



## **NOTICE OF MEETING**

### **Schools Forum**

**Thursday 14 January 2016, 4.30 pm**

**Council Chamber, Fourth Floor, Easthampstead House, Bracknell**

**To: The Schools Forum**

#### **Schools Members:**

Sue Barber, Primary School Governor  
Liz Cole, Primary School Representative  
Liz Cook, Secondary Head Representative  
Karen Davis, Primary Head Representative  
Brian Fries, Secondary School Governor  
Martin Gocke, Pupil Referral Unit Representative  
Keith Grainger, Secondary Head Representative  
John McNab, Secondary School Governor  
Trudi Sammons, Primary School Representative  
Anne Shillcock, Special Education Representative  
Debbie Smith, Secondary Head Representative  
David Stacey, Primary School Governor  
Beverley Stevens, Academy School Representative  
Grant Strudley, Primary Head Representative  
John Throssell, Primary School Governor (Vice-Chairman)

#### **Non-Schools Members**

George Clement, Union Representative (Chairman)  
Kate Sillett, PVI Provider Representative  
Vacant, 14-19 Partnership Representative  
Vacant, Diocese Representative (Roman Catholic)  
One Vacancy, Diocese Representative (Church of England)

ALISON SANDERS  
Director of Corporate Services

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- 3 Use the stairs not the lifts.
- 4 Do not re-enter the building until told to do so.

If you require further information, please contact: Derek Morgan  
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Published: 5 January 2016

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**Thursday 14 January 2016, 4.30 pm**  
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Sound recording, photographing, filming and use of social media at meetings which are held in public are permitted. Those wishing to record proceedings at a meeting are however advised to contact the Democratic Services Officer named as the contact for further information on the front of this agenda as early as possible before the start of the meeting so that any special arrangements can be made.

**AGENDA**

Page No

**1. Apologies for Absence/Substitute Members**

To receive apologies for absence and to note the attendance of any substitute members.

**2. Declarations of Interest**

Any Member with a Disclosable Pecuniary Interest or an Affected Interest in a matter should withdraw from the meeting when the matter is under consideration and should notify the Democratic Services Officer in attendance that they are withdrawing as they have such an interest. If the Interest is not entered on the register of Members interests the Monitoring Officer must be notified of the interest within 28 days.

**3. Minutes and Matters Arising**

To approve as a correct record the minutes of the meeting of 22 October 2015.

3 - 8

**4. Schools Forum: Operational and good practice guidance**

To ask for comment on the responses from the Council to the self-assessment returns.

9 - 18

**5. Local Authority Budget Proposals for 2016/17**

To ask for comments on the 2016/17 budget proposals of the Executive for the Children, Young People and Learning Department

19 - 46

**6. Proposals for the 2016/17 Schools Block Element of the Schools Budget**

To present an update on school funding and to seek comments on proposals from the Council for the 2016-17 Schools Block element of the Schools Budget.

47 - 72

**7. Dates of Future Meetings**

Future meetings of the Schools Forum are scheduled as follows:

10 March 2016

21 April 2016

16 June 2016

**SCHOOLS FORUM  
22 OCTOBER 2015  
4.35 - 5.45 PM**



**Present:**

**Schools Members**

Sue Barber, Primary School Governor  
Liz Cole, Primary School Representative  
Brian Fries, Secondary School Governor  
Martin Gocke, Pupil Referral Unit Representative  
John McNab, Secondary School Governor  
Trudi Sammons, Primary School Representative  
Debbie Smith, Secondary Head Representative  
Beverley Stevens, Academy School Representative  
Grant Strudley, Primary Head Representative  
John Throssell, Primary School Governor (Vice-Chairman)

**Non-Schools Members:**

George Clement, Union Representative (Chairman)

**Apologies for absence were received from:**

Liz Cook, Secondary Head Representative  
Karen Davis, Primary Head Representative  
Anne Shillcock, Special Education Representative  
David Stacey, Primary School Governor

**42. Election of Chairman**

**RESOLVED** that George Clement be elected Chairman of the Schools Forum for the academic year 2015/16.

**43. Appointment of Vice-Chairman**

**RESOLVED** that John Throssell be appointed Vice-Chairman of the Schools Forum for the academic year 2015/16.

**44. Declarations of Interest**

There were no declarations of interest.

**45. Minutes and Matters Arising**

**RESOLVED** that the minutes of the meeting held on 16 July 2015 be approved and signed by the Chairman as a correct record subject to Minute 37 third paragraph being amended to read that 90& should be 90% and Minute 37 fourth paragraph being amended to read that and school should be and schools.

Matters Arising

- In relation to Minute 30: The Scheme for Financing Schools, the update to the Scheme had now been completed and the relevant document on the Council website reflected the update.
- In relation to Minute 39: Paul Clark advised that the issue of loan proposals for schools had been communicated by letter to all schools as part of an update on school funding that highlighted a wide range of cost pressures facing schools in 2016-17.
- In relation to Minute 39: In respect of the Autism and Social Communication Service, Amanda Wilton advised that short term measures were in place to cover a resignation in the service which had impacted on the availability of the service and that options for future delivery were being looked at including joint funding with the Berkshire Clinical Commissioning Groups (CCGs), an SLA offer to schools to purchase, or seeking additional funding through the budget setting process, which would be subject to agreement of the Forum.

#### 46. **Update on SEN Cost Pressures**

The Forum received a report which updated it on cost pressures being experienced on supporting High Needs Pupils and the actions being taken to manage those pressures and any future costs increases.

The report included separate information on progress and key issues occurring in Quarters 1 and 2 and the forum noted that as a result of management actions, £0.499m of savings were on course to be achieved, £0.031m above the amount included in the 2015-16 base budget. The work being undertaken on the cost of supporting High Needs Pupils was a key action for the Department and would continue to be reported on a quarterly basis to the Director and Departmental Management Team through the Post-16 SEN Budget Monitoring Board.

As well as providing an update on key matters, Mandy Wilton advised the Forum that the next steps and recommendations for the SEN Team included:

- Develop primary ASD resource
- Develop Binfield learning village SEN resource
- Explore feasibility of a Primary Nurture Group Plus
- Consider implementing school based cluster arrangements
- Consider arrangements to make available a short term intervention fund from the DSG for mainstream schools to utilise rather than request statutory assessments
- Investment in SEN support services to increase mainstream school capacity to meet needs
- Consider increasing capacity of Education Psychology Service in order to provide more support and consultation for SEN in mainstream schools
- Continue to support the development of an PMLD specialist resource for post 19 learners at Bracknell and Wokingham College.
- Benchmark SEN cost
- Work on moving SEN students into employment or apprenticeships where appropriate

In response to questions, officers advised that:

- The SEN unit at Binfield Learning Village would be part of the new Academy school and that in respect of High Needs Pupils, Community and Academy schools are funded in exactly the same way and also equally receive access to all centrally managed High Needs Budgets, subject to meeting qualifying criteria / thresholds.
- School based cluster arrangements would involve allocating an amount of funding for High Needs Pupils to a group of schools to manage independently amongst themselves, rather than through the SEN Panel. This approach had worked successfully in other local authorities.
- it was believed that the Terms of Reference for the SEN Panel had been reviewed and re-issued for 2015-16. This would be confirmed and members informed of where they had been published and where they could be located.
- That the services under review which were funded from the High Needs Block included all centrally managed budgets, but that this work had not progressed in detail yet.
- The admission criteria for prospective pupils for Rise@GHC was considered by the cross-professional admissions panel that looks at each submission made by parents to determine if the request for a place met the needs of the pupil's statement. Mandy Wilton agreed to inform the Forum if and where the admissions criteria had been published and establish whether any overlap could occur with Kennel Lane Special School which was currently a cheaper option, although this would not be the case when Rise@GHC achieves a higher occupancy rate.

The Forum noted the actions being taken to address the current and future cost pressures and the successful progress to date that indicated a year end under spend on the High Needs budget of £0.124m.

#### 47. **Schools Budget Monitoring 2015-16**

The Forum was presented with a report on the 2015-16 forecast budget monitoring position for the Schools Budget, the Education capital programme and other financial matters.

In respect of the revenue and capital budgets, updates were provided in respect of the current budget amounts, including recent changes to reflect adjustments to grant funding and the use of reserves together with explanations to the significant budget variances currently being forecast. Overall, the revenue budget was forecast to under spend by £0.223m, which significantly contributes to ensuring the minimum prudential level of balances that needs to be available at 1 April 2016 to manage potential cost risks of £.51m is achieved. For the capital programme, no variances are being reported as under or over spendings are generally re-cycled within the multi-year programme.

For the Scheme for Financing Schools, two relatively minor changes are required of all LAs by the DfE, in respect of school permission to borrow money, and the register of business interests. Proposed amendments to the BF Scheme were included on the report.

A further update was also provided to the Forum on progress towards the required funding policy for new and expanding schools. Whilst a model was now in place to assess the cost of operating different sized schools and which can accurately

determine likely financial implications, suitably robust pupil forecasts were still outstanding as these depend on the pace of housing construction which is continually updated by the developers. The delay in finalising the model, together with the complexities involved, made it unrealistic to complete a consultation with all schools on the proposed model, meaning the Forum would be asked to approve the policy without a contribution from individual schools.

Forum members commented on:

- the viability and practicability of the LA appointing Executive Headships from existing BF schools to plan the start-up for new schools to avoid the cost pressure of recruiting a full time head teacher before a new school opened. It was agreed that Executive Headships would result in a saving until new schools moved towards capacity but questions remained over whether the role would be too large in practice and whether external providers would agree to having a nominated interim head teacher.
- the LAs financial responsibility for new Academies. It was confirmed that the LA is required to fund Academy and Community schools for start-up and diseconomy costs in the same way, hence the need for the policy which will be brought to the next meeting on 10 December
- The potential adverse impact on existing schools as a result of pupils having the choice to go to schools with newer facilities. Does the LA have a strategy to manage this? Can the LA improve all existing schools rather than build new ones?
- The need for the pupil forecasting model to include housing developments planned in neighbouring LAs.
- Whilst the complexities of the required policy and the fact that the proposal may not be ready for circulation until mid November make it unrealistic to expect to receive and evaluate responses in time for the next meeting from all schools, head teacher representatives do need to speak to their colleagues about the options before a decision is made by the Forum. It was agreed that officers would circulate available information to head teachers only for review at their respective groups. Whilst a decision on the Funding Policy is planned for December, there is an opportunity for a final decision to be made at the January 2016 meeting, but there is no scope to extend beyond this date as LAs must inform the DfE of their funding arrangements for 2016-17 by the end of January 2016.

An update on the issues raised by members would be provided at the next meeting of the forum.

The forum **NOTED**:

- i. The level of funding from the Dedicated Schools Grant (DSG) of £78.052m.
- ii. Other grant income of £9.767m from the Education Funding Agency (EFA) and £0.031m of general income meant a total of £87.759m was available to fund expenditure within the Schools Budget.
- iii. Points 5.2 – 5.3 of the report confirmed the level of funding and detailed the previously agreed draw down of Earmarked Reserves and other adjustments to increase available budgets. These included £0.117m draw down from the Job Evaluation Reserve to part finance the cost of implementing the Bracknell Forest Supplement for non-teaching staff in schools and £0.208m draw down from the SEN Unit Reserve to support the start-up costs for Rise@GHC.

Further adjustments by the EFA to the Early Years Block DSG allocation were that funding for 2 year olds had now been confirmed at £0.673m and funding for 3 and 4 year olds had been verified resulting in a £0.047m deduction.

- iv. Overall, these changes resulted in a current level of DSG of £78.678m and a total income of £88.476m.
- v. A £0.020m draw down from the SEN Unit Reserve for Rise@GHC as a result of on-going checks to the budget requirement. The Forum agreed this change needed to be made to the medium term budget plan due to the change in the cash flow profile but would not affect the overall cost of the 5 year project.
- vi. Provisional budget monitoring indicated that the Schools Budget would under spend by an aggregate £0.223m. Added to this was an opening surplus amount of £0.208m in the unallocated Schools Budget General Reserve, meaning a potential £0.451m surplus balance at year end. However, this would be £0.079m below the surplus minimum level of £0.510m which may mean a top up from the new year DSG income may be required. It was noted that if this was the case it would become a budget pressure.

The Forum **AGREED**:

- i. That the Schools Forum would make a decision on the Funding Policy at the next meeting of the Forum on 10 December.

The Forum discussed circulating the policy proposal to all other schools to canvass their views by way of consultation. However, due to the complexities of the required policy and the fact that the proposal may not be ready for circulation until mid November it was considered unrealistic to expect to receive and evaluate responses in time for the next meeting. However, Paul Clark agreed to explore the feasibility of circulating the paper to other school head teachers only by way of consultation.

#### 48. **Schools Forum Operational and Good Practice Guide**

The Forum were presented with the Operational and Good Practice Guide which replaced the October 2013 version.

The Forum **NOTED**:

- i. Whilst no significant changes had been made to the guidance, there were three areas where changes were considered beneficial and relatively straightforward to implement:
  - o Improve the flow of information to governing bodies, to include the outcomes of consultations with the Schools Forum, such as those in respect of contracts to be funded from the Schools Budget and other financial issues.
  - o Improvements to induction of new members to ensure appropriate background information was made available in a timelier manner.
  - o Improvements in communications to non-school partners, in particular private, voluntary and independent sector providers of early years childcare and education.

The Forum discussed the self-assessment toolkit issued by DfE which was designed for members to complete, either individually or by the Forum as a whole, which was centred on assessing the strengths and weakness of Schools Forums.

The Forum **AGREED**:

- i. To the completion and return of the self-assessment toolkit to Paul Clark no later than 20 November in order that the outcomes and any proposed changes could be reported to the Forum for a decision at the next meeting on 10 December 2015.

#### 49. **Financial Benchmarking 2015-16**

The Forum briefly reviewed a report which informed members of the Education and Children's Services financial benchmarking data in respect of the 2015-16 original budget. The report provided comparative data with 10 other LAs considered to have characteristics which closely matched those of Bracknell Forest. These were Hertfordshire, Hampshire, Central Bedfordshire, West Berkshire, West Sussex, Oxfordshire, Warwickshire, South Gloucestershire, York and Buckinghamshire.

The Forum noted that BFC had a higher general cost base than most of the 10 other LAs, in particular due to its geographical location and payment of London weighting to staff. However, due to the brief and unclear completion guidance issued by the DfE it was likely that not all authorities would have completed the statements on the same basis, leading to doubt of the accuracy of the data.

The Forum commented that spend reflected the budget decisions and priorities of the Forum and variances should be expected, and that high spend in some areas is expected and a benefit. For example, whilst young people's learning and development was 4 times the average spend compared to the other 10 LAs and the highest in the group, BFC had the lowest number of young people Not in Education, Employment or Training (NEET) and the spend here reflected the cost of the Adviza contract that provided information, advice and guidance to post 16 students. The same applies to spend on combined services which are 2.6 times the average, but this supports vulnerable children and families and is often an effective form of preventing escalation of difficulties.

#### 50. **Dates of Future Meetings**

The next meetings of the Schools Forum were scheduled to take place at 4.30pm in the Council Chamber at Easthampstead House on:

Thursday 10 December 2015  
Thursday 14 January 2016  
Thursday 10 March 2016  
Thursday 21 April 2016

If there was no business to discuss, meetings would be cancelled.

**CHAIRMAN**



(ITEM)

TO: SCHOOLS FORUM  
DATE: 14 JANUARY 2016

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## SCHOOLS FORUM: OPERATIONAL AND GOOD PRACTICE GUIDE Director of Children, Young People & Learning

### 1 PURPOSE OF REPORT

- 1.1 This report presents feedback from Forum Members on the effectiveness of the Bracknell Forest Schools Forum as recorded on the recently completed self-assessment toolkit developed by the Department for Education (DfE) to support the *Schools Forum: Operational and Good Practice Guidance*.

### 2 RECOMMENDATIONS

- 2.1 That the Forum **COMMENTS** on the responses from the Council to the self-assessment returns.

### 3 REASONS FOR RECOMMENDATIONS

- 3.1 It is appropriate for the Schools Forum to comment on these matters and make recommendations for improvement.

### 4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None.

### 5 SUPPORTING INFORMATION

#### Background

- 5.1 The *Schools Forum: Operational and Good Practice Guidance* has been designed by the DfE to provide members of Schools Forums, local authority officers and elected members with advice and information on good practice in relation to the operation of Schools Forums. The latest version was released in March 2015, with no significant changes, and was reported to the Forum in December 2015.
- 5.2 A review by officers of the guidance identified the following areas where changes are considered beneficial and relatively straightforward to implement and would therefore be progressed:
- Improve the flow of information to governing bodies, including on the outcomes of consultations with the Schools Forum, such as those in respect of contracts to be funded from the Schools Budget and other financial issues.
  - Improvements to induction of new members to ensure appropriate background information are made available in a timelier manner.

- Improvements in communications to non-school partners, in particular private, voluntary and independent sector providers of early years childcare and education.

5.3 To gather other views, Members of the Forum agreed to complete the DfE self-assessment toolkit and return to the LA for reporting back to this meeting.

#### Update from self-assessment returns

5.4 The DfE self-assessment toolkit contains 21 questions and by the publication date for this report replies had been received from 12 of the current 17 Forum Members. This represents a 70% response rate. 6 of the respondents represented the primary phase, 3 the secondary phase with one each from special, alternative education and the trades unions.

5.5 Annex 1 presents the questions posed with a simple analysis of the responses which shows that for 16 questions, at least 50% of respondents agreed that the suggested good practice level was being achieved by the council. The remaining responses indicated the best level is not achieved, is partially achieved, or it wasn't know.

#### Response from BFC

5.6 There was a good response rate from Forum Members to the self-assessment questionnaire with most areas being reported as being met by the Council. Of the 5 questions where less than 50% of respondents agreed that best practice was being met:

- for 2 questions, the majority response was "don't know" (questions 4 and 7)
- for 1 question, the majority response was "no" (question 14)
- for 2 questions, both "don't know" and "no" scored equally (questions 11 and 17)

5.7 In response to the "don't know" replies:

Question 4 (42% "don't know"): Is there a dedicated website link for the schools forum, is it current and regularly updated?

Council response: There is a dedicated website and members are emailed the link to meeting agendas in advance of each meeting. 3 comments were received that indicated that the website was difficult to find from the BF public website homepage. The Council's Digital Services Team is in the process of a re-design and re-launch of the BF public website and will take this into account.

Question 7 (67% "don't know"): If papers are tabled at the meeting, are they published on the website promptly after the meeting?

Council response: Papers on new issues are not tabled at meetings. All papers are published 5 clear days before the meeting to allow for matters to be properly considered and colleagues consulted, if required. Sometimes it is necessary to table amendments to published reports.

5.8 In response to the “no” reply:

Question 14 (50% “no”): Is it clear to observers who attendees at the forum are representing? (e.g. by use of name plates, indicating sector)?

Council response: Other than the Executive Member, it is unusual for an observer to attend the forum. The current practice is to provide desk name plates only but that can be expanded to include the body being represented.

5.9 In response to the joint “don’t know” and “no” replies:

Question 11 (42% “no” / “don’t know”): Is there an induction pack or training programme available for new members?

Council response: Agreed this is not currently covered consistently or to the required standard and was highlighted as a weakness at the last meeting. An induction pack will be developed and provided to new members to cover key responsibilities and duties, the constitution, cycle of meetings etc.

Question 17 (33% “no” / “don’t know”): Do members actively canvass views and objectively represent their whole peer group at the forum and provide feed back after meetings?

Council response: Views on this question seem to differ depending on which group the respondent represents. Headteachers tended to respond that this is being met, whereas governors tended to think not or didn’t know. This is to be expected with well established and regular Headteacher meetings taking place but with no equivalent structure in place for governors, who are volunteers and much more difficult to bring together on regular occasions. However, developing a group of governors to canvass views from, possibly via email in the week between papers being published and meetings being held will be explored. The possibility of updating the Governor Services section of the School Management Website with web links and sending all Chairs of Governors web links to Forum papers direct will also be explored. This would facilitate gather views before and updating governors after Forum meetings.

5.10 Annex 2 lists all the comments made on the self-assessment returns.

## **6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

### Borough Solicitor

6.1 The relevant legal provisions are addressed within the main body of the report.

### Borough Treasurer

6.2 The Borough Treasurer is satisfied that no significant financial implications arise from this report.

### Equalities Impact Assessment

6.3 There are no specific impact assessments arising from this report.

### Strategic Risk Management Issues

6.4 There are no specific strategic risk management issues arising from this report

### Other Officers

6.5 There are no issues arising from this report that are relevant to other officers.

## **7 CONSULTATION**

### Principal Groups Consulted

7.1 Schools Forum.

### Background Papers

None

### Contact for further information

David Watkins, Chief Officer: SR&EI  
[david.watkins@bracknell-forest.gov.uk](mailto:david.watkins@bracknell-forest.gov.uk)

(01344 354061)

Paul Clark, Head of Departmental Finance  
<mailto:paul.clark@bracknell-forest.gov.uk>

(01344 354054)

### Doc. Ref

G:\Executive\Schools Forum\75) 140116\Operational and good practice guide 2015 - Jan 2016 update.doc

## Responses to Schools Forum Self-Assessment Toolkit (12 out of 17 responses)

Question	Yes	No	Partially	Don't know
1. Are meeting dates set in well advance and details (including time and venue) published in an accessible manner to enable interested parties to plan their attendance?	100.00%	0.00%	0.00%	0.00%
2. Are meetings timed to coincide with key dates? (e.g. reporting of funding formula)	91.67%	0.00%	0.00%	8.33%
3. Are meetings held in an accessible venue to enable observers to attend easily?	100.00%	0.00%	0.00%	0.00%
4. Is there a dedicated website link for schools forum, is it current and regularly updated?	41.67%	16.67%	0.00%	41.67%
5. Are the agenda and papers publicly available on the authority's website at least 6 working days in advance of the meeting?	75.00%	0.00%	0.00%	25.00%
6. Are the papers published as a single document, so that users can download easily?	66.67%	8.33%	0.00%	25.00%
7. If papers are tabled at the meeting, are they published on the website promptly after the meeting?	33.33%	0.00%	0.00%	66.67%
8. Are draft minutes published a reasonable time (e.g. within 2-3 weeks) after the meeting, rather than waiting until the following meeting?	75.00%	8.33%	0.00%	16.67%
9. Are the minutes clear and unambiguous, with sufficient detail to illustrate the discussions, without reporting verbatim every point made?	91.67%	0.00%	8.33%	0.00%
10. Is the constitution clear and appropriate? Including eg a clear process for ensuring proportional representation - the process for electing members and their tenure - the timescale for review is clearly set out - the process for dealing with repetitive non attenders	83.33%	0.00%	8.33%	8.33%
11. Is there an induction pack or training programme available for new members?	16.67%	41.67%	0.00%	41.67%

Question	Yes	No	Partially	Don't know
12. Is the election process clear and transparent? i.e. representatives are elected only by the group they are representing, whether phase-specific for maintained schools, or by the proprietors of academies for academy members.	91.67%	8.33%	0.00%	0.00%
13. Do the papers contain clear recommendations and indicate in a consistent manner whether the item is for information, consultation or decision?	100.00%	0.00%	0.00%	0.00%
14. Is it clear to observers who attendees at the forum are representing? (eg by use of name plates, indicating sector)	41.67%	50.00%	8.33%	0.00%
15. Does the chair manage the meeting well, ensuring that all are able to contribute to the agenda items, that no bias towards any sector is evident and that no single person or organisation is able to dominate the discussion?	91.67%	0.00%	0.00%	8.33%
16. Is there inclusive participation in discussions for all phases and types of members?	75.00%	0.00%	8.33%	16.67%
17. Do members actively canvass views and objectively represent their whole peer group at the forum and provide feed back after meetings?	25.00%	33.33%	8.33%	33.33%
18. Where votes are required, is it clear who is eligible to vote for different items?	83.33%	0.00%	0.00%	16.67%
19. Where votes are required, are the arrangements for recording the votes clear and unambiguous?	83.33%	8.33%	0.00%	8.33%
20. Is there a system in place for a decision if votes are tied?	50.00%	0.00%	0.00%	50.00%
21. Is the operational & good practice guide used to regularly review the forum's adherence to good practice?	50.00%	8.33%	0.00%	41.67%

### Comments made with self-assessment submissions

<b>1. Are meeting dates set in well advance and details (including time and venue) published in an accessible manner to enable interested parties to plan their attendance?</b>
<ul style="list-style-type: none"> <li>As a new member of the forum, I have been made aware of these and have been able to plan my attendance.</li> </ul>
<ul style="list-style-type: none"> <li>Secretary does a particularly good job of email advice, posting of agenda/documents. Meetings are planned a year in advance, including extras that will be cancelled if not actually needed.</li> </ul>
<b>2. Are meetings timed to coincide with key dates? (e.g. reporting of funding formula)</b>
<ul style="list-style-type: none"> <li>Extras as above help this, because government data is NOT always as timely as hoped.</li> </ul>
<ul style="list-style-type: none"> <li>Mostly</li> </ul>
<b>3. Are meetings held in an accessible venue to enable observers to attend easily?</b>
<ul style="list-style-type: none"> <li>BF Council chamber</li> </ul>
<b>4. Is there a dedicated website link for schools forum, is it current and regularly updated?</b>
<ul style="list-style-type: none"> <li>Not easy to find directly from BFC website. Had to use Google search</li> </ul>
<ul style="list-style-type: none"> <li>On the Bracknell Forest Council website.</li> </ul>
<ul style="list-style-type: none"> <li>Difficult to find</li> </ul>
<ul style="list-style-type: none"> <li>The only way I get the information is via email</li> </ul>
<ul style="list-style-type: none"> <li>Not that I could find. Searching for Schools Forum on BFC homepage didn't work. Finally accessed it via Your Council/Councillors, democracy and elections/committees/statutory bodies/schools forum</li> </ul>
<ul style="list-style-type: none"> <li>The BFC site covers this topic and its content is current and regularly updated.</li> </ul>
<ul style="list-style-type: none"> <li>Minutes and agenda are accessible on BF website but not aware of a dedicated website. If thought desirable a section could be created on School Management Finance Pages</li> </ul>
<b>5. Are the agenda and papers publicly available on the authority's website at least 6 working days in advance of the meeting?</b>
<ul style="list-style-type: none"> <li>On the Bracknell Forest Council website.</li> </ul>
<ul style="list-style-type: none"> <li>As far as I know</li> </ul>
<b>6. Are the papers published as a single document, so that users can download easily?</b>
<ul style="list-style-type: none"> <li>And they are supplied in hard copy also.</li> </ul>
<ul style="list-style-type: none"> <li>Don't know</li> </ul>
<ul style="list-style-type: none"> <li>Documents are often multi-paged and can take time to download except for Forum members who received copies.</li> </ul>

<b>7. If papers are tabled at the meeting, are they published on the website promptly after the meeting?</b>
<ul style="list-style-type: none"> <li>• As a new member, I have no knowledge of this.</li> </ul>
<ul style="list-style-type: none"> <li>• Don't know</li> </ul>
<ul style="list-style-type: none"> <li>• I'm not aware of this happening</li> </ul>
<ul style="list-style-type: none"> <li>• Rarely happens. Not checked this but papers are always forwarded.</li> </ul>
<b>8. Are draft minutes published a reasonable time (e.g. within 2-3 weeks) after the meeting, rather than waiting until the following meeting?</b>
<ul style="list-style-type: none"> <li>• As a new member, I have no knowledge of this.</li> </ul>
<ul style="list-style-type: none"> <li>• As far as I am aware they are published with the new agenda for the next meeting.</li> </ul>
<ul style="list-style-type: none"> <li>• "waiting until the following meeting" – certainly not.</li> </ul>
<ul style="list-style-type: none"> <li>• Draft minutes are checked by the Chair and Paul Clark prior to issue.</li> </ul>
<b>10. Is the constitution clear and appropriate? Including eg a clear process for ensuring proportional representation</b>
<ul style="list-style-type: none"> <li>- the process for electing members and their tenure</li> <li>- the timescale for review is clearly set out</li> <li>- the process for dealing with repetitive non attenders</li> </ul>
<ul style="list-style-type: none"> <li>• Follows statutory guidance etc.</li> </ul>
<ul style="list-style-type: none"> <li>• Not entirely sure about process, tenure is clear</li> </ul>
<b>11. Is there an induction pack or training programme available for new members?</b>
<ul style="list-style-type: none"> <li>• If there is, I wasn't made aware</li> </ul>
<ul style="list-style-type: none"> <li>• I haven't been made aware of an induction or training programme.</li> </ul>
<ul style="list-style-type: none"> <li>• Have been a member for a number of years. Not aware of current training materials. Perhaps we need refreshers.</li> </ul>
<ul style="list-style-type: none"> <li>• Some time since I was one</li> </ul>
<ul style="list-style-type: none"> <li>• I Believe that the LA issue details to new members prior to them taking their place on the Forum</li> </ul>
<ul style="list-style-type: none"> <li>• Might be helpful.</li> </ul>
<ul style="list-style-type: none"> <li>• Not received one</li> </ul>
<b>12. Is the election process clear and transparent? i.e. representatives are elected only by the group they are representing, whether phase-specific for maintained schools, or by the proprietors of academies for academy members.</b>
<ul style="list-style-type: none"> <li>• Very difficult to attract diverse, qualified membership</li> </ul>
<ul style="list-style-type: none"> <li>• except, as in my case my election was by default in the absence of candidates. I'm not actually sure how well the forum canvasses for new members.</li> </ul>



<b>13. Do the papers contain clear recommendations and indicate in a consistent manner whether the item is for information, consultation or decision?</b>
<ul style="list-style-type: none"> <li>• Always very clear and reiterated by the Chair</li> </ul>
<ul style="list-style-type: none"> <li>• A verbal reminder is given when papers are being discussed on whether the item is for information, consultation or a decision is required</li> </ul>
<ul style="list-style-type: none"> <li>• Papers are always well thought through, informative and clear.</li> </ul>
<b>14. Is it clear to observers who attendees at the forum are representing? (eg by use of name plates, indicating sector)</b>
<ul style="list-style-type: none"> <li>• Name cards don't indicate sector but this is shown on the agenda</li> </ul>
<ul style="list-style-type: none"> <li>• Name plates do not show sector / representative group, although it easy via the attendance list to find this information out.</li> </ul>
<ul style="list-style-type: none"> <li>• Nameplates contain names only. However representation clearly set out in agenda</li> </ul>
<ul style="list-style-type: none"> <li>• Although name cards are provided and used they do not detail the representatives sector as far as I can recall.</li> </ul>
<ul style="list-style-type: none"> <li>• Nameplates provided though I don't think they show the sector. Observers sit away from forum members so obvious who is a member and who isn't</li> </ul>
<ul style="list-style-type: none"> <li>• Name plates say names, but not roles. Though, after a while, many faces get familiar I sometimes have to scrabble through the invitees on the agenda to tell who's who.</li> </ul>
<ul style="list-style-type: none"> <li>• Members have name plates but their sector is not shown. However, their sector is shown on the list of attendees on the minutes, including absentees.</li> </ul>
<ul style="list-style-type: none"> <li>• Sometimes not clear who is a member and an observer due to seating arrangements</li> </ul>
<b>15. Does the chair manage the meeting well, ensuring that all are able to contribute to the agenda items, that no bias towards any sector is evident and that no single person or organisation is able to dominate the discussion?</b>
<ul style="list-style-type: none"> <li>• Very good chairmanship</li> </ul>
<ul style="list-style-type: none"> <li>• The Chair is extremely clear and runs the agenda in a very organised fashion. He makes it clear to everyone the purpose and the recommendations checking that all present have had the opportunity to contribute and question.</li> </ul>
<ul style="list-style-type: none"> <li>• Sometimes a bit repetitive</li> </ul>
<ul style="list-style-type: none"> <li>• The meetings seem to work.</li> </ul>
<ul style="list-style-type: none"> <li>• The Chair remains neutral whenever a vote is taken on papers presented at the meeting. The Chair would have a casting/deciding vote in the event of a tie.</li> </ul>
<b>16. Is there inclusive participation in discussions for all phases and types of members?</b>
<ul style="list-style-type: none"> <li>• Up to individual members to contribute. Attendance not always as high as would be desirable.</li> </ul>
<ul style="list-style-type: none"> <li>• Free and open discussion</li> </ul>
<ul style="list-style-type: none"> <li>• Not always</li> </ul>
<ul style="list-style-type: none"> <li>• Except those deliberately excluded because they have declared interests. It would be inappropriate for a rep of a group such as "secondary schools" to canvas on behalf of their own school.</li> </ul>
<ul style="list-style-type: none"> <li>• Depends on the item</li> </ul>

<b>17. Do members actively canvass views and objectively represent their whole peer group at the forum and provide feed back after meetings?</b>
<ul style="list-style-type: none"> <li>• Others may but I only feedback relevant information to my own school meetings</li> </ul>
<ul style="list-style-type: none"> <li>• Members have reported back to PHAB meetings in the past and have canvassed views prior to meeting when appropriate.</li> </ul>
<ul style="list-style-type: none"> <li>• Not aware of any active counselling, especially between schools</li> </ul>
<ul style="list-style-type: none"> <li>• Only very occasionally on a specific item</li> </ul>
<ul style="list-style-type: none"> <li>• Don't know. I don't.</li> </ul>
<ul style="list-style-type: none"> <li>• I know that I am bad at this. Maybe there should be a process for me and/or Brian Fries to contact relevant secondary govts. Similar in other groups.</li> </ul>
<ul style="list-style-type: none"> <li>• The Head teacher representatives meet with their colleagues in their respective associations.</li> </ul>
<ul style="list-style-type: none"> <li>• Teacher reps are likely to report back to colleagues; it's more difficult for governors.</li> </ul>
<b>18. Where votes are required, is it clear who is eligible to vote for different items?</b>
<ul style="list-style-type: none"> <li>• As a new member, I have no knowledge of this.</li> </ul>
<ul style="list-style-type: none"> <li>• Chair makes it clear</li> </ul>
<b>19. Where votes are required, are the arrangements for recording the votes clear and unambiguous?</b>
<ul style="list-style-type: none"> <li>• As a new member, I have no knowledge of this.</li> </ul>
<ul style="list-style-type: none"> <li>• Secretary and Chairman count the hands. 1) Secretary is not a member of the forum. 2) It is not difficult to count the hands in the Council Chamber.</li> </ul>
<ul style="list-style-type: none"> <li>• Meeting is usually content with a show of hands</li> </ul>
<b>20. Is there a system in place for a decision if votes are tied?</b>
<ul style="list-style-type: none"> <li>• I don't know but assume it is the chair</li> </ul>
<ul style="list-style-type: none"> <li>• As a new member, I have no knowledge of this.</li> </ul>
<ul style="list-style-type: none"> <li>• Chair's casting vote?</li> </ul>
<ul style="list-style-type: none"> <li>• As mentioned above the Chair would have a casting vote.</li> </ul>
<b>21. Is the operational &amp; good practice guide used to regularly review the forum's adherence to good practice?</b>
<ul style="list-style-type: none"> <li>• Not sure</li> </ul>
<ul style="list-style-type: none"> <li>• But it was tabled at the last meeting and we agreed to change procedures etc in light of this audit!</li> </ul>
<ul style="list-style-type: none"> <li>• Updated guide included at last meeting.</li> </ul>
<ul style="list-style-type: none"> <li>• Don't know</li> </ul>
<ul style="list-style-type: none"> <li>• The Forum are regularly informed of any reviews and/or changes as to the format of the Forum etc.</li> </ul>
<ul style="list-style-type: none"> <li>• Not by the committee</li> </ul>
<ul style="list-style-type: none"> <li>• Not sure</li> </ul>

**TO: SCHOOLS FORUM**  
**DATE 14 JANUARY 2016**

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**LOCAL AUTHORITY BUDGET PROPOSALS FOR 2016/17**  
**Director of Children, Young People & Learning**

**1 PURPOSE OF REPORT**

- 1.1 Under the Council's constitution, the Executive is required to consult on its detailed budget proposals with the Council's Overview & Scrutiny Commission and any other interested parties or individuals for a period of at least six weeks. This report summarises the current position on the Council's budget preparations for 2016/17.
- 1.2 At the time the Executive agenda was published the Provisional Local Government Financial Settlement had not been announced and was not expected until late December 2015. Therefore, in the absence of the Provisional Settlement, the report is based on a number of assumptions regarding government funding.
- 1.3 For capital investments, this report draws together each department's proposals so that the Executive can agree a draft capital programme for 2016/17-2018/19 as the basis for consultation. In compiling the draft programme the main focus is inevitably on determining the requirements for 2016/17, although future year's schemes do also form an important part of the programme.
- 1.4 All comments received on these budget proposals will be submitted to the Executive on 9 February along with details of the final Financial Settlement. This will allow the Executive to determine its final budget package and recommend the appropriate Council Tax level to Council, who will formally approve the 2016/17 budget and Council Tax on 24 February 2016.
- 1.5 Whilst setting out the key budget issues facing the Council next year, this report to the Schools Forum focuses on the impact expected on the Children, Young People and Learning (CYPL) Department.

**2 RECOMMENDATIONS**

- 2.1 **That the Schools Forum comments on the 2016/17 budget proposals of the Executive for the Children, Young People and Learning Department in respect of:**
  - i. **The revenue budget (Annexes B and C), and**
  - ii. **The capital programme (Annex D).**

**3 REASONS FOR RECOMMENDATIONS**

- 3.1 The Executive seeks the views of the Schools Forum as an interested party on the 2016/17 budget proposals.

## 4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The range of options being considered is included in the report and its Annexes.

## 5 SUPPORTING INFORMATION

### Introduction

- 5.1 Following the national elections in May 2015, the overriding message from Government has been extremely clear. The priority is to eliminate the deficit and reduce the national debt. This is to be achieved through a continuation of austerity measures, with the focus principally on reducing public expenditure. The Chancellor of the Exchequer announced the plans in his Spending Review on the 25th November 2015. The Spending Review determines how the Government will spend public money over the course of this Parliament by setting budgets for each central department. The level of detail provided did not enable individual councils to identify their exact funding for 2016/17 but this will become clear once the Provisional Local Government Finance Settlement (LGFS) is published in late December.
- 5.2 Core central government funding to local government, comprising Business Rates and Revenue Support Grant, will fall by 24% in real terms over the period to 2019/20, however this masks a larger reduction of £6.1bn or 53% in cash funding between 2015/16 (£11.5bn) and 2019/20 (£5.4bn). In recognition of the funding pressures faced by local government however, the Chancellor announced a further £1.5bn to be added to the Better Care Fund over the period alongside the introduction of a “Social Care Precept” enabling authorities to levy an additional 2% increase in Council Tax over and above the threshold (above which a referendum is required) that is set each year. Further announcements included a 3.9% cut in the ring-fenced Public Health Grant, a £600m cut in the Education Services Grant and a reform of the New Homes Bonus.
- 5.3 The implications of the above for Bracknell Forest will become apparent when the Department for Communities and Local Government publishes the Provisional LGFS in December, however the assumptions included in this report remain valid based on the information that is currently available following the Chancellor’s announcements.
- 5.4 In response to this challenging financial climate a new Council Plan covering the period 2015 to 2019 has been adopted. Underpinning the Plan is a new narrative or philosophy for the organisation which contains the following key messages:
- many residents are affluent, well educated and independent. The Council wants to continue to support that by providing core services that all residents can benefit from
  - but we recognise that we need to prioritise if we are to live within our means, and that will mean making difficult decisions
  - we will prioritise people and areas with the greatest need and provide early help and prevention so struggling or vulnerable people can maximise their opportunities to become independent.
- 5.5 Future Council budgets will reflect both the national context within which local government operates and specifically the Council’s new narrative. 2016/17 is the first of those budgets.

**Revenue Budget****Commitment budget 2016/17 – 2020/21**

- 5.6 Initial preparations for the 2016/17 budget have focussed on the Council's Commitment Budget for 2016/17 – 2020/21. This brings together the Council's existing expenditure plans, taking account of approved commitments and the ongoing effects of service developments and efficiencies that have previously been agreed.
- 5.7 A number of changes are proposed to the Commitment Budget since it was last considered by the Executive and are reflected in the summary in Table 1. The most significant are:
- The inclusion of recruitment and retention proposals for Children's' Social Care approved by the Executive on the 21 July (£1.118m).
  - The projection for the Minimum Revenue Provision now incorporates the latest forecast for capital spend and receipts (£0.064m).
  - The departmental saving resulting from the Street Lighting Invest to Save Scheme has been included, following the supplementary capital estimate being approved by Council on 25 November (-£0.175m).
  - Reductions in Bed and Breakfast accommodation costs and Home to School Transport costs resulting from the purchase of Tenterden Lodge have been added (-£0.182m).
  - Updated Waste Disposal projections based on the latest tonnages and recycling data (£0.179m).
  - Interest on external borrowing required to finance the construction of Binfield Learning Village (£0.075m).
- 5.8 Taking account of these changes, Table 1 summarises the position and shows that base expenditure (excluding schools) is planned to increase by £1.556m to £80.735m next year, before consideration is given to allowances for inflation and the budget proposals identified by individual Departments in 2016/17. The commitment budget relating to CYPL is shown in more detail in Annex A.

**Table 1: Summary Commitment Budget 2016/17-2020/21**

	<b>Planned Expenditure</b>				
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Base Budget	79,179	80,735	81,946	82,978	83,883
<i>Movements in Year:</i>					
Adult Social Care, Health and Housing	-152	0	0	0	0
Children, Young People and Learning (excluding schools)	1,088	36	10	-10	-10
Corporate Services / Chief Executive's Office	-159	-44	29	51	29
Environment, Culture & Communities	42	-376	184	152	226
Non Departmental / Council Wide	737	1,595	809	712	400
<i>Total Movements</i>	1,556	1,211	1,032	905	645
<b>Adjusted Base</b>	<b>80,735</b>	<b>81,946</b>	<b>82,978</b>	<b>83,883</b>	<b>84,528</b>

Spending Review 2015 and Provisional Local Government Finance Settlement 2016/17

*National Perspective*

- 5.9 Following the General Election in May 2015, the Government announced a Spending Review to be concluded and published on 25 November 2015. The Spending Review was duly delivered by the Chancellor of the Exchequer and provided a high-level overview of the Government's spending totals over the next 4 years to 2019/20. Although there has been some improvement in public finances, the headline news was that Local Government will see a more than 50% reduction in central government support over the next 4 years. This, in part, relates to the forthcoming review of Business Rates where the Government plans to remove all central government support through the Revenue Support Grant (RSG) by 2019/20. This reduction in Government support will undoubtedly place substantial financial pressure on all councils with total local government spending expected to remain at 2015/16 levels by 2019/20.
- 5.10 On a more positive note, the Government also announced it will allow councils with social care responsibilities to increase Council Tax income by 2%, in the form of a "social care precept", with the criteria that it is spent fully on relieving Adult Social Care pressures. This is understood to be in addition to the 2% threshold that currently exists before a referendum must be called for a Council Tax rise. Further details will be announced in December. In addition, a further £1.5bn of funding will be earmarked and ring-fenced for the Better Care Fund by 2019/20, although it is not yet clear where this funding has been found from.
- 5.11 The Government will also protect the schools budget in real terms, enabling a per pupil protection for the Dedicated Schools Grant and the pupil premium. However, this will involve making around £600 million savings from the Education Services Grant (ESG) and supporting schools to realise efficiencies, including phasing out the additional funding schools receive through the ESG. The government will reduce the local authority role in running schools and remove a number of statutory duties.
- 5.12 Consultations on the following areas were also announced as part of the Spending Review:
- Changes to the local government finance system to pave the way for the implementation of 100% Business Rates retention and to rebalance support to those councils with Social Care responsibilities;
  - Options to fully fund Public Health from retained Business Rates receipts as part of the move towards 100% Business Rates retention;
  - A national funding formula for schools, high needs and early year, which will be introduced in 2017/18.
- 5.13 Other announcements which are likely to impact on the Council included the following:
- Extension of the doubling of small Business Rates relief until April 2017.
  - Councils will have the flexibility to spend capital receipts (excluding Right to Buy receipts) from asset sales on the revenue costs of reform projects.

## Unrestricted

- An apprentice levy will be introduced in April 2017 at the rate of 0.5% of an employer's pay bill.
  - Additional capital funds for infrastructure and schools.
- 5.14 As with past Spending Reviews, the information is provided at a Government Department level and is of limited value in terms of identifying the impact on Bracknell Forest as an individual council. Some of this detail will be provided as part of the provisional LGFS. Even then, however, uncertainties will exist due to the consultations referred to in paragraph 5.12.
- 5.15 Funding from central government is currently received through RSG and Specific Grants. For planning purposes an estimate of the reduction in central government support has been incorporated within these Budget Projections reflecting a further cut of £3.0m in RSG for 2016/17. For the remaining period of the Commitment Budget, a reduction of 6% per annum in overall government support has been assumed. This would amount to an overall reduction over the next five years of a real terms cut of 30%. These figures will be refined when the provisional LGFS is received. As details are still awaited on the phasing out of RSG by 2020 (as the retention of Business Rates is increased), this has not been incorporated into the budget proposals.
- 5.16 The Council also receives substantial external funding through a number of specific grants for which the following assumptions have been included within the latest budget projections.
- a) New Homes Bonus
- This non-ringfenced grant is designed to reward and encourage development of new properties in local communities and will generate -£3.290m for the Council in 2015/16. An increase of £0.600m has been incorporated at this stage of the budget process, bringing the total level of budget support to -£3.890m. The funding mechanism was initially designed to deliver a rolling 6-year's worth of funding and with the scheme starting in 2011/12, that years funding will fall out in 2017/18. The Government will be consulting on reforms to the New Homes Bonus, including the means of sharpening the incentive to reward communities for additional homes and reducing the length of payments from 6 years to 4 years. This will include a preferred option for savings of at least £800 million, which will be used to fund social care. This would result in income tapering off at a faster rate than currently forecast.
- b) Other Specific Grants
- Some of the largest specific grants received by the Council are the ring-fenced Public Health, NHS funding streams and Better Care Fund, totalling over -£111m in 2015/16. The Government has confirmed that the ring-fence on Public Health spending will be maintained in 2016/17 and 2017/18 and that a 3.9% cut in funding will be required. The Government will also consult on options to fully fund Public Health spending from retained Business Rates receipts, as part of the move towards 100% Business Rates retention. The Spending Review also refers to additional social care funds being made available to local government from 2017/18, rising to £1.5 billion by 2019/20 and to be included as part of an improved Better Care Fund.

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It has been assumed that these funding streams will be used to support services and initiatives within the health and social care area and as such are financially neutral for planning purposes at this stage in the budget cycle.

- 5.17 A third important stream of income for the Council is Business Rates, a proportion of which is retained locally following the introduction of the Business Rates Retention reforms in April 2013. The level of Business Rates change each year due to inflationary increases (set by central government) and local growth or decline as local businesses and economic conditions expand or contract. The Government sets a baseline level of funding against which any growth or reduction is shared between local and central government.
- 5.18 The Government has announced that by 2020, local government will be able to retain 100% of Business Rates, RSG will be phased out and local government will be expected to take on new responsibilities. The government will abolish the Uniform Business Rate and give councils the power to cut Business Rates to boost economic activity in their areas. The Department for Communities and Local Government will consult on changes to the local government finance system to pave the way for the implementation of the 100% Business Rates retention. Currently the Council collects significantly more Business Rates than it is allowed to keep (although presumably a baseline will need to be established under the new arrangements) and only receives approximately a quarter of any Business Rates growth. However, until the finer details of the scheme are announced, any potential benefits need to be viewed with caution bearing in mind the need to take on new responsibilities, the overall deficit reduction programme and the increased exposure to volatility from appeals and business movements that will arise as a consequence.
- 5.19 During 2013/14 a large multi-national company transferred on to the Council's valuation list which materially increased the level of Business Rates collected locally. The 2015/16 base-budget was supported by an on-going transfer of £3m from this additional income on top of a one-off transfer of £3.988m from accumulated surpluses held in the Business Rates Equalisation Reserve. This company has successfully appealed against the rateable value of its business and details are awaited on the impact of the appeal from the Valuation Office. The timing of this information is uncertain but for the budget projections it has been assumed that a 50% reduction in rateable value will result from the appeal. A significant deficit is now projected on the Business Rates element of the Collection Fund as a result and ongoing income will also be reduced if this level of reduction is confirmed. Assuming baseline funding is increased by September RPI and taking into account known changes in section 31 income and local circumstances, the budget projections assume overall income of -£17.986m. This projection is subject to change and will be revised when the provisional LGFS is received, the annual Business Rates forecast is completed in January and any appeal notifications are received. There is a risk associated with these projections due to the impact of the outstanding appeals, the Town Centre regeneration and changes in the local economic conditions; however officers monitor total yield, revaluations, changes-in-circumstances, appeals and refunds on a monthly basis.

### *Collection Fund*

- 5.20 Following the acceptance of Council Tax Freeze Grant and the resultant zero increase for the last five years, Council Tax at present levels will generate total income of -£46.706m in 2016/17. The Local Council Tax Benefit Support Scheme is treated as a discount i.e. a reduction in the calculation of the Council Tax Base. The latest information on the take-up of Council Tax support indicates that it will be



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significantly less than that budgeted for in 2015/16. Based on the latest forecast, Council Tax income will increase by £0.345m as a result in 2016/17. If the proposed changes to the Scheme, are approved this will increase Council Tax income by a further £0.302m. An increase in the Tax Base arising from the occupation of new properties during 2016/17 is expected to contribute an additional £0.655m. Based on these provisional figures, Council Tax income is therefore expected to be -£48.008m for 2016/17. These figures will be updated when the Council Tax Base is finalised.

- 5.21 The Spending Review made no reference to Council Tax Freeze Grant and it has been assumed that the existing funding received by the Council up to 2015/16 will be maintained, but that there will be no new support going forward.
- 5.22 The Government limits Council Tax increases by requiring councils to hold a local referendum for any increases in excess of a threshold percentage which is normally included in the final Local Government Financial Settlement. No guidance is therefore currently available for 2016/17 but in 2015/16 a referendum was required for Council Tax increases of 2% or more. A 2% increase in Council Tax would generate approximately -£1m of additional income. As a council with Social Care responsibilities, it will now also be possible for Council Tax to be raised by a further 2% to support Social Care pressures.
- 5.23 A surplus will be generated on the Council Tax element of the Collection Fund in the current year, primarily due to a lower than expected take up of the Local Council Tax Benefit Support Scheme. The Council's share of this surplus, which can be used to support the 2016/17 budget, is estimated to be -£0.425m.
- 5.24 A deficit is expected to be generated on the Business Rates element of the Collection Fund and the Council's share is estimated to be £10.516m. This deficit will be funded from a one-off transfer out of the Business Rate Equalisation Reserve.
- 5.25 The Executive at its meeting in February will recommend to Council the level of Council Tax in light of the Final Settlement, the results of the consultation and the final budget proposals.

### Budget Proposals for 2016/17

#### *Service pressures and Developments*

- 5.26 In the face of significant reductions in public expenditure in general and in grants to Local Government in particular the scope to invest in new service provision is self evidently severely restricted. Nevertheless, it is important to retain a clear focus to ensure that the Council continues to deliver the Council's six strategic themes. In preparing the 2016/17 draft budget proposals each department has evaluated the potential pressures on its services and these are summarised below in Table 2.

Table 2: Service Pressures/Development

<b>Department</b>	<b>£'000</b>
Adult Social Care, Health and Housing	708
Children, Young People and Learning (excluding schools)	246
Corporate Services / Chief Executive's Office	291
Environment, Culture & Communities	263
Non Departmental / Council Wide	841
<b>Total Pressures/Developments</b>	<b>2,349</b>

- 5.27 Many of the pressures are simply unavoidable as they relate to demographic trends, changes in funding and new legislation. They do, however, also support the six strategic themes included in the new Council Plan in the following way.
- A strong and resilient economy (£0.151m)
  - people have the life skills and education opportunities they need to thrive (£0.100m);
  - people live active and healthy lifestyles (£0.614m);
  - a clean, green, growing and sustainable place (£0.099m);
  - strong, safe, supportive and self-reliant communities (£0.260m);
- 5.28 The pressures relating to Children Young People and Learning are set out below with further detail in Annex B.
- **Multi-agency Safeguarding Hub (MASH)**, which is designed to improve sharing of information indicating risk between appropriate agencies (£0.050m)
  - **Post 16 Education Transport.** New legislation under the Children and Families Act 2014, extended an individual's right for educational support from age 19 to 25 with a consequential impact on discretionary transport costs (£0.050m).
  - **Special Educational Needs (SEN).**, Statutory guidance in the SEN Code of Practice 2014, requires all SEN Statements to be converted into Education Health Care Plans before April 2018, Short term additional resources are proposed (£0.146m)
- 5.29 Service pressures will be kept under review throughout the budget consultation period. There is always the risk in Social Care in particular, that the numbers of people requiring care packages, the content of existing care packages and contract inflation will vary considerably from the assumptions included in these draft budget proposals. Any revisions to service pressures will be reported to the Executive in February.
- 5.30 In addition to these revenue proposals the Council continues to invest in its priorities through targeted capital expenditure. A substantial investment in the long term future of the Borough is planned, to secure the delivery of regeneration in Bracknell town centre, to ensure that there are sufficient school places for our children and young people, and to protect and enhance the Borough's outstanding leisure offer. Details of these major investments are set out below in the capital programme section of this report, but the cost of funding all potential commitments arising from these various proposals is included in these draft budget proposals

*Service Economies /Balancing the Budget*

- 5.31 Members and officers have held regular meetings to determine options for savings and a list of potential draft budget savings has been developed. This list totals -£3.687m and is summarised in Table 3 with proposals from CYPL set out in Annex C. As in previous years, these economies focus as far as possible on central and departmental support rather than on front-line services. However, since it became a Unitary Authority the Council has successfully delivered savings of around £65m in total. Against this background of continually bearing down on costs and driving to improve efficiency it is becoming increasingly difficult to find further savings in these

areas, which would not compromise the Council's ability to function effectively. Additional economies identified by Adult Social Care, Health and Housing that result from changes to the Local Council Tax Benefit Support Scheme have now been incorporated into the Council Tax calculation as outlined above.

Table 3: Summary Service Economies

<b>Department</b>	<b>£'000</b>
Adult Social Care, Health and Housing	-710
Children, Young People and Learning (excluding schools)	-714
Corporate Services / Chief Executive's Office	-756
Environment, Culture & Communities	-1,161
Non Departmental / Council Wide	-346
<b>Total Savings</b>	<b>-3,687</b>

*Significant budget decisions*

- 5.32 Consideration and approval of the budget is a major policy decision. However, the budget, by its nature, includes a range of proposals, some of which in themselves represent important policy decisions.
- 5.33 As the budget report is a policy document and is subject to at least six weeks consultation, the identification of these issues within the budget report facilitates detailed consultation on a range of significant policy decisions.

*Council Wide Issues*

- 5.34 Apart from the specific departmental budget proposals there are some Council wide issues affecting all departments' budgets which need to be considered. The precise impact of these corporate budgets is likely to change before the final budget proposals are recommended. However the current view on these issues is outlined in the following paragraphs:

a) Capital Programme

As outlined above, the scale of the Council's Capital Programme for 2016/17 will impact upon the revenue budget and will itself be subject to consultation over the coming weeks. All new spending on services will need to be funded from new capital receipts, government grants, developer contributions or borrowing. The proposals are for a Council Funded Capital Programme of £51.387m and externally funded programme of £17.498m for 2016/17. After allowing for projected receipts of approximately £5m in 2016/17 and carry forwards, the additional revenue costs will be £0.041m in 2016/17 and £0.971m in 2017/18. These figures include on-going costs associated with the maintenance and support of IT capital purchases.

b) Interest and Investments

Investment returns are likely to remain relatively low during 2016/17 and for some time to come compared to historic averages rates. The Bank of England in its latest Inflation Report (November 2015) forecast the Bank Rate to remain unchanged at 0.5% during the next nine months before starting to rise in the last months of 2016. With inflation low and predicted to stay low for the next 12

months, the decision to raise rates by the Bank of England will be a difficult one with risks coming from concerns on declining global trade and geo-political tensions. Given the Council's approach to managing risk and keeping investments limited to a maximum of 6 months maturity with the exception of the part-nationalised UK Banks, the opportunity to achieve rates in excess of the Bank Rate is limited.

The 2016/17 budget is therefore based on an average rate of return of approximately 0.5% on its investments and reflects the lower cash balances as a result of the proposed 2016/17 Capital Programme. This programme is substantially larger than any previous plans and includes some major long-term projects (Binfield Learning Village, Local Housing Company, Street Lighting Replacement) that will span a number of years and which are reliant on a range of complex factors including agreements with partners, planning approvals and other issues outside of the control of the Council. The timing of the cash-flows related to these schemes will to a large extent be dependent on these factors. Given that taken together these major schemes cannot be funded completely from existing resources and will require external borrowing to complete, the projection of investment income is particularly difficult this year.

Maximum use of internal cash will be used in the first instance before going to the external market for borrowing, the timing of which will depend largely on the progress made on completing the major capital projects. However over the last two years underlying cash balances have been higher than predicted, enabling the Council to earn a greater income than budgeted (this has been reported as part of the budget monitoring process). It has also enabled the Council to maximise the opportunity of paying pension contributions 12 months up-front (rather than monthly in arrears) benefitting from a much higher return than could be achieved in the cash markets.

Taking these factors into account (the higher cash balances, the low interest rates and the benefit from pension pre-payments) the net impact of the capital programme, excluding the Binfield Learning Village, is an economy of -£0.034m - a gain of -£0.075m from the higher than expected cash balances less the £0.041m pressure from the Capital Programme.

There is an expectation that the cash flows required to complete the Binfield Learning Village will require external finance and this has been allowed for in the Commitment Budget (£0.075m).

There is a risk, however, that the Council's cash-flow will differ from past years as a result of the reforms to Business Rates Retention which has a dramatic impact on the cash-profile of the Council. With a number of outstanding large scale appeals and the shortly to be announced reforms to Business Rates this area represents a further layer of uncertainty.

As such any change in interest rates or cash balances will clearly have an impact on the overall investment income generated by the Council and may require the Council to borrow externally sooner than expected. It is difficult to estimate the impact given this transition between internal and external borrowing. Long-term interest rates are at historical lows with 25-year Public Works Loan Board rates at 3.5% compared to an internal investment return of 0.5%.

The Council reviews the annual Treasury Management Strategy Statement under the requirement of the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes (“the CIPFA TM Code”). The Local Government Act 2003 required the Council to “have regard to the Prudential Code and to set Prudential Indicators for the next three years to ensure that the capital investment plans are affordable, prudent and sustainable”.

c) Provision for Inflation and Pay Awards

The Commitment Budget excludes the cost of inflation on both expenditure and income. In past years, the Council has restricted the provision for inflation on prices as a general economy measure, to help address the underlying budget gap, although pay awards have been fully funded. In the context of the Council’s overall financial position, it is again prudent to consider where the provision for inflation on prices can be limited as an economy measure, although some exceptions will be necessary to reflect actual increases that will not be containable without real service reductions or to meet contractual commitments. In particular it will be important to have realistic discussions with key providers about what level of inflation is genuinely necessary on some contracts and placements.

At this stage the inflation provision is not finalised, although for planning purposes a sum of £0.800m (£1.511m 2015/16) has been added to the budget. This will be achieved by:

- Assuming a pay award of no more than 1%;
- Negotiating to minimise inflation on contracts;
- Reviewing the Bracknell Forest Supplement;
- Increasing fees and charges in line with the Council’s income policy.

The Council will need to consider where it is appropriate and necessary to provide for inflation over the coming weeks so that the actual inflation provision can be added to the final budget report in February 2016.

d) Fees and Charges

Increases in fees and charges are determined by the overall economic conditions, the willingness of customers to pay the higher charges and continued demand for Council services. The Council policy for fees and charges requires each Department to consider the level of charges against the following criteria:

- fees and charges should aim, as a minimum, to cover the costs of delivering the service;
- where a service operates in free market conditions, fees and charges should at least be set at the market rate;
- fees and charges should not be levied where this is an ineffective use of resources, i.e. the cost of collection exceeds any income generated.

Certain other fees will attract the percentage determined by statute.

## e) Corporate Contingency

The Council manages risks and uncertainties in the budget through the use of a general contingency added to the Council's budget. Every year the Council faces risks on its budget in relation to demand led services, Business Rates and the general economic climate.

A range of significant risks were identified in preparing the 2015/16 Budget and it was deemed prudent to increase the Contingency from £1m to £2m. Whilst the Council continues to face uncertain times, given the level of reserves held by the Council and progress made on some of these factors at this stage, it is proposed to reduce the level back to £1m for 2016/17.

The Executive will need to make a judgement on the appropriate level of contingency at its February meeting, taking advice from the Borough Treasurer who will need to certify the robustness of the overall budget proposals in the context of the Council's remaining general and earmarked reserves. All the reserves will be reviewed to ensure that they are sufficient to manage the financial risks facing the Council in the coming years.

*Spending on Schools*

- 5.35 A separate agenda item updates the Schools Forum on the Schools Budget. Decisions around budget setting is the responsibility of the Executive Member for Children, Young People and Learning, and is expected to be based on recommendations received from the Schools Forum.

*Summary position on the Revenue Budget*

- 5.36 Adding the draft proposals to the Commitment Budget and taking account of the corporate issues identified above would result in total expenditure of £72.035m as shown in Table 5.

Table 5: Summary of proposals:

	£'000
Commitment Budget	80,735
Budget Pressures	2,349
Budget Economies	-3,687
Capital Programme	41
Changes in Investment Income	-75
Inflation Provision	800
Reversal of one-off transfer from Business Rates Equalisation Reserve used to balance the Budget in 2015/16	3,988
Change in Contingency	-1,000
One-off transfer from the Business Rates Equalisation Reserve to meet the Collection Fund - Business Rates Deficit	-10,516
New Homes Bonus 2016/17	-600
<b>Draft Budget Requirement 2016/17</b>	<b>72,035</b>

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- 5.37 Without the Provisional Finance Settlement assumptions have had to be made on the level of grant income. It has been assumed that the Council can anticipate income of up to -£65.991m. This arises from Revenue Support Grant and Business Rates baseline funding (-£28.074m), the Collection Fund – Council Tax surplus (-£0.425m), Council Tax at the 2015/16 level (-£48.008m) less the deficit of £10.516m on the Collection Fund – Business Rates.
- 5.38 With the potential overall cost of the budget package being consulted on in the region of £72.035m, this leaves a potential gap of around £6.044m. Members can choose to adopt any or all of the following approaches in order to bridge the remaining gap:
- an increase in Council Tax;
  - an appropriate contribution from the Council’s revenue reserves, bearing in mind the Medium Term Financial Strategy;
  - identifying further expenditure reductions.
- 5.39 With regards to identifying additional economies the Council has established a Transformation Board which will take the lead on reviewing the way in which all Council services are delivered over the next four years. This represents a continuous programme of work, with the aim of identifying significant savings that can be incorporated into the 2016/17 budget and beyond. The following services have been included in the first phase of Transformation Board’s work programme:
- Adult Social Care Commissioning
  - Highways and Transport
  - Housing Benefits
  - Cultural and Leisure Services
  - Public Health
- 5.40 It is anticipated that a significant proportion of the budget gap identified in paragraph 5.37 (£6.044m) will be met from the five service areas above.

### *Reserves*

- 5.41 The Council has an estimated £10.0m available in General Reserves at 31 March 2016. Details are contained in Table 6.

Table 6: General Reserves as at 31 March 2016

	£m
General Fund	10.9
Planned use in 2015/16	(0.9)
<b>Estimated Balance as at 31 March 2016</b>	<b>10.0</b>

- 5.42 The Council has, in the past, planned on maintaining a minimum prudential balance of £4m. This assessment is based on the financial risks which face the Council and the Borough Treasurer considers these in the February report to the Executive at which a final decision on the use of balances can be taken, taking account of the financial position likely to face the Council over the next five years.

## **Capital Programme**

### **Introduction**

- 5.43 Each year the Council agrees a programme of capital schemes. In the past these schemes have been funded from three main sources:
- the Council's accumulated capital receipts
  - Government Grants
  - other external contributions
- 5.44 The Local Government Act 2003 brought in radical changes to the financing of capital expenditure and from that date, the Government no longer issued borrowing approvals. Instead, under a new "prudential framework", Councils can set their own borrowing limits based on the affordability of the debt.
- 5.45 As the Council's accumulated capital receipts have been fully utilised, the Council returned to a position of internal borrowing in 2010 and as such a revenue contribution is required each year to repay this internal borrowing. Once the Council's current level of investments is exhausted, which is expected to be within the next 18 months the Council will need to borrow externally.
- 5.46 The Council's estimated total usable capital receipts at 31<sup>st</sup> March 2015 are zero. As a debt free authority the Council is partly reliant on capital receipts to fund its capital programme, although interest generated from capital receipts can also help support the revenue budget in the short term. The Council still receives a share of any Right-To-Buy proceeds from Bracknell Forest Homes in addition to a share of capital receipts from the VAT Shelter scheme.
- 5.47 The proposed capital programme for 2016/17 has been developed, therefore, on the assumption that it will be funded by a combination of Government grants, other external contributions and borrowing in addition to £5m of capital receipts. With such a large programme there is a likelihood that the Council may need to borrow externally however this will depend largely on the progress made at Binfield Learning Village and at Coral Reef. Internal resources will be used in the first instance and borrowing from external sources (e.g. the PWLB or the Green Investment Bank) will be used when necessary. The financing costs associated with the General Fund Capital Programme have been provided for in the Council's revenue budget plans.

### **New Schemes**

- 5.48 Within the general financial framework outlined above, Service Departments have considered new schemes for inclusion within the Council's Capital Programme for 2016/17 – 2018/19. Given that both capital and revenue resources are under pressure, each Department has evaluated and prioritised proposed schemes into broad categories in line with the Council's Asset Management Plan. Having done this, only the very highest priority schemes and programmes are being recommended for inclusion in the Capital Programme.

### **Town Centre Redevelopment Works**

- 5.49 Following the conclusion of the Development Agreement with Bracknell Regeneration Partnership (BRP) the Council set out its own planned investment on wider Town Centre infrastructure as part of the 2015/16 Capital Programme. These investment plans follow through into 2016/17 and beyond.



- 5.50 Similarly in order to facilitate transport movements around the Borough, including the planned Town Centre redevelopment, it is necessary to continue to fund a number of infrastructure schemes. As such a funding need of £2.0m has been identified in the 2016/17 proposals with further commitments required in future years to ensure that the regenerated town centre functions as a “whole centre” and not just as an isolated shopping outlet. As such spending levels of around £2m per annum are likely to be required until the new Northern Retail Quarter area is open and established for trading. This additional expenditure is aimed at maximising the positive experience of visiting the regenerated town centre.
- 5.51 All of these items have a much wider impact than the new development itself and will benefit the whole Borough. However the expenditure needs to be co-ordinated with the specific work that BRP are planning to carry out.

**Binfield Learning Village at Blue Mountain**

- 5.52 The Binfield Learning Village is a priority for the Council. The programme will deliver statutory places required in the Borough alongside meeting the need for new housing and the associated community facilities. The plans for the development continue to be progressed and the main construction works will shortly be tendered in the market and an update will be provided once these have been evaluated. The figures included in the Capital Programme are prior to the addition of inflation which will be calculated from the time of the original estimates to the date of the contract award. With the heightened level of demand for construction in the South East of England over the last 24 months this could add up to 15% to the final cost.

**Coral Reef Transformation**

- 5.53 The main roof structures at Coral Reef are complex and have required extensive monitoring and maintenance for the latter part of its life. The contracts for the main works are currently out to tender the evaluation will be reviewed by Executive in February 2016. The figures included in the Capital Programme are prior to the addition of inflation which will be calculated from the time of the original estimates in Q12014 up to the date of the contract award. Once again, with the heightened level of demand for construction in the South East of England over the last 24 months this could add up to 15% to the final budgeted cost and will be agreed in February 2016.

**Old Magistrates' Court Property**

- 5.54 Funding is requested to acquire the former magistrates' court at £650,000 for the freehold premises. The Council is seeking to acquire this site to join with its own holdings for a significant and comprehensive future phase to support the development and vitality of the new town centre. There will be limited provision for some claw-back if sold/developed within 3 years, but this is unlikely to happen. Funding for this request also includes legal costs (£15,000), stamp-duty (£35,000) and refurbishment costs (£75,000) needed if the property is to be used pending any future redevelopment.

**Other Unavoidable & Committed schemes**

- 5.55 This category covers schemes which must proceed to ensure that the Council is not left open to legal sanction and includes items relating to health and safety issues, new legislation etc. Committed schemes also include those that have been started as part of the 2015/16 Capital Programme. Also included within this category are those schemes that were previously funded from the General Fund Revenue Account, but which by their nature could be legitimately capitalised, thereby reducing pressure on the revenue budget. Schemes in this category form the first call on the available capital resources.

- 5.56 Within these categories, provision has been made to address the rolling programme of disabled access requirements to Council buildings (£0.035m). The works have been identified through independent access audits and have been prioritised to meet the needs of users of these buildings. Significant progress has been made in past years and a programme of works has been planned across a range of service areas.

**Maintenance (Improvements and capitalised repairs)**

- 5.57 An assessment has been made of the condition of the Council's property assets to arrive at an estimate of the outstanding maintenance works required. An assessment is made of the state of each building element and its repair priority with a condition rating and repair urgency.
- 5.58 The figures below are based on the information held in the Construction and Maintenance Groups' property management system. They have been adjusted to exclude those works that are already budgeted for within existing 2015/16 schools and corporate planned maintenance programmes

The priorities can be broken down as follows:

**Table 7: Maintenance Backlog**

		£	£
		(000)	(000)
Schools	Priority 1C & 1D	4,799	
	Priority 2C & 2D	8,919	
	Lower Priorities	22,600	36,318
Corporate Properties	Priority 1C & 1D	1,677	
	Priority 2C & 2D	4,187	
	Lower Priorities	10,300	16,164
Total			<b>52,482</b>

- 5.59 The overall maintenance liability has increased from £25.2m in 2015/16 to £52.5m. The last couple of years have seen large increases in building costs. As the Council is now running a five year programme of condition surveys, some of the older data was quickly becoming out-of-date and, as a consequence, adjustments have been applied to that data to bring it in line with current costs. Secondly, the nature of the condition surveys has evolved such that more emphasis is now given to predicting the need for works further in advance than was previously the case. This is partly because of the five year programme approach mentioned above and partly because the asset management package that we now use to manage this data lends itself to better recording. As such much of the value attributed to lower priority works is for things that are likely to be required over the next several years.

**Schools**

- 5.60 Historically the Schools Maintenance Programme has been funded from the Capital Maintenance grant allocation from the Department for Education (DfE). The draft allocation from the DfE for 2016/17 of £2.105m will be used to tackle the highest priority items identified in the condition surveys indicated above.

**Non-schools**

- 5.61 From an initial analysis of the work required it is clear that some works, whilst urgent, cannot be legitimately capitalised and must be met from a revenue budget. An

allowance of £200,000 is available in the 2016/17 Revenue Budget proposals to meet these liabilities.

- 5.62 In line with the policy adopted last year the Asset Management Group has considered only those works that fall within categories 1C and 1D. Given the financial constraints on both the revenue and capital budgets an allocation of £1.670m is recommended to address the most pressing 1C & 1D priorities.
- 5.63 The implications of failing to maintain Council buildings and to address the backlog will be a significant issue for the Council over the coming years and efforts will be focussed on ensuring that the highest priority items are tackled first, that efficiencies are maximised in the procurement of works and that maintenance which will result in energy efficiencies are undertaken through the invest-to-save programme.

#### **Rolling programmes**

- 5.64 These programmes cover more than one year and give a degree of certainty for forward planning schemes to improve service delivery. They make an important contribution towards the Council's established Asset Management Plans.

#### **Other Desirable Schemes**

- 5.65 In addition to the schemes identified in the above categories, each service has requested funding for other high priority schemes that meet the needs and objectives of their service. The net cost of schemes which attract partial external funding are included in the schemes put forward.

#### **Invest To Save Schemes**

- 5.66 These are schemes where the additional revenue income or savings arising from their implementation exceeds the Council's borrowing costs. In the past the Council has allocated £1m per annum to fund potential Invest-to-Save (ITS) schemes that may present themselves during the year. However in addition to this, two significant schemes have come forward that are best considered within the overall programme as a whole. These are to invest £1m on a new Chapel at the Cemetery and Crematorium and to redevelop the Waymead Flats at a cost of £0.580m creating additional emergency accommodation for care leavers.

#### *Additional Chapel*

- 5.67 Over the past five years, business at the Cemetery and Crematorium has grown significantly at the expense of local competitors. This growth is believed to be largely due to the investment, attractiveness of the site and the attitude of the staff. All of the feedback received from funeral directors confirms that they are promoting Easthampstead Park Cemetery and Crematorium as their preferred facility. A second chapel could potentially double capacity and generate income to recover the capital investment and deliver future additional income. A feasibility report has been commissioned and an operationally acceptable solution has been devised and costed. The proposal includes for additional car parking with the minimal visual impact to the grounds. The estimated cost would be £1m.
- 5.68 It is believed that demand for the facility will increase both as a result of population growth and the diminishing burial plots as local churchyards reach capacity. In order to fund the investment, a net income stream of approximately £67,000 per annum will be required based on a 25 year life and current interest rates for a 25-year loan of 3.5%. Based on past performance and future demand it is believed this level of additional cremations can be easily met. Annual running costs of the Chapel are estimated to be in the region of £60,000 and include Business Rates (£16,000), Utilities (£10,000), Staffing (£24,000), Cleaning (£5,000) and miscellaneous

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expenditure (£5,000). To fund this level of net income an additional 15 cremations a month would need to be undertaken generating income of £127,000 per annum

- 5.69 The existing Chapel is currently supporting up to 150 cremations a month and as such there is scope to increase the net income from the new facility in future years. Any additional income over and above that needed to payback the initial investment will be used to support the budget savings required by the Council over the medium-term and will be monitored as part of the Council's normal budget monitoring processes.

### *Waymead Flats*

- 5.70 Waymead Flats is currently void and a plan is proposed to refurbish the property in order to provide accommodation for a supported housing group (Care Leavers) which in turn will generate revenue savings for the Council. Through a combination of rental income and savings in the current budget for care leavers accommodation an Invest-to-Save bid can be successfully developed that will bring back into use Waymead Flats as a viable asset and improve the level of service provided by the Council. In addition, by working closely with a Registered Social Landlord who will take a long-lease of the newly refurbished Waymead Flats, this proposal offers the opportunity of developing an additional site for redevelopment.
- 5.71 These two schemes are proposed for inclusion within the Council's 2016/17 Capital Programme and a further £1m made available for opportunities that arise during the year.

### **Capital Programme 2016/17 – 2018/19**

- 5.72 A summary of the cost of schemes proposed by Departments is set out in the table below. A detailed list of suggested schemes within the draft capital programme from CYPL is included in Annex D. The school schemes are subject to amendment in light of on-going evaluations of projects. Total Council funding amounts to £55.037m. However excluding the funding for Binfield Learning Village, Coral Reef Transformation, the Invest to Save Schemes, the Local Housing Company, the Magistrates' Court, the Town Centre Redevelopment and the LED Streetlight Replacement scheme (approved in 2015/16 as part of a two-year scheme) the total Council funding requested is £8.054m in 2016/17 and this is in line with previous programmes and the amount allowed for in the Revenue Budget proposals.

<b>Capital Programme 2016/17-2018/19</b>				
<b>Annex</b>	<b>Service Area</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>
B	Adult Social Care, Health & Housing	9,227	500	0
C	Children, Young People & Learning	36,465	19,759	8,850
D	Corporate Services	165	0	0
E	Council Wide	6,493	2,180	544
F	Environment Culture & Communities	20,185	8,956	6,509
	<b>Total Capital Programme</b>	<b>72,535</b>	<b>31,395</b>	<b>15,903</b>
	<b>Externally Funded</b>	<b>17,498</b>	<b>14,096</b>	<b>11,014</b>
	<b>Total request for Council funding</b>	<b>55,037</b>	<b>17,299</b>	<b>4,889</b>

#### Externally Funded Schemes

- 5.73 A number of external funding sources are also available to fund schemes within the capital programme. External support has been identified from two main sources.

#### Government Grants

A number of capital schemes attract specific grants. It is proposed that all such schemes should be included in the capital programme at the level of external funding that is available.

A significant element of the grant-funded capital programme relates to the planned investment in Schools. The schools investment programme included in this report reflects the highest priority schemes identified by the Department and the Education Capital Programme Board. Excluding Binfield Learning Village, the total identified investment for Schools is £10.030m.

A second key constituent of capital grant funding relates to the Highway Maintenance and Integrated Transport Block. Grant approvals of £2.28m are currently anticipated for 2016/17.

#### Section 106 (£2.092m)

Each year the Council enters into a number of agreements under Section 106 of the Town & Country Planning Act 1990 by which developers make a contribution towards the cost of providing facilities and infrastructure that may be required as a result of their development. Usually the monies are given for work in a particular area and/or for specific projects. The total money available at present, which is not financially committed to specific projects, is £3.8m, although conditions restricting its use will apply to almost all of this.

Officers have identified a number of schemes that could be funded from Section 106 funds in 2016/17, where funding becomes available. These are summarised below:

**Table 8: Anticipated S106 income**

<b>Department</b>	<b>Schemes</b>	<b>Budget</b>
		<i>£000</i>
ASCHH	Affordable Housing	501
CYPL	Various School Schemes	601
ECC	Leisure & Culture	125
ECC	Local Transport Plan	865
	<b>Total</b>	2,092

The level of new funding available through Section 106 is expected to reduce in the future following the introduction of the Community Infrastructure Levy (CIL). However the more flexible CIL funding should offset this reduction.

#### On-going revenue costs

- 5.74 Schemes may have associated on-going revenue costs and tend to become payable in the year after implementation. As such these costs will be included within the Council's Commitment Budget for 2016/17. These total £36,000 and relate to the licence and maintenance contracts associated with the new IT hardware investment.

#### Funding options

- 5.75 Following the transfer of the housing stock in 2008, the Council's capital receipts are limited to miscellaneous asset sales, the contribution from the VAT Shelter Scheme and Right-to-Buy claw back agreed as part of the transfer and the new Community Infrastructure Levy (CIL).
- 5.76 The Council introduced CIL in April 2015 and it is expected that this will begin to generate capital receipts in the latter half of 2015/16. It is difficult to estimate the potential amount of CIL that will be generated as this will depend on the delivery of additional housing development in the Borough, which is to a large extent outside of the control of the authority. However based on the most recent housing trajectory estimates and knowledge of development schemes that will come forward in the next 18 months, it is estimated that £2m is an appropriate assumption for 2016/17.
- 5.77 The Council will also be bringing forward the sale of land at Sandy Lane during 2016/17. The aim is to market the land with the benefit of outline planning permission which should maximise the potential receipt. However this will increase the time taken to dispose of the site and at this stage it is not certain that this can be achieved in 2016/17, as such it has been excluded from the projected value of receipts in 2016/17. It is also hoped that other small scale miscellaneous receipts will arise over the year.
- 5.78 The proposed capital programme for 2016/17 has been developed, therefore, on the assumption that it will be funded by a combination of £5m of capital receipts, Government grants, other external contributions and borrowing. The financing costs associated with the Capital Programme have been provided for in the Council's revenue budget plans. Should any additional capital receipts be generated in 2016/17 the interest earned on these will be used to mitigate the revenue cost of the capital programme.
- 5.79 Given the level of investment proposed in 2016/17, in particular Binfield Learning Village and Coral Reef, it is inevitable that the Council will be required to borrow

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externally over the short-to-medium term. The timing of this will depend on the level of surplus cash held by the Council which will be used in the first instance to fund the Capital Programme commitments.

- 5.80 The use of these monies is known as internal borrowing and the Capital Finance regulations require the Council, through the General Fund, to set aside an amount, the Minimum Revenue Provision (MRP), which would be broadly equivalent to the amount the Council would need to re-pay if it borrowed externally. Any external borrowing will also require MRP in addition to an interest charge depending on the maturity of the loan.
- 5.81 If any amendments are made to the capital programme, the revenue consequences will need to be adjusted accordingly. Executive Members will therefore need to consider the impact of the capital programme as part of the final revenue budget decisions.
- 5.82 Following the introduction of the Prudential Borrowing regime local authorities are able to determine the level of their own capital expenditure with regard only to affordability on the revenue account. In practice this represents the amount of borrowing they can afford to finance, and will necessitate taking a medium-term view of revenue income streams and capital investment needs.
- 5.83 To achieve its aim of ensuring that capital investment plans are affordable, prudent and sustainable, the Local Government Act requires all local authorities to set and keep under review a series of prudential indicators included in the CIPFA Prudential Code for Capital Finance in Local Authorities. The Capital Programme recommended in this report can be sustained and is within the prudential guidelines. Full Council will need to agree the prudential indicators for 2016/17 to 2018/19 in February 2016, alongside its consideration of the specific budget proposals for 2016/17 and the Council's medium-term financial prospects.
- 5.84 Members will need to carefully balance the level of the Capital Programme in future years against other revenue budget pressures and a thorough review, including the prioritisation of those schemes planned for 2017/18 onwards, will need to be undertaken during next summer

### *Conclusion*

- 5.85 The Council's constitution requires a consultation period of at least six week on the draft budget proposals. In this context, it is inevitable that, of the broad range of options proposed for consultation, not all will necessarily be included in the final budget package. It is also likely that some further issues with a financial impact will arise between now and February. When the Final Settlement is known, the Executive can consider the prudent use of revenue balances to support expenditure in line with the overall medium term financial strategy, along with any further expenditure reductions.
- 5.86 It is suggested, therefore, that the normal process whereby the Overview & Scrutiny Commission reviews the overall budget package and determines whether any specific issues should be considered further by the Overview and Scrutiny Panels at their meetings in January, is followed. The proposals will also be placed on the Council's website for public consultation
- 5.87 All comments from the Schools Forum and others on the revenue and capital budget proposals will then be submitted to the Executive on 9 February 2016. This will allow

the Executive to determine the final budget package and recommend the appropriate Council Tax level to the Council on 24 February 2016.

## **6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

### Borough Solicitor

- 6.1 The authorisation for incurring capital expenditure by local authorities is contained in the legislation covering the service areas. Controls on capital expenditure are contained in the Local Government Act 2003 and regulations made thereunder.

### Borough Treasurer

- 6.2 The financial implications arising from this report are set out within the supporting information.

### Equalities Impact Assessment

- 6.3 The Council's final budget proposals will potentially impact on all areas of the community. A detailed consultation process is planned in order to provide individuals and groups with the opportunity to comment on the draft proposals. This will ensure that in making final recommendations, the Executive can be made aware of the views of a broad section of residents and service users. Where necessary, impact assessments on specific schemes within the capital programme will be undertaken before work commences.

### Strategic Risk Management Issues

- 6.2 A sum of £1m is currently included in the draft proposals to meet the costs of unpredictable or unforeseen items that would represent in year budget risks. The Executive will need to make a judgement on the level of Contingency at its meeting in February.
- 6.3 The Borough Treasurer, as the Council's Chief Finance Officer (Section 151 Officer), must formally certify that the budget is sound. This will involve identifying and assessing the key risk areas in the budget to ensure the robustness of estimates and ensuring that appropriate arrangements are in place to manage those risks, including maintaining an appropriate level of reserves and Contingency. This formalises work that is normally undertaken each year during the budget preparation stages and in monthly monitoring after the budget is agreed. The Borough Treasurer will report his findings in February, when the final budget package is recommended for approval.
- 6.4 The most significant risk facing the Council from the capital programme is the impact on the revenue budget. The scale of the Council's Capital Programme for 2016/17 will impact upon the revenue budget and will itself be subject to consultation over the coming weeks. All new spending on services will need to be funded from new capital receipts or borrowing from internal resources. This effect is compounded by future year's capital programmes. As revenue resources are limited it is clear that a capital programme of this magnitude is not sustainable in the medium term without significant revenue economies. The generation of capital receipts in future years may mitigate the impact on the revenue budget, but as the timing and scale of these receipts is uncertain their impact is unlikely to be significant.



6.5 There are also a range of risks that are common to all capital projects which include:

- Tender prices exceeding the budget
- Planning issues and potential delays
- Uncertainty of external funding
- Building delays due to unavailability of materials or inclement weather
- Availability of staff with appropriate skills to implement schemes

6.6 These can be managed through the use of appropriate professional officers and following best practice in project management techniques. The report also identifies the risk associated with the shortfall in maintenance expenditure compared to that identified by the latest condition surveys. With only those highest priorities receiving funding in 2016/17, there will be a further build up in the maintenance backlog and a risk that the deterioration in assets will hamper the ability to deliver good services.

## CONSULTATION

### Principal Groups Consulted

7.1 The Overview & Scrutiny Commission will be consulted on the budget proposals and may also choose to direct specific issues to individual overview and scrutiny panels. Targeted consultation exercises will be undertaken with business rate payers, the Schools Forum, town and parish councils and voluntary organisations. Comments and views will be sought on both the overall budget package and on the detailed budget proposals. In addition, this report and all the supporting information are publicly available to any individual or group who wish to comment on any proposal included within it. To facilitate this, the full budget package will be placed on the Council's web site at <http://consult.bracknell-forest.gov.uk/portal>. There will also be a dedicated mailbox to collect comments.

7.2 The timetable for the approval of the 2016/17 Budget is as follows:

Executive agree proposals as basis for consultation	15 December 2015
Consultation period	16 December 2015 - 31 January 2016
Executive considers representations made and recommends budget.	9 February 2016
Council considers Executive budget proposals	24 February 2016

### Background Papers

None.

### Contact for further information

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## Unrestricted

## Annex A

Item	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
<b>Approved Budget</b>	<b>15,622</b>	<b>15,648</b>	<b>16,736</b>	<b>16,772</b>	<b>16,782</b>	<b>16,772</b>
<u>Suitability surveys</u> Suitability and access surveys are undertaken every three years to update the Asset Management Plan so that up to date information is available to inform investment decisions on the capital programme.		-20		20	-20	
<u>Schools Music Festival</u> Biennial event which enables pupils from the Council's Primary schools to participate in a large scale production which links music, dance and art.		-10	10	-10	10	-10
<u>Social Worker recruitment and retention</u> Additional payments to be made to staff in key roles in order to secure specialist services for children and families in need. The figure is to be reviewed once the actual number of employees entitled to the payment has been established.		1,118	26			
Net inter Departmental virements (1)	26					
<b>Children, Young People and Learning Adjusted Budget</b>	<b>15,648</b>	<b>16,736</b>	<b>16,772</b>	<b>16,782</b>	<b>16,772</b>	<b>16,762</b>

(1) These transfers net off to nil in the Council's budget. For CYPL these relate to a budget addition of £0.045m to fund the increased cost on the Local Government Pension Scheme and a reduction of £0.019m from savings and centralisation of the new mobile phone contract with Vodafone.

## Revenue budget: proposed PRESSURES for CYPL Department

Description	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p><b>Multi-agency Safeguarding Hub (MASH).</b></p> <p>A MASH is designed to improve sharing of information indicating risk between appropriate agencies. MASH's are being established both nationally and within the Thames Valley region and are showing good outcomes both for children and the LA's by ensuring all known concerns are highlighted at an early stage. The pressure relates to BF costs and a contribution to those being incurred by Thames Valley Police.</p>	50		
<p><b>Post 16 Education Transport</b></p> <p>New legislation under the Children and Families Act 2014, extended an individual's right for educational support from age 19 to 25. The new legislation does not however extend the duties placed on an Authority to provide transport for Post 16 learners. The net pressure seen is as a result of the discretionary transport policy being available to the extended number of older SEN learners who are continuing on educational courses. It is anticipated that a new Transport Policy for implementation in September 2016 shall need to consider charging for transport for new Post 16 learners.</p>	50		
<p><b>Special Educational Needs (SEN)</b></p> <p>Statutory guidance in the SEN Code of Practice 2014, requires all SEN Statements to be converted into Education Health Care Plans before April 2018. Grants have been available in the previous two financial years to support the necessary staffing increase but there is no indication that these will continue. 190 statements will be required to be converted within the next financial year, to a shorter, 20 week timeframe which it is estimated will require additional short term capacity of 4.5 FTE staff.</p>	146	-73	-73
<b>CHILDREN, YOUNG PEOPLE AND LEARNING TOTAL</b>	<b>246</b>	<b>-73</b>	<b>-73</b>

## Revenue budget: proposed ECONOMIES for CYPL Department

Description / Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p><b>Additional income</b> A number of services are exceeding their income targets, or identifying new opportunities for income generation, either through improved trading, or additional external contributions, and where this is expected to continue, budgets will be increased accordingly. This relates to Community Learning (£50,000), Larchwood short break unit (£32,000) and aspects of support to the Schools Budget (£10,000).</p>	-92		
<p><b>Looked After Children</b> The strategy put in place over the past three years to reduce costs continues to be successful. The number of children placed with in-house foster carers and therefore less expensive placements has increased from 61% in March 2012 to 64% at September 2015. There has also been an increase in the number of children being placed permanently outside the care system at minimal cost through either an Adoption or Special Guardianship Order. It has also been possible to de-escalate some young people from high cost residential placements to Independent Fostering. Savings are also continuing to be achieved through commissioning where a rigorous and challenging approach continues to result in savings.</p>	-275		
<p><b>Revised delivery of services and support</b> As part of the on-going process to improve efficiency, a number of services have been reviewed to consider alternative ways for their delivery or opportunities for cost reductions through reduced take up or general efficiencies. The main reviews of service relate to the Early Help Offer where the Children's Centres management structure has been streamlined (£72,000) along with the youth offer (£58,000), and the Joint Legal Team that provides a Berkshire wide service, hosted by Reading Borough Council (£40,000). Other changes are proposed to Information, Advice and Guidance to young people where service provision can be reduced in response to evidence of low uptake (£70,000), Children's Social Care specialist contracts and externally commissioned assessments (£30,000), Youth Justice support to parenting services (£27,000), the share of cost from the Emergency Duty Team that provides an out of hours social work service (£25,000), the Finance Team (£20,000), and general Departmental resources used to respond to new initiatives (£5,000).</p>	-347		
<b>CHILDREN, YOUNG PEOPLE AND LEARNING TOTAL</b>	<b>-714</b>	<b>0</b>	<b>0</b>

## CYPL Proposed Capital Programme

## CAPITAL PROGRAMME - CHILDREN YOUNG PEOPLE &amp; LEARNING

	2016/17	2017/18	2018/19	TOTAL
	£000	£000	£000	£000
<b>Committed</b>				
Priestwood Early Years Facility - Non Schools	70	70	0	140
	<b>70</b>	<b>70</b>	<b>0</b>	<b>140</b>
<b>Unavoidable</b>				
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Rolling Programme / Other Desirable</b>				
Multi Agency Safeguarding Hub - Non Schools	32	0	0	32
<b>Total</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>32</b>
<b>TOTAL REQUEST FOR COUNCIL FUNDING (Ex BLV)</b>	<b>102</b>	<b>70</b>	<b>0</b>	<b>172</b>
Binfield Learning Village	23,300	10,300	1,000	34,600
<b>TOTAL REQUEST FOR COUNCIL FUNDING (including BLV)</b>	<b>23,402</b>	<b>10,370</b>	<b>1,000</b>	<b>34,772</b>
<b>External Funding - DfE basic Need Grant*</b>				
Binfield Learning Village	0	1,000	1,000	2,000
Warfield Expansion (Warfield West)	360	310	10	680
Crowthorne Expansion (TRL)	10	10	350	370
Amen Corner North	105	313	0	418
Warfield East	10	10	20	40
Amen Corner South	21	141	479	641
Edgbarrow Expansion	3,147	1,234	1,065	5,446
Great Hollands Expansion	4,749	983	0	5,732
Surge Classrooms	517	134	1,210	1,861
Sandhurst Redevelopment	103	0	0	103
Ascot Heath Redevelopment	156	751	0	907
Jennett's Park FFE	5	5	5	15
The Pines - Phase 2	10	140	140	290
Wildmoor Heath Kitchen	10	0	0	10
Brakenhale Expansion - Phase 1	463	1,500	1,465	3,428
Easthampstead Park Classroom Refurbishment	52	1,981	1,556	3,589
Eastern Road	12	0	0	12
Project Management Office (PMO)	300	300	300	900
	<b>10,030</b>	<b>8,812</b>	<b>7,600</b>	<b>26,442</b>
<b>External Funding - Other</b>				
Schools Capital Maintenance Grant	2,105	0	0	2,105
	<b>2,105</b>	<b>0</b>	<b>0</b>	<b>2,105</b>
Section 106	250	250	250	750
Section 106 (over £50k) - Great Hollands	66	0	0	66
Section 106 (over £50k) - Easthampstead Park	285	0	0	285
Devolved Formula Capital (estimate)	327	327	tbc	654
	<b>928</b>	<b>577</b>	<b>250</b>	<b>1,755</b>
<b>TOTAL EXTERNAL FUNDING</b>	<b>13,063</b>	<b>9,389</b>	<b>7,850</b>	<b>30,302</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>36,465</b>	<b>19,759</b>	<b>8,850</b>	<b>65,074</b>

## Detailed Schemes

<b>Multi Agency Safeguarding Hub (MASH)</b>	<b>£32,000</b>
<p>Bracknell Forest are establishing a MASH which will enable better information exchange and awareness, better informed multi agency risk based decisions and more coordinated responses. It is a co-located team of people drawn from the relevant local partners and agencies e.g. Children's Social Care, Thames Valley Police &amp; Health. Other agencies will join the hub as it is established through virtual links such as CAMHS, Adult Mental Health, Housing, Probation, Schools etc.</p> <p>Once the children's MASH is fully established, Adult Social Care will consider referrals for vulnerable adults coming through it. A Programme Board has been established to oversee the development of the MASH. Five work streams have been established and this bid relates to two of those namely accommodation and IT support.</p> <p><b>Accommodation</b>  Considerable work has gone into identifying a suitable base which is cost effective for the MASH. Total overall cost of accommodation project is estimated at £22k.</p> <p><b>ICT</b>  The MASH IT requirements are currently being specified and will require meeting the needs of BF IT users and also partners accessing TVP and Health databases. There will be a need for additional BF work stations and phone lines. Estimated cost: £10k.</p>	

**TO: SCHOOLS FORUM**

**DATE: 14 JANUARY 2016**

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## **PROPOSALS FOR THE 2016-17 SCHOOLS BLOCK ELEMENT OF THE SCHOOLS BUDGET**

**Director of Children, Young People and Learning**

### **1 PURPOSE OF REPORT**

- 1.1 The purpose of this report is to present to the Schools Forum an update on school funding and to seek comments on proposals from the Council for the 2016-17 Schools Block element of the Schools Budget.
- 1.2 Recommendations agreed from this report will form the basis of proposals to be presented to the Executive Member for Children, Young People and Learning, who has responsibility for agreeing most aspects of the Schools Budget although within the overall budget setting process, there are a number of areas that the Forum has responsibility for, and these are presented now for a decision.
- 1.3 There is a very tight timetable to meet, with views of the Schools Forum on the proposals being sought in advance of the 21 January deadline for submitting to the Department for Education (DfE) the actual Funding Formula for Schools to be used in 2016-17 with associated units of resource and total cost.

### **2 EXECUTIVE SUMMARY**

- 2.1 The current financial climate continues to create difficulties in setting a balanced Schools Budget. This relates to the tight financial settlement from the DfE that does not include funding for £2.7m of known cost pressures – equivalent to 3.3% of current spending - and the emerging long term pressure arising from new / expanding schools. To finance the budget changes considered necessary, the council is proposing a one-off draw down of £0.213m from the general balances of the Schools Budget meaning reductions to school budgets are not proposed.
- 2.2 The Spending Review 2015, whilst indicating that per pupil funding for the Dedicated Schools Grant and Pupil Premium will be protected in real terms, also announced the introduction of a national funding formula for schools from 2017-18. Until the details of the proposed formula are confirmed, uncertainties will exist for medium term budget planning.

### **3 RECOMMENDATIONS**

#### **Items for all Forum Members:**

#### **To AGREE**

#### **3.1 As decision maker:**

1. **that the arrangements in place for the administration of central government grants are appropriate (paragraph 6.51);**

2. the budget amounts for each of the services centrally managed by the council and funded from the School Block DSG as set out in Annex 5 (paragraph 6.53);

**3.2 In its role as the representative body of schools and other providers of education and childcare, the Forum REQUESTS that the Executive Member AGREES the following decisions for the 2016-17 Schools Budget:**

1. that the budget for Schools Block DSG is reset to £66.522m and other Schools Block related grants reset to anticipated 2016-17 amounts (paragraphs 6.18 and 6.47);
2. to maintain appropriate funding allocations for the most vulnerable pupils, budget allocations to schools in respect of deprivation and low prior attainment should remain at 3.9% and 3.3% respectively of total funding (paragraph 6.30);
3. the funding allocations to be paid to new / expanding schools are as set out in Table 2 and Annexes 3(a) – (d) (paragraph 6.33);
4. the net £1.459m of budget adjustments are allocated to the budget areas set out in Table 3 as follows:
  - a. £1.378m into delegated school budgets (column 1);
  - b. £0.081m into centrally managed budgets (column 3);
5. the £0.213m shortfall in funding is financed by a one-off allocation from the general balances of the Schools Budget (paragraph 6.40);
6. that the requirement to hold £0.51m in general reserves as a contingency provision against unforeseen cost increases is waived again for the 2016-17 budget (paragraph 6.40);
7. that the DfE pro forma template of the 2016-17 BF Funding Formula for Schools as set out in Annex 6 be submitted for the 21 January deadline (paragraph 6.11).

**3.3 To NOTE:**

- 1 that proposals in respect of the Early Years and High Needs Block elements of the Schools Block will be presented to the Forum in March when more information is available in respect of funding and likely spending requirements (paragraph 6.6).
- 2 that a significant budget pressure on the new / expanded schools programme is anticipated that may require future reductions to school budgets (paragraph 6.35);
- 3 the general balances on the Schools Budget are £0.114m below the minimum required level, which will need to be addressed in future budgets (paragraph 6.40);
- 4 the education related outcomes from Spending Review 2015, including the proposal for a national funding formula for schools from April 2017, for which a consultation will be launched during 2016 (paragraph 6.44);
- 5 the cost pressures that schools are likely to need to finance from within existing resources, estimated at around 3.3% (paragraph 6.48);



**Item for Primary School representatives only:**

- 3.4 To AGREE the continued de-delegated of budgets for the services permitted by the DfE (paragraph 6.14).

**Item for Secondary School representatives only:**

- 3.5 To AGREE the continued de-delegated of budgets for the services permitted by the DfE (paragraph 6.15).

**4 REASONS FOR RECOMMENDATIONS**

- 4.1 To ensure that the 2016-17 Schools Budget is set in accordance with the views of schools, the anticipated level of resources and the statutory funding framework, including the requirement to submit summary details of individual 2016-17 school budgets to the DfE by 21 January 2016.

**5 ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 These are set out in the supporting information.

**6 SUPPORTING INFORMATION**

**Background**

- 6.1 The Schools Budget is funded by a 100% ring fenced government grant called the Dedicated Schools Grant (DSG). The DSG comprises 3 funding Blocks, each with a separate calculation and funding allocation; the Schools Block; the High Needs Block; and the Early Years Block.
- 6.2 The DSG can only be spent on the purposes prescribed by the DfE and funds delegated school budgets and a range of centrally managed pupil and school related budgets. Any under or overspending in a year must also be ring fenced and applied to a future Schools Budget. Whilst there is a general ring-fence in place on what the DSG can be spent on, there is no ring-fence on the individual funding Blocks meaning money can be freely moved between services in each Block.
- 6.3 Local authorities (LAs) can add to the DSG from their own resources to increase the size of the Schools Budget but are not permitted to plan to spend at a lower amount. The strategy of the Council is for the Schools Budget to be funded to the level of external funding, with the Executive Member authorised to agree the budget allocation between schools and centrally managed budgets.

**Early Years and High Needs Block budgets**

- 6.4 The Early Years Block that funds provisions and support for children up to 5, including those in maintained school nurseries has yet to be considered in detail. This is because the level of DSG for such services can only be accurately forecast once January 2016 take up of places to the 15 hours a week free entitlement to early years education and childcare is known as this forms a significant part of the DSG calculation and costs in terms of payments to providers that then need to be funded.

- 6.5 For the High Needs Block that supports pupils with additional needs above the DfE prescribed threshold of £10,000, on 10 December, the DfE unexpectedly announced a provisional settlement of £11.902m, an increase of £0.183m on the current year budget. The Forum is aware of the significant cost pressure currently being experienced in this area which is expected to continue into 2016-17 as more post-16 SEN students remain in education following the extension of LA funding responsibility for qualifying students to the age of 25 rather than the previous limit of 19. Detailed budget proposals are in the process of being formulated and will be presented to the Forum for consideration in March.
- 6.6 Early Years and High Needs Block budget proposals will be presented for consideration to the Forum at its 10 March meeting. Clearly these factors make the budget setting process fragmented and more complex.

Annexes 1 and 2 show the original 2015-16 budgets for these two areas.

### The Schools Block

#### *Overview*

- 6.7 This report concentrates on the Schools Block element of DSG as the DfE has confirmed both the per pupil funding rates and October 2015 pupil numbers which are multiplied together to calculate the total grant allocation. The Schools Block DSG is intended to fund delegated school budgets and the small number of services that the DfE allows LAs to manage centrally on behalf of schools.
- 6.8 In terms of budgets that can be managed centrally by LAs on behalf of schools, these are defined in the DfE Funding Regulations and are divided into 4 parts as follows:
- Part 1 - Schools Block. Items where spending is limited to the amount agreed in the previous financial year
  - Part 2 - Schools Block. Items with no restrictions on annual increases.
  - Part 3 - Early Years Block. Items with no restrictions on annual increases.
  - Part 4 - High Needs Block. Items with no restrictions on annual increases.

More information on Parts 1 and 2 are set out in the following paragraphs. Parts 3 and 4 will be subject to budget decisions in March.

- 6.9 In terms of the overall quantum to be available next year, the key headline budget decisions from the DfE are:
- Core per pupil funding through the Schools Block DSG from the DfE to remain unchanged from that received in 2015-16 i.e. a cash standstill, with no funding for inflation or other cost pressures. This is the 5<sup>th</sup> year in a row that core funding rates have remained unchanged.
  - Resources allocated to the lowest funded LAs in 2015-16 through the *Fairer Funding for Schools* initiative will continue meaning the £96.45 per pupil addition (£1.469m) remains. The BF per pupil funding rate is £4,283.66.
  - Pupil numbers to be funded will be those recorded on the October 2015 census meaning changes from last year will be reflected in the DSG.
  - To afford a degree of funding protection to individual schools, the Minimum Funding Guarantee (MFG) at individual school level will remain unchanged

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at a maximum decrease in per pupil funding of 1.5%.

- 6.10 No other changes to the Funding Framework have been proposed by the DfE that impact on BF and therefore the local Funding Formula for Schools and all other operational aspects of education funding will continue unchanged in BF into 2016-17.
- 6.11 The DfE closely monitors the progress of LAs in setting their individual school budgets and requires the completion and submission of a template that sets out the Funding Formula to be used, associated units of resource and total cost. The deadline for return has been set at 21 January 2016. Annex 6 shows the BF return, which has been completed on the assumption that all of the proposals set out below in this report are approved, which the Forum is recommended to agree is submitted.
- 6.12 To ensure schools have the best available information for their initial financial planning, on 17 December, 2016-17 indicative budget statements were sent to schools based on the council's provisional data from the October 2015 school census. These notifications were in line with the update letter provided to all schools in September 2015 which set out the tight, cash flat financial settlement, the significant cost pressures that schools will face, and the new proposals set out in this report.

### *De-delegated budgets*

- 6.13 National funding arrangements require all LAs to delegate funding for the same services and functions, with a general presumption of maximum delegation. However, where relevant representatives on a Schools Forum agree that the whole budget for their phase e.g. primary/secondary, should be returned to the Council for central management, this is allowed, but only in respect of a small number of services. This recognises that there are reasons of cost effectiveness, ease of organisation / management or risk sharing that a strategic approach can bring. The DfE term this approach "de-delegation" and requires annual approval from the school representatives on the Schools Forum for it to be implemented for community schools. Academy schools are responsible for providing these services and therefore receive their share of "de-delegated" budgets. The relevant services affected are set out below in Table 1, including the expected academy conversion of Brakenhale.

**Table 1: Services subject to de-delegation again at April 2016**

Ref	Item	Gross budget £k	Academy schools £k	Community schools £k
A	Contingencies; support to schools in financial difficulty and exceptional costs in primary schools	290	46	244
B	Support to underperforming ethnic minority and bi-lingual pupils	127	8	119
C	SIMS and other licences	90	10	80
D	Behaviour and Education Support Team	300	24	276
E	Anti-bullying co-ordinator	25	3	22
F	Staff supply cover for official absences *	345	42	303
G	Premature retirement / dismissal costs	52	6	46
H	Free school meals eligibility checking	20	2	18
<b>Total</b>		<b>1,249</b>	<b>141</b>	<b>1,108</b>

\* includes maternity leave, trades union duties and staff suspensions.

- 6.14 All schools responding to consultations in the last three years have supported “de-delegation” and the return of budgets to the council for central management which has subsequently been endorsed by the Forum. To help inform the decision making process for 2016-17, all schools were asked for their views on “de-delegation” for next year. All 11 primary schools responding to the consultation agreed that “de-delegation” should continue, and the Primary Representatives on the Forum who are responsible for this decision are recommended to agree that this continues into 2016-17.
- 6.15 In respect of secondary schools, there has been a change from some schools on “de-delegation”. As academy schools directly receive funding for “de-delegated” services, this only affects the 4 community secondary schools, of which 2 (50%) support continued de-delegation. Of the other 2 schools, one does not support “de-delegation” of ICT licence fees as the software purchased by the LA does not fully meet their needs. The remaining school does not support any “de-delegation” and wants to use the resources to support the school budget. Whilst there may be some funds available to support the school budget, there would also be significant additional costs to fund, some of which are high cost and unpredictable. At this stage of the budget setting process, the Council proposes that “de-delegation” continues for 2016-17, and that a review is undertaken with secondary schools to determine their longer term requirements on these services, with the intention to make changes, if required, from April 2017. The Secondary Representatives on the Forum who are responsible for this decision are therefore recommended to agree that “de-delegation” continues into 2016-17.

*Schools Block DSG income*

- 6.16 The DfE published verified October school census and other data that must be used to calculate 2016-17 school budgets on 10 December. This showed actual pupil numbers at 15,507 (up 297 = 1.9%) and with 17 deferred entries into reception classes (January 2015 compared to October 2014), DSG funding will be based on 15,524 pupils. With the confirmed BFC per pupil DSG funding rate of £4,283.66, this results in total funding of £66.500m.
- 6.17 The DfE continues to adjust the core DSG allocation to reflect recent changes to the induction regulations so that teaching schools can act as the ‘appropriate body’ for the induction of newly qualified teachers. Schools now pay for this element of induction from their preferred supplier, rather than it being made available without charge from the council. An allocation of £0.022m has been included in the DSG for this.
- 6.18 The Schools Block DSG for 2016-17 is therefore £66.522m, an increase of £1.246m compared to the £65.276m current budget, and the DSG budget is recommended to be updated accordingly.

*Budget proposals for 2016-17*

- 6.19 The budget proposals being presented by the council are in accordance with the previously agreed funding strategy, in priority order, as follows:
- A. It has been included in the financial settlement from the DfE and it is consistent with local funding priorities;
  - B. It relates to a new or amended statutory responsibility / DfE Regulation;

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- C. There is sufficient income to fully fund changes in pupil characteristics, i.e: changes in pupil deprivation, low prior attainment, number of looked after children, English as an additional language and mobility;
- D. The pressure relates to a key local priority;
- E. Any remaining funds should be allocated using per pupil, high deprivation and low prior attainment data in the same proportion as the distribution of funds at the start of the financial year (around 93.5%/3.3%/3.2% in primary and 89.5%/5.9%/4.6% in secondary).

Table 3 at the end of this section summarises the budget proposals with a cross reference to the budget strategy and relevant paragraph in this report where the item is considered.

- 6.20 Before looking at new proposals, Forum members are reminded of the decision taken in 2015-16 to allocate £2.093m of Schools Block DSG funding to finance unavoidable cost increases in supporting High Needs Pupils, mainly as a consequence of increased numbers of post-16 SEN pupils where education now needs to be provided to qualifying students to age 25 rather than 19. This transfer is part of the on-going base budget and therefore continues.
- 6.21 Once again, the most significant budget proposals being made relate to the financial impact from the data contained on the October 2015 census which LAs must use when calculating school budgets through their local Funding Formula for Schools. There is £0.396m growth added to primary schools to reflect 143 additional pupils (+1.5%) and £0.615m for secondary schools where numbers have increased by 154 (+2.8%). Overall, pupil numbers have increased by 297, (1.9%) which maintains a high rate of increase experienced in recent years.
- 6.22 The different financial effect arising from funding pupil numbers in primary and secondary schools is clearly evident from above with very similar changes in numbers in each phase generating vastly different costs. This is to be expected as it reflects the different cost bases in each phase with the average per pupil funding allocation paid to primary schools calculated at £3,072 with £4,553 for secondaries.
- 6.23 Up until now, increases in pupil numbers have been concentrated in the primary phase - 403 in 2014-15, 310 in 2015-16 – with numbers in secondary schools reducing slightly – 58 in 2014-15, 33 in 2015-16. With the DSG allocation to BF at £4,283 per pupil, irrespective of pupil age, this has generally resulted in a funding gain of around £1,211 per pupil. However, for 2016-17, over half of the 297 increase in pupil numbers arises in secondary schools, where there is a loss of around £270 per pupil. This outcome has always been known, and the Forum has previously agreed that the core per pupil funding rate in secondary schools is limited to 98% of the DSG rate to provide a measure of funding protection when the number of secondary aged pupils is rising. The use of a uniform DSG rate to fund LAs for school pupils when there are then necessarily differential funding rates paid to primary and secondary schools will always produce this outcome. Therefore, increases in secondary aged pupil numbers creates a budget pressure even when the headcount is reflected in the funding settlement.
- 6.24 The funding gain in 2016-17 from increased pupil numbers is £0.261m rather than the £0.433m that would have been expected in previous years when the increase has been very much focused on the primary phase with a small reduction in secondary.
- 6.25 Other data changes from the October census impact on funding allocations through measures of deprivation, low prior attainment and a small number of other pupil related

characteristics. The most significant allocations are in respect of targeting resources to the most deprived children who tend to achieve less well than their peers and for low prior attainment, which is used as a proxy for funding pupils with additional educational needs.

- 6.26 The October 2015 data supplied by the DfE shows significant changes from last year. Whilst eligibility to a Free School Meal has remained fairly constant, increasing from 1,294 to 1,298, scores against the Income Deprivation Affecting Children Index (IDACI), which measures the likelihood of income deprivation for families by resident post code, have fallen significantly and result in a £0.242m (16%) reduction in funds allocated to schools.
- 6.27 Whilst a small reduction would not be unexpected in light of the general improvement in the economy, the biggest factor affecting the change relates to incorporating updated Indices of Multiple Deprivation into the Index. This is the first review in 5 years and the DfE acknowledge “there will be a significant degree of movement of pupils between bands at an individual school level” and “LAs...should therefore review their unit values to ensure that the amounts allocated to individual schools and in total are in line with the authority’s intended use of this factor”.
- 6.28 Similarly, funding allocations for low prior attainment have also reduced. This reflects the on-going improvement in pupil performance with fewer now achieving the lower level scores that attract funding, in accordance with DfE set thresholds. The updated data results in a £0.125m (6%) reduction in funds allocated to schools through this measure.
- 6.29 Deprivation and low prior attainment are the key factors used to target resources to the most vulnerable pupils and those needing extra support and for this reason the council does not support delivering the £0.367m of funding reductions indicated from the DfE data set. Whilst this money would be available for distribution to schools through core per pupil funding, the council proposes to broadly maintain the current proportion of funds allocated to schools through these measures at around 3.9% and 3.3% respectively. As there is an increase in pupil numbers and associated funding, maintaining these percentages will result in an overall increase in funding allocated through these factors.
- 6.30 Taking this approach to funding results in additional allocations to schools of £0.131m, with deprivation funding increasing by £0.072m compared to 2015-16, additional educational needs by £0.057m and all other pupil related characteristics by £0.002m. The Forum is recommended to agree this approach.
- 6.31 Other changes proposed to budgets relate to funding the estimated cost of inflation on business rates, as the DfE requires schools to be funded on the estimated actual costs, which is £0.010m, and a self-funding budget transfer between delegated school budgets and Part 1 centrally managed budgets for the National Copyright Licensing agreement. The DfE has negotiated an agreement for all schools at a lower cost than the aggregate payments being made by individual schools of which the scope has been widened to cover more licences, meaning costs of around £0.025m currently funded from individual school budgets will now be charged to a centrally managed budget, which requires a funding transfer. The changes to copyright licensing were made in April 2015 but amounts were not confirmed until after the 2015-16 budget was set.
- 6.32 Reports on the new / expanded schools programme have previously been presented to the Forum, although a final proposal on the calculation of additional funding to

support the schools in their initial years when they are open with relatively low pupil numbers has yet to be considered. Due to the long term nature of the build programme, the reliance on external factors, such as the speed of house building that will be determined by a range of developers and the complexities around formulating accurate pupil forecasts down to individual school level, the council does not believe that there is sufficient certainty on costs to determine a long term funding policy at this stage. The outcomes from the Spending Review 2015, which are further detailed below in paragraph 6.44, add to the uncertainty and indicate that for now, it is most appropriate to agree only a one year funding solution, specifically for those schools that will incur costs in 2016-17.

- 6.33 Two new / expanded schools are expected to require additional financial support within this timeframe; Warfield West, with a September 2016 anticipated opening and Amen Corner North, which is expected to open in September 2017 but will require some start-up funding between January and March 2017. It is proposed that funding allocations for these 2 schools should be in accordance with the methodology previously outlined to the Forum in October and comprise a fixed amount for start-up costs, a lump sum allocation to cover most of the unavoidable fixed costs, such as head teacher salary, business rates and a lump sum amount for each agreed class that needs to be opened. Table 2 below sets out the £0.307m additional funding proposed for 2016-17, with Annexes 3 (a) to (d) setting out the detailed calculations for each element of the additional financial support.

Table 2: Additional financial support for new / expanding schools

Item	Warfield West (Sept 2016)	Amen Corner North (Sept 2017)
Start-up costs:		
April – August 2016	£36,000	-
Jan – March 2017	-	£20,100
Fixed lump sum	£56,350	-
Business Rates	£10,450	-
Funding for 4 classes	£184,100	-
<b>Total</b>	<b>£286,900</b>	<b>£20,100</b>
	<b>£307,000</b>	

Note: Funding allocations are for September – March unless otherwise stated.

- 6.34 In terms of class funding, this needs to be sufficient not only to meet the expected number on roll when the school opens, but also include capacity to accommodate in-year admissions as house sales complete and more pupils require a place. It needs to reflect acceptable class structures to deliver the national curriculum with an expectation of mixed aged teaching. Annex 4 shows the pupil forecasts and resultant number of classes proposed to be funded at Warfield West.
- 6.35 For the longer term, where six new schools are expected to be required, a significant budget pressure can be expected, with current forecasts indicating around £7-8m of additional costs. As highlighted above, due to the uncertainties surrounding key assumptions in this calculation, not least the outcomes from the national funding

formula for schools, firm proposals on dealing with this will be presented once there is more certainty which is likely to be towards the end of 2016. As data gets updated, it is likely that the cost pressure will change. At this stage, a significant pressure is considered the likely outcome which may require some future reductions to individual school budgets.

