from the meeting and take no part in the decision.

16. Powers and Duties of the Forum

- 16.1 The powers and duties of the Forum and its relationship with Manchester City Council and the Department for Education and Skills are set out in table two.

Table Two – Schools Forum powers and responsibilities 2014/15

Function	Local Authority	Schools Forum	DfE Role
Formula change (including redistributions)	Proposes and decides	Must be consulted [Voting restrictions to school members] and informs the governing bodies of all consultations	None
Contracts	Propose at least one month prior to invitation to tender, the terms of any proposed contract	Gives a view and informs the governing bodies of all consultations	None
Financial issues relating to: arrangements for pupils with special educational needs; arrangements for use of pupil referral units and the education of children otherwise than at school; arrangements for early years provision; administration arrangements for the allocation of central government grants	Consult annually	Gives a view and informs the governing bodies of all consultations	None
Minimum funding guarantee (MFG)	Proposes any exclusions from MFG for application to DfE	Gives a view	Approval

Function	Local Authority	Schools Forum	DfE Role
De-delegation for mainstream schools for: contingencies, administration of free school meals, insurance licences/subscriptions, staff costs, facility arrangements, supply cover support for minority ethnic pupils/underachieving groups, behaviour support services, library and museum services	Proposes	Primary and secondary school member representatives will decide for their phase	Will adjudicate where Schools Forum does not agree LA proposal
Central spend on and the criteria for allocating funding from: growth fund (to meet requirements for basic need and infant class size regulations), falling rolls fund for surplus places in good or outstanding schools where a population bulge is expected in 2-3 years.	Proposes	Decides	Adjudicates where Schools Forum does not agree LA proposal
Central spend on: funding for significant pre-16 pupil growth, back-pay for equal pay claims, places in independent schools for non-SEN pupils early years expenditure	Proposes	Decides	Adjudicates where Schools Forum does not agree LA proposal

Function	Local Authority	Schools Forum	DfE Role
Central spend on: admissions, servicing of schools forum	Proposes up to the value committed in 2013-14	Decides for each line	Adjudicates where Schools Forum does not agree LA proposal
Central spend on: capital expenditure funded from revenue contribution to combined budgets, schools budget centrally funded termination of employment costs, schools budget funded prudential borrowing costs, special education needs transport costs	Proposes up to the value committed in 2013/14 and where expenditure has already been committed.	Decides for each line	Adjudicates where Schools Forum does not agree LA proposal
Carry forward a deficit on central expenditure to the next year to be funded from the schools budget	Proposes	Decides	Adjudicates where Schools Forum does not agree LA proposal
Scheme of financial management changes	Proposes and consults the governing body and Head of every School	Approves	Adjudicates where Schools Forum does not agree LA proposal
Membership: length of office of members	Decides	None (but good practice would suggest that they gave a view)	None
Voting procedures	None	Determine voting procedures	None
Chair of Schools Forum	Facilitates	Elects (<i>may not be an elected member of the Council or officer</i>)	None

**Manchester City Council
Report for Resolution**

Report to: **Schools Forum – 17th November 2014**

Subject: **Proposed Revision to Growth Fund Criteria**

Report of: Head of Finance - Directorate for Children and Commissioning

Summary

On 29 September 2014 a business case for additional funding at Gorton Mount Primary Academy was tabled for Forum comment. Following discussion at the meeting, it was agreed that a second report, by officers, would be tabled at the November Forum.

This report summarises the business case and provides the level of impact a change to the growth fund criteria would have on the DSG.

Recommendations

Forum Members are asked to comment on the implications of changing the Growth Fund criteria.

Forum Members are recommended to approve the continued use of the current Growth Fund criteria.

Contact Officers:

Name: Reena Vandhna Kohli
Position: Directorate Lead Children and Families Finance
Telephone: 0161 234 4235
E-mail: r.kohli@manchester.gov.uk :

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

1. INTRODUCTION

- 1.1 Under the Schools Finance (England) Regulations 2013, Councils with the agreement of Schools Forum are permitted to retain Dedicated Schools Grant (DSG) to form a specific schools contingency to support those schools that, with the prior agreement of the Council, are permanently expanding. This contingency is known as the "Growth Fund".
- 1.2 The Growth Fund can only be used for the purposes of supporting growth in pre-16 pupil numbers to meet basic need. Funds must be used on the same basis for the benefit of both maintained schools and academy schools.
- 1.3 Additional funding is made available to schools in circumstances where: the Council approves an increase in the capacity or the Council requests a school to increase their planned admission number to meet local demand for one year only.
- 1.4 Whilst the Growth Fund is an essential part of DSG and is used to support expanding schools and academies, it is worth noting that the fund must be top sliced from school budgets. Therefore a growth strategy is essential to ensure funding is not withheld unnecessarily from delegated school budgets.

2. CURRENT GROWTH FUND DEFINITION

- 2.1 Manchester's current Growth Fund criteria, as approved at School Forum July 2014, is:
 1. Fund extra support staff costs and additional supervision requirements of children taught in temporary accommodation due to school expansions (who will join the school in September, but will not be recognised in the formula until the following April – 'bulge' classes).

Primary schools will be funded at a rate of £1,004 per additional child, until the expansion reaches Year 6, when the additional funding will cease. £1,004 is 7/12ths of the teaching and learning element of Manchester's primary age-weighted pupil unit (AWPU) funding.

Secondary schools will be funded at a rate of £1,311 per additional child, until the expansion reaches Year 11, when the additional funding will cease. £1,311 is 7/12ths of the teaching and learning element of Manchester's KS3 AWPU funding.

Where a bulge class is taking place in an academy, due to the additional lag in funding as academies are funded by academic year budgets (Sept – Aug), academies will receive 12/12ths of the teaching and learning element of the AWPU (£1,721 in primary schools, £2,247 in secondary schools).

Where a significant expansion takes place over a number of year groups immediately schools will receive pro-rata full year funding of £4,234 in primary schools and £6,168 in secondary schools for each additional pupil.

2. Fund temporary accommodation.

3. GORTON MOUNT BUSINESS CASE

3.1 Gorton Mount have been assessed against the Growth Fund criteria and are entitled to the teaching and learning contribution from the AWPU for the LA directed growth.

3.2 Gorton Mount requested the LA consider amending the funding system to account for in year pupil number changes, by calculating budgets on three census collections throughout the year.

3.3 Gorton Mount also requested that funding for growth be funded at each school's per pupil allocation, and not a per pupil contribution to the teaching and learning, as currently paid by Manchester.

4. DSG IMPLICATIONS

4.1 Using the October census as a snap shot to fund mainstream schools and academies is set by the DfE and Manchester cannot alter this regulation. The October census funding allows budgets to be finalised in February, which gives schools more time to plan and prepare budgets for the forthcoming year.

4.2 It is not recommended that Manchester pursue this option with the DfE.

4.3 Manchester funds growth due to basic need at £1,004 per pupil in a primary setting and £1,311 per secondary pupil. Academies receive additional funding to recognise their academic year budgets, but the difference is refunded by the DfE in the following financial year, so the overall cost to the Manchester DSG is the same as for maintained schools.

4.4 Schools and academies receive full funding for pupil growth once those pupils are included on the October census. In schools this is a 7 month delay, in academies this is a 12 month delay.

4.5 If Manchester were to increase growth fund allocations per pupil to actual funding levels (by adjusting funded pupil numbers each year) it is estimated that this would cost an additional £1.3m to the DSG.

4.6 £1.3m is based on the current payment of £1,004 for 945 pupils compared to a revised rate of £2,391 per pupil (7/12ths of the average pupil led funding in primary schools of £4,099).

Number of pupils	Current rate / cost (£)	Full rate / cost (£)	Difference / cost to DSG (£)
1	1,004	2,391	1,387
945	948,780	2,259,495	1,310,715

- 4.7 Whilst the Growth Fund is an essential part of DSG and is used to support expanding schools and academies, it is worth noting that the fund must be top sliced from school budgets. A growth strategy is essential to ensure funding is not withheld unnecessarily from delegated school budgets. It is therefore recommended that the Schools Forum do not approve an amendment to the Growth Fund criteria to increase per pupil growth funding to actual funded levels.

5 CONCLUSION

- 5.1 Using October pupil numbers to fund schools is directed by the DfE and allows school budgets to be set before the start of the forthcoming financial year. It is unlikely that this would be amended and it is therefore not recommended that this is pursued by Council officers.
- 5.2 Growth funding for pupils is set at a level that aims to minimise the overall impact on school budgets. Increasing this allocation would require a top slice from current school budgets. Schools and academies receive full funding for all growth pupils, although this is on a lagged basis. It is therefore not recommended that the per pupil growth fund allocation is amended.

6 RECOMMENDATION

- 6.1 Forum Members are asked to comment on the implications of changing the Growth Fund criteria.
- 6.2 Forum Members are recommended to approve the continued use of the current Growth Fund criteria.

Glossary of Terms and Acronyms

New additions to the glossary are coloured blue

Academies	Publicly funded independent schools that are free from local authority control. Other freedoms include setting their own pay and conditions for staff, freedoms concerning the delivery of the curriculum, and the ability to change the length of their terms and school days.
Alternative Provision (AP)	Education outside of school, when it is arranged by LAs or schools, is called alternative provision. It can range from pupil referral units (PRUs) and further education colleges to voluntary or private-sector projects.
Carbon Reduction Scheme (CRC)	The Carbon Reduction Commitment Energy Efficiency Scheme (often referred to as simply 'the CRC') is a mandatory scheme aimed at improving energy efficiency and cutting emissions in large public and private sector organisations. These organisations are responsible for around 10% of the UK's greenhouse gas emissions. The CRC affects large public and private sector organisations across the UK. Participants include supermarkets, water companies, banks, local authorities and all central government departments. The CRC will cease for schools from 2014-15.
Dedelegation	Under the new school funding arrangements it is the Government's intention to achieve maximum delegation of funding to schools, meaning that only in exceptional circumstances should funding be held centrally by the LA for the provision of central education services. In addition, schools can agree to return funding delegated to them to provide some services centrally; this is termed de-delegation. De-delegation takes place after calculation of the formula but before the budget has been provided to the school. It has the effect of giving money back to the LA to provide for some services centrally.
Dedicated Schools Grant (DSG)	The ring-fenced specific grant paid by the Department to local authorities from April 2006 in support of the Schools Budget. The money has either to be delegated to schools or used for centrally managed provision for pupils. It can only be spent on other children's services with the approval of the schools forum and where an educational benefit can be justified.
Department for Education (DfE)	UK government department with responsibility for infant, primary and secondary education.
Early Intervention Grant (EIG)	A grant from Government to local authorities in England to fund early intervention and preventative services. The grant is not ring-fenced and, subject to local decision making, the EIG can be used to support a full range of services for children, young people and families.
Education Funding Agency (EFA)	A new DfE executive agency that, from April 2012, will be responsible for capital and revenue funding for 3-19 education and training. The EFA will directly fund Academies, Free Schools, and 16-19 providers; it will fund local authorities for maintained primary and secondary schools; and it will be responsible for the distribution of capital funding and advice on capital projects.
Element 1 Element 2 Element 3	Element 1 is the basic entitlement every pupil receives, regardless of whether they are deemed to have 'high needs'. This varies by setting (special / mainstream schools) and key stage (KS1 and 2, KS3 and KS4). Element 2 is an additional £6,000 that schools contribute towards pupils with high needs. In special schools all pupils have high needs and receive this allocation. In mainstream schools is called the 'notional SEN' budget. Element 3 is the additional funding provided by the Council above element 1 + element 2.
Early Years Block	The new funding formula to be introduced in 2013/14 contains three funding blocks (Early Years, Schools and High Needs). The Early Years block will now fund all factors relating to 3 and 4 years olds in nurseries, PVI's and maintained schools. The funding consists of: <ul style="list-style-type: none"> • An hourly rate based on provider type • IDACI deprivation funding (by each child's postcode) • FSM eligibility • Mainstream grants (only applicable to Nurseries)
Early Years Single Funding Formula (EYSFF)	The single local funding formula that each local authority is required to develop and implement to fund all free entitlement to early education and care for 3 and 4 year olds.

