

Briefing Paper - 2012/13 Budget Changes

To:- Headteachers

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1. Introduction

The briefing paper sets the headline information relating to 2012-13 school budgets following announcements by the Department for Education this week.

2. Dedicated Schools Grant (DSG)

The current methodology for funding schools in 2012-13 through the Dedicated Schools Grant (DSG) will continue and the underlying school budget will be kept at flat cash per pupil for 2012-13, ie the same level.

Although the overall schools budget will stay at the same level on a per pupil basis, before the addition of the Pupil Premium, the actual level of each school's individual budget will vary. This does mean that some schools will see budget reductions, either because they have fewer pupils or local changes to funding distribution. To protect schools from significant budget reductions, the Minimum Funding Guarantee will continue that ensures no school sees more than a 1.5 per cent per pupil reduction in 2012-13 budgets (excluding sixth form funding) compared to 2011-12 and before the Pupil Premium is added.

3. Pupil Premium

The pupil premium for 2012-13 is set to increase to £600 per eligible pupil.

A significant number of additional children will also qualify for the premium as the Government has extended its reach to cover any child that has been registered for Free School Meals (FSM) in the past six years.

Children who have been eligible for Free School Meals at any point in their school career have consistently lower educational attainment than those who have never been eligible. In 2009-10 GCSE statistics showed that around a third of pupils who have been on Free School Meals in the previous six years achieved five or more A*-

C grades, compared to more than two thirds of their fellow pupils. Pupils at secondary school are also less likely to be registered for Free School Meals even when they are eligible and so are more likely to be picked up by this approach.

The pupil premium for maintained schools in Bolton is set to increase from £3.1million to £6.4 million.

The Pupil Premium provides additional funding on top of the main funding a school receives. It is targeted at pupils from disadvantaged backgrounds to ensure they benefit from the same opportunities as pupils from less deprived families.

Children in care who have been looked after by local authorities for more than six months also continue to qualify for the Pupil Premium.

4. Formula Changes

The following are changes to the Needs led formula that were agreed at Schools Forum last week.

i. Change in Funding of English as an additional language

This review was in response to the ceasing of the Ethnic Minority Achievement Grant (EMAG) funding in Standards Fund, the funding was transferred into DSG in April 2011 and allocated to schools via the historic mechanism to allow 12 months to review the formula.

Primary Sector - Following discussions with individual Schools, the Formula Review Group and with a representative from the BEMAS team it is thought that it would take up to the end of Year 3 for EAL pupils to be up to the expected language level.

Support required includes staffing in the classroom (teaching and teaching assistant) and additional Admin for translation and parent liaison. In order to provide this support each EAL pupil in Reception – Year 3 will receive funding to a level of £209.

Secondary Sector – It is proposed that EMAG and INA funding pots should be combined and a new formula developed. This is currently being worked on and will be reviewed during 2012/13 for implementation in April 2013, along with a revised formula for INAs in the Primary Sector

ii. Review of Sixth Form Abatement Calculation

Pupils in secondary school sixth forms are funded directly from the Young Peoples Learning Agency (YPLA).

This funding is reducing significantly therefore the Headteachers from these schools have requested the Formula Review Group to investigate the areas of the Needs

Led Formula that link with sixth form provision.

The Abatement calculation is deducted from the Needs Led Formula to represent costs within the formula that are double funded, ie should be funded from the YPLA grant. A good example of this is the premises costs funded on square metres whereby the needs led formula funds the whole site, the area occupied by the sixth form students is then deducted through the abatement calculation.

The current abatement calculation is historic and required review. All the proposals in the report were agreed by Schools Forum last week.

Teachers Pay Grant in 6th form –It has been highlighted that the funding received from YPLA for this purpose is ceasing, this raised the question as to whether the DSG should fund this reduction in grant in order for the schools to be able to continue to fund the current level of teachers pay in 6th Forms.

As this was considered to be a policy discussion, it was proposed that all secondary schools would need to be consulted, that further work be undertaken regarding the potential impact on other schools and this item will be taken to the January meeting of the Schools Forum.

5. Devolved Formula Capital

The level of DFC per pupil and lump sum per school remains the same in 2012-13:-

Base Rate per School	£4,000
Amount per pupil – Primary	£11.25
Amount per pupil – Secondary	£16.88
Amount per pupil – Special	£33.75

6. Further Briefing

It proposed that a breakfast briefing is organised in January to discuss these changes in further detail. Could you please e-mail myself or David Smith david.smith@bolton.gov.uk if you would be interested in attending this briefing.

Julie Edwards
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