- 6.36 Whilst detailed proposals for Early Years and High Needs budgets will be presented to the Forum in March, any significant financial issues need to be considered before the Schools Block budget is set in order for all relevant information to be taken into account during the decision making process. Taking account of the management actions introduced by the Council during 2015-16 on High Needs budgets, and the relative stability in Early Years, no significant budget issues are anticipated at this stage for either area.
- 6.37 Assuming all of the above are approved, a budget shortfall of £0.213m results
- Proposed use of accumulated balances and existing earmarked reserves*
- 6.38 Funding available for schools can be adjusted by applying unspent DSG from previous years or other resources held in earmarked reserves.
- 6.39 Budget monitoring information available at the end of November indicates a forecast year end under spend at 31 March 2016 for the Schools Budget of £0.401m. This represents an increase of £0.178m from the £0.223m under spending forecast reported to the Forum in October. The improvement mainly relates to further reductions in expenditure supporting High Needs pupils through the successful actions implemented by the council during the year. There is an opening surplus balance of £0.208m meaning at this stage the forecast surplus balance at year end is £0.609m. This balance is available to support unfunded 2016-17 expenditure on a one-off basis.
- 6.40 The Borough Treasurer considers that the Schools Budget should hold a minimum surplus of £0.51m to help manage unforeseen cost increases such as those experienced in 2014-15. However, meeting this objective is not considered possible in the current climate and the Forum is therefore recommended to agree that the 2016-17 budget is set without meeting this policy and that the £0.609m year end surplus forecast for the Schools Budget is used to finance the £0.213m forecast budget deficit. This would be on a one-off basis and future budgets would need to include a provision to recover the £0.114m required to return balances to the minimum policy level.
- 6.41 The last two year's budgets have been supported through a draw down from the Job Evaluation reserve that the Forum agreed should be established to help finance the impact of changes anticipated to local government staffing conditions through the Council's Job Evaluation Review. The outcome from this exercise was the introduction of the Bracknell Forest Supplement, a pay enhancement to ensure that all staff receive at least the equivalent of the Living Wage. In setting the 2015-16 budget, the final £0.100m reserve balance was applied to individual school budgets resulting in a nil balance and therefore no resources are available to support the additional costs from April 2016.
- 6.42 Table 3 below summarises the 2016-17 budget proposals for the Schools Block.



Table 3: Proposed use of Schools Block income

Para Ref.	Strategy	Budget proposal	Delegated	De-	Centrally	High	Total
			school	delegated	managed	Needs	
			budgets	budgets	budgets	budgets	
			1	2	3	4	5
			£'000	£'000	£'000	£'000	£'000
n/a		<b>Original 2015-16 Schools Block budget</b>	<b>60,951</b>	<b>1,249</b>	<b>1,083</b>	<b>2,093</b>	<b>65,376</b>
6.41		Remove Job Evaluation Reserve funding	-100	0	0	0	-100
6.18		<b>Re-stated 2016-17 base budget</b>	<b>60,851</b>	<b>1,249</b>	<b>1,083</b>	<b>2,093</b>	<b>65,276</b>
		<b><u>Changes for 2016-17:</u></b>					
6.21	A	Change in number of primary pupils	396	0	0	0	396
6.21	A	Change in number of secondary pupils	615	0	0	0	615
6.30	C	Effect of changes in pupil characteristics e.g.FSM numbers, test results, EAL etc	131	0	0	0	131
6.31	B	Rates inflation	10	0	0	0	10
6.31	n/a	National Copyright licence	-25	0	25	0	0
6.33	A	Diseconomy funding for new / expanded schools	251	0	0	0	251
6.33	A	Start-up costs for new / expanded schools	0	0	56	0	56
		<b>Total requirement for 2016-17</b>	<b>62,229</b>	<b>1,249</b>	<b>1,164</b>	<b>2,093</b>	<b>66,735</b>
		<b>Change</b>	<b>1,378</b>	<b>0</b>	<b>81</b>	<b>0</b>	<b>1,459</b>
		<b><u>Financing:</u></b>					
6.18		Estimated Schools Block DSG					<b>66,522</b>
6.40		Proposed use of balances					<b>213</b>
		<b>Total financing</b>					<b>66,735</b>

#### *Impact of the Minimum Funding Guarantee (MFG)*

- 6.43 Forum members will be aware that in order to reduce funding turbulence in schools, the DfE requires all LAs to apply the MFG to individual school budgets and allocate top up funding where per pupil funding rates fall by more than 1.5% between years. In order to be able to finance the cost, the DfE allows a cap to be applied to reduce funding increases at schools experiencing a gain in per pupil funding. The Forum has previously agreed that schools above the MFG and in receipt of per pupil funding increases would meet the cost of financing the protection required for schools below the MFG. For 2016-17, the MFG top up increases from £0.096m to £0.122m. This is mainly as a result of the updated IDACI data which impacts significantly on one school.

Spending Review 2015

6.44 On 25 November, the government published initial financial information in respect of the Spending Review 2015 which set out spending plans up to and including 2019-20. In respect of education services, the key headlines are:

1. Education budget to remain protected.
2. The government will introduce the first ever national funding formula for schools, high needs and early years, so that funding is transparent and linked to children's needs. This will remove current inequalities where on the basis of where they live, a child from a disadvantaged background in one school can attract half as much funding as a child in identical circumstances in another school. The government will launch a detailed consultation in 2016 and implement the new formulae from 2017-18. There will be a transitional period to help smooth the implementation of the new formula.
3. The Government will protect the schools budget in real terms, enabling a per pupil protection for the Dedicated Schools Grant and the pupil premium.
4. The government will reduce the local authority role in running schools and remove a number of statutory duties.
5. Free childcare entitlement will double from 15 hours to 30 hours a week for working families with three and four year olds from September 2017.
6. From 2017-18 an investment of £300m will be made to increase the average hourly rate childcare providers receive, and at least £50m of capital funding to create additional places in nurseries
7. Investment of £23 billion in school buildings, 500 new free schools, 600,000 new school places, rebuild and refurbishment of over 500 schools.

6.45 In addition, further cuts are proposed to the Education Services Grant (ESG) with the objective of securing £600m of savings (75% of current budget), which is estimated to cost BFC around £1.3m. This is a grant paid to LAs and academies to fund a range of functions and services provided without charge to community schools such as school improvement and certain legal services, currently at £87 per pupil to LAs, and is not part of the Schools Budget. The expectation is that academy schools will also receive a 75% cut to their ESG funding. This funding reduction follows the £200m implemented in 2015-16 for which there was a £0.426m loss in income to the council.

6.46 Whilst the government has set out its spending plans, the operational detail, and therefore likely impact on BF has yet to emerge. This creates further uncertainty when undertaking medium term financial planning which for education is likely to remain until the outcomes of the 2016 consultation on the national funding formula for schools are known.

Other grant income

6.47 In addition to the DSG, a number of other significant grants are paid directly to schools and these have been reviewed for anticipated receipts in 2016-17 and the Forum is recommended to agree that the Executive Member updates budgets where relevant:

- Funding rates allocated through the Pupil Premium for pupils eligible to a FSM at any time in the last 6 years, from a services family at any time in the last 4 years or looked after to remaining unchanged. Total income to schools next year is expected to remain fairly stable at to £3.345m.

## Unrestricted

- Funding for Universal Infant FSM and Primary School PE and Sport Grant have yet to be confirmed and are assumed to continue at current funding rates, with total income of £1.487m and £0.292m respectively;
- For funding for sixth forms to remain in line with the existing national funding formula with £4.521m anticipated.

### Actual cost pressures estimated for 2016-17

6.48 Schools will experience a range of cost pressures next year and whilst funding is proposed to cover increases in pupil numbers, others will remain unfunded and will require schools to make savings to balance their budgets. The main pressures, which total to around £2.7m, and represent 3.3% of current spending levels are:

1. The removal of the 3.4% National Insurance rebate paid for staff in occupational pension schemes. The rebate will cease from 1 April 2016 and relates to both the Local Government and Teachers' Pension Schemes. Based on 2014-15 actual payments to staff, this equates to a pressure of £1.075m.
2. The cost of pay and price inflation. With public sector pay increases limited at 1%, with a similar assumption on other costs, this will equate to around a £0.8m pressure. We are currently experiencing historically low inflationary pressures. This is expected to start to increase moving forward.
3. The full year effect cost of the increase in contribution to the Teachers' Pension Scheme, from 14.1% to 16.4% at September 2015 will add around £0.346m to school costs in 2016-17.
4. The statutory increase in the Living Wage, paid locally as the Bracknell Forest Supplement. This will increase by 40p per hour (5%) from April 2016 and is estimated to cost schools around £0.320m on top of the 1% included in 2. above.
5. With the Job Evaluation Reserve now fully spent, schools will need to finance the £0.100m one-off funding made available in 2015-16 from within their main budget.
6. The underlying deficit on the Local Government Pension Scheme is being reduced by way of additional lump sum contributions. Payments due from schools in the BF Local Government Pension Scheme are forecast to increase by £0.093m in 2016-17.

Most of these cost pressures equally apply to centrally managed Schools Block budgets, meaning they too require real terms savings of around 3.3% to be managed, a reduction in services provided, or a combination of both.

6.49 In terms of the proposed funding increases to be paid to schools for new pupils, the increased budget allocation will exceed the expected cost as per pupil funding contributes to more costs than classroom staff, most of which would not change as numerous schools admit relatively small numbers of pupils that do not require the recruitment of a new teacher. Of the £1.011m included in school budgets for changes in pupils, it should be expected that at least 50% of the funding will not result in equivalent cost increases. Nevertheless, schools are still facing unfunded cost increases of around £2.2m next year. This will increase the likelihood that more pressure will be placed on the budget to support schools in financial difficulty and more schools seeking loans to manage required cost reductions over a number of years.

Other decisions required from the Schools Forum

- 6.50 The content of this report complies with requirements of the School and Early Years Finance (England) Regulations 2015. In addition to this, in setting the 2016-17 Schools Budget, there are also requirements from the Schools Forum (England) Regulations 2012 that need to be complied with.
- 6.51 There is a requirement to seek comments from the Forum in respect of administration arrangements for the allocation of central government grants. No changes are proposed on existing arrangements where any relevant costs are absorbed by the council in normal day to day operations and the Forum is requested to agree this approach continues.
- 6.52 The Schools Forum Regulations also require the council to seek comments on arrangements for pupils with special educational needs, pupil referral units and other education out of school and early years provisions. In line with the publication of associated funding allocations, these matters will be presented to the Forum on 14 March.
- 6.53 The Forum also has a decision making role on other budget matters, most notably in relation to Schools Block element funds held for centrally management by the Council on behalf of schools. Relevant budgets, including changes proposed in this paper are set out in Annex 5 and the Forum is recommended to agree relevant amounts for each budget line.
- 6.54 Furthermore, and as set out above, it has also previously been agreed that the core per pupil funding rates in the BF Funding Formula for Schools should not exceed 98% of the per pupil funding rates in the Schools Block element of the DSG. This is designed to ensure that during periods of increasing pupil numbers, the consequential increase in DSG income is sufficient to fund the per pupil allocations in the BF Funding Formula as well as a small allowance for funding other, pupil related factors, such as deprivation and low prior attainment.
- 6.55 With the School Block DSG rate set at £4,283.66 this caps BF per pupil core funding rates to no more than £4,197.98 (98%). The proposals in this report result in the higher secondary per pupil funding rate being set at £4,060.99 which is 94.80% of the DSG rate.

Future budgets

- 6.56 Whilst it is clear that significant financial difficulties exist in agreeing the Schools Budget for 2016-17, further significant cost pressures are anticipated in the near future where financial provision should be considered as soon as possible. The main issues being:
- Start-up cost for the 6 new mainstream schools. Jennett's Park received £0.7m of start-up funding due to the lag between setting the school budget – and receipt of DSG income - on prior year October pupil numbers which significantly increase at the start of the new academic year, and similar amounts need to be planned for the other schools.
  - On-going impact of the growing population on SEN budgets, together with the expected increase in post-16 SEN students.
  - Additional business rates liabilities arising from the school places expansion programme estimated at £0.050m per annum

- The underlying deficit on the Local Government Pension Scheme is being reduced by way of additional lump sum contributions. Moving forward, payments due from schools are forecast to increase by around £0.1m a year.

#### Conclusion Next steps

- 6.57 Making proposals to balance the 2016-17 budget has again presented significant challenges to the Council not least as a result of the uncertainty around future costs and income. Moving forward, it seems likely that further financial challenges will need to be addressed in the years ahead.
- 6.58 The views of, and decisions taken by the Schools Forum will be considered by the Executive Member in making final decisions for the 2016-17 Schools Budget. This will be on 19 January, which is in advance of the 21 January deadline for submission to the DfE of the 2016-17 Funding Formula for Schools. Budgets can then be confirmed to individual schools, which is expected to be some time in February.

The pro forma to be submitted to the DfE is attached at Annex 6. The £63.479m recorded against Total Funding for Schools Block Formula detailed on the pro forma matches the delegated and de-delegated budget totals in columns 1 and 2 of Table 3.

- 6.59 Further work is on-going relating to the High Needs and Early Years Block items where the level of funding to be received next year has yet to be finalised. Budget proposals on these areas of the Schools Budget will be presented to the Forum for consideration in March. At this stage, funding for these areas is expected to be sufficient to meet anticipated costs.

## **7 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

### Borough Solicitor

- 7.1 The relevant legal provisions are contained within the main body of the report.

### Borough Treasurer

- 7.2 The financial implications arising from this report are set out in the supporting information. The proposals meet the requirements of the appropriate funding regulations and result in a balanced budget. Moving forward, significant uncertainties exist when forecasting likely income and costs, however, on-going financial difficulties are expected over the medium to long term.

### Equalities Impact Assessment

- 7.3 The budget proposals ensure funding is targeted towards vulnerable groups and an EIA is not required.

### Strategic Risk Management Issues

- 7.4 The funding reforms and tight financial settlement present a number of strategic risks, most significantly:
1. Insufficient funding to cover anticipated pay and price inflation and changes in contributions to National Insurance and Pension Funds.

## Unrestricted

2. The ability of schools with loans to manage their repayments. Three secondary schools have significant loan advances that need to be managed during a period of real terms reduction in funding.
  3. Inability to target resources to schools facing pressures as a result of the limited range of available factors for the Funding Formula.
  4. Ensuring sufficient resources are allocated into general school budgets to meet their SEN responsibilities, up to the £10,000 limit.
  5. Managing the additional revenue costs arising from the new / expanded schools programme.
  6. The ability of schools to admit an increasing number of pupils.
- 7.5 These risks will be managed through support and assistance to schools in the budget setting process which is a well established programme. It has ensured that schools develop medium term solutions to budget shortfalls and draws on funding retained to support schools in financial difficulty or through the allocation of short to medium term loans. There remains a de-delegated budget of £0.244m (excludes academies) to support schools in financial difficulties that meet qualifying criteria.
- 7.6 Significant financial pressures continue to be experienced on SEN related budgets. These services are high cost and remain volatile but have been successfully managed down in the current year through the actions implemented by the council's SEN Team.

## 8 CONSULTATION

### Principal Groups Consulted

- 8.1 CYPL Departmental Management Team.

### Method of Consultation

- 8.2 Written report.

### Representations Received

- 8.3 Included in body of the report.

### Background Papers

None:

### Contact for further information

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### Doc. Ref

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## 2015-16 Original Early Years Block Budget

Budget Item	2015-16 Budget £
<b>Free entitlement to early years education and childcare for 3 and 4 year olds:</b>	
<b>Maintained school nurseries</b>	£1,392,450
<b>PVI provider settings</b>	£2,593,230
<b>Free entitlement to early years education and childcare for 2 year olds:</b>	£640,160
<b>Provider Contingency</b> – for in-year increases in take-up and other support to providers e.g. SEN children, providers in financial difficulty (3%)	£115,000
<b>Multi professional assessment centre</b> – Currently provided through contract with Action for Children, based at Margaret Wells Furby Children’s Centre	£156,850
<b>Free milk</b> – net cost of free milk to eligible children.	£11,210
<b>Special Educational Needs and other support</b> e.g. Special Educational Needs Co-ordinators.	£147,390
<b>Early Years Development Officer</b> funding for 1 fte development officer supporting early years providers in tracking and monitoring children’s early years progress to ensure school readiness.	£35,000
<b>Outreach support</b> - delivery of sufficient places, workforce development, publicity and marketing.	£28,000
<b>Early Years Pupil Premium</b>	£63,710
<b>Total Early Years Block Budget</b>	<b>£5,183,000</b>

## 2015-16 Original High Needs Block Budget

<b>Budget Item</b>	<b>2015-16 Budget £</b>
<b>Element 3 top up payments</b>	
BFC