Early Years Foundation Stage Profile	<p>The statutory means of recording each child's attainment against the early learning goals. An assessment of Nursery pupils completed at the end of the Early Years Foundation Stage. Based on ongoing observation and assessment in the three prime and four specific areas of learning:</p> <p>The prime areas of learning:</p> <ul style="list-style-type: none"> • communication and language • physical development • personal, social and emotional development <p>The specific areas of learning:</p> <ul style="list-style-type: none"> • literacy • mathematics • understanding the world • expressive arts and design³ Early Years Foundation Stage Profile Handbook <p>The learning characteristics:</p> <ul style="list-style-type: none"> • playing and exploring • active learning • creating and thinking critically
Free School Meals (FSM)	<p>Known eligibility for Free School Meals is commonly used as an indicator of deprivation. FSM eligibility is based on whether the child's parents are in receipt of certain non-work benefits, including Income Support, Job-Seeker's Allowance and Tax Credits.</p>
Education Services Grant (ESG)	<p>The Education Services Grant (ESG) is paid to local authorities and academies and is intended to provide various education services. In 2014/15, the ESG totals £1 billion nationally, with around £200m allocated to academies and £800m to local authorities. In 2014/15, Manchester City Council received an initial ESG allocation of £8.1m.</p>
Executive	<p>The Executive is the main decision making body of the Council, responsible for implementing the budgetary and policy framework of the Council. In Manchester each of the 9 members also has individual special responsibility for a particular area of the Council's services and policies.</p>
Free Schools	<p>All-ability state-funded schools set up in response to what local people say they want and need in order to improve education for children in their community. These new schools have the same legal requirements as Academies and enjoy the same freedoms and flexibilities.</p>
Growth Fund	<p>The total increase in primary numbers requires additional DSG as temporary provision is required in order to build capacity in schools. On 28th June DfE announced that LAs can create a growth fund within centrally retained DSG. Any underspend needs to be allocated through the formula in the following financial year. Once the requirement for this growth fund has been determined it will need to be created by a reduction to the delegated element of the schools block.</p>
Headroom	<p>Amount of funding which remains after all budgets (see ISB / RSB) have been allocated. In 2014-15 it is estimated that, if the school funding formula remains as agreed prior to receipt of the DSG budget from the EFA, this budget will be £3.1m.</p>
High Needs Block	<p>The High Needs Block is the funding the Local authority (LA) will receive from the Education Funding Agency (EFA). It comprises of :</p> <ul style="list-style-type: none"> • Special school budgets • Centrally funded LA provision for individual children • Special Educational Needs (SEN) Support Services • Support for Inclusion (outreach) • Independent school fees • Inter authority recoupment • Pupil referral units • Education out of school • Delegated allocations relating to individual children • Delegated allocations to special units and specialist resourced provision • All post 16 SEN expenditure, including provision for 16-25 year olds in FE colleges and independent providers that the Authority is currently not responsible for • High Needs expenditure on under 5's

High Needs Block (new funding formula)	The new funding formula to be introduced in 2013/14 contains three funding blocks (Early Years, Schools and High Needs). Currently schools in Manchester are expected to support pupils with high needs up to £10,000 from the school's budget share. Any pupil requiring funding of above £10,000 is deemed a 'high needs' pupil and will be funded through the High Needs block. This will consist of base funding of £10,000 per pupil and individually assigned 'top-up' funding, which will be unique to each child and based on an assessment of the child's needs.
High Needs Pupils (HNP)	Pupils with very specific needs, mainly those with high cost Special Educational Needs (SEN) and in Alternative Provision. It is defined roughly as children whose provision costs around £6,000 more per annum than the average.
Income Deprivation Affecting Children Index (IDACI)	A measure of financial deprivation that affects children: a score and rank is provided for each Lower Super Output Area.
Individual School Budgets (ISB)	School budgets distributed mainly through the school funding formula. This is the budgets that will be received by schools.
Key Stage	There are four distinct stages of schooling: Key Stage 1: pupils aged 5 to 7 - year groups 1 to 2 Key Stage 2: pupils aged 7 to 11 - year groups 3 to 6 Key Stage 3: pupils aged 11 to 14 - year groups 7 to 9 Key Stage 4: pupils aged 14 to 16 - year groups 10 to 11.
Local Authority Central Spend Equivalent Grant (LACSEG)	A grant paid to Academies in recognition of the fact that as independent schools they no longer receive a number of services from local authorities, and must make appropriate provision for themselves.
Local Funding Formula	The Local Authority (LA) is required to fund individual schools on a formula basis in accordance with the Schools Finance (England) Regulations 2011. The schools' formula is reviewed on a regular basis, culminating in a formal consultation process with all schools.
Maintained Schools	A school which is funded via the local authority and therefore subject to local government control.
Minimum Funding Guarantee (MFG)	The MFG stipulates the minimum amount by which a school's budget must increase (or maximum decrease) when compared with its budget for the previous year, before allowing for changes in pupil numbers. Some specific items of expenditure (such as rates and resources specifically assigned to individual pupils with special needs) are excluded from the coverage of the MFG. The local authority can modify the operation of the MFG with the approval of the Secretary of State.
Non-recoupment academies	Academies with no predecessor (that did not convert from a school) or that were established before 2008 are funded directly by the EFA. Manchester receives no funding for these institutions and their budgets are not included in the original DSG allocation. As a result, these academies are categorised as 'non-recoupment' academies (see 'recoupment' definition, below).
Notional SEN	Also referred to as 'Element 2' – this is the funding schools are expected to contribute towards each pupil with high needs. The budget is not ringfenced and schools do not receive this budget based on specific children, but must find the funds from other funding factors received above the basic entitlement for each child. In exceptional circumstances, if a school is deemed to have too little notional SEN to meet the needs of its high needs pupils the Council may allocate additional funds to assist the school. In 2013-14 this occurred if a school had more than 4% of the total pupil population statemented.
Place-plus funding model	A set of funding arrangements for pupils and students with high needs that is responsive to the needs of individual pupils and students. The approach is based more on actual pupil numbers combined with a base level of funding to offer specialist providers some stability.
Pupil Premium	Targeted funding (in addition to the DSG) paid to schools via the local authority, specifically aimed at the most deprived pupils to enable them to receive the support they need to reach their potential and to help schools reduce educational inequalities. In 2011-12, the premium was distributed to pupils known to be eligible for Free School Meals and was £430 per pupil.
Pupil Referral Unit	An establishment maintained by a local authority which is specifically organised to provide education for children who are excluded, sick, or otherwise unable to attend a mainstream or special maintained school.

Recoupment	DSG is allocated to Manchester City Council for all pupils in maintained and recoupment academies. When financial year budgets have been calculated for Manchester's academy schools the EFA reduce the DSG allocation in order to pay academies their budgets. The process of reducing DSG allocations is called recoupment.
Retained School Budgets (RSB)	The school budgets that are not distributed to schools, but which are retained centrally and managed by the Council on behalf of schools.
School Funding Reform	In March the DfE issued 'School Funding Reform: Next Steps towards a fairer system.' This document set out important changes to the way schools and academies will be funded from 2013-14, including the introduction of new basis for funding high needs pupils.
Schools Block	The new funding formula to be introduced in 2013/14 contains three funding blocks (Early Years, Schools and High Needs). The Schools Block will fund all pupils not funded through High Needs or Early Years and consists of the following factors: <ul style="list-style-type: none"> • Basic Entitlement – Pupil number funding • Social Deprivation (FSM and IDACI) • Low Cost, High Incidence SEN • EAL – English as an additional language • Mobility • Lump Sum • Split Sites • Rates
Schools Forum	A statutorily required body which represents the governing bodies and head teachers of local authority maintained schools and Academies, together with other members. The purpose of the forum was originally to advise the local authority on matters relating to schools budgets. The membership and role of the forum has been progressively extended (see annex below).
Section 251 (S251)	<p>Information to help local authorities prepare and submit annually to the Secretary of State separate budget and outturn statements about their planned and actual expenditure. The statements cover expenditure for education and children's social care functions as required under section 251.</p> <p>Section 251 replaces section 52 of the School Standards and Framework Act 1998 in England. Section 52 still applies in Wales.</p> <p>The statements are the primary means of informing schools and the public in general about local authority funding and expenditure plans. They provide detailed information in a form that allows benchmarking by schools forums and authorities.</p>
Sparsity	The DfE have defined sparsity as: "We have now developed a sparsity factor which measures the distance pupils live from their second nearest school. In rural areas where schools are few and far between, pupils could face the choice of either attending their nearest school or travelling a long way to the second nearest. In some cases, the distance to their second nearest school can be unacceptably long, putting a premium on ensuring that the pupil's nearest school stays open. Therefore, we think it is appropriate to enable local authorities to target additional funding to support these schools where per pupil funding alone may not be enough to ensure their viability. We will be introducing an optional sparsity factor based on the above model for 2014-15."
Special Educational Needs (SEN) Special Educational Needs and Disability (SEND)	Children have special educational needs if they have a learning difficulty, which calls for special educational provision to be made for them.
Universal Infant Free School Meals (UIFSM) Grant	The Government announced that from September 2014 funding will provided to enable schools to offer a free lunch to every primary school child in reception, year 1 and year 2. Schools will be funded £2.30 for every meal taken up by newly eligible pupils (those not currently eligible to a FSM). The Government has allocated over £1billion nationally between 2014 and 2016, including £150million of capital funding in 2014-15 to improve kitchen and dining facilities, to support UIFSM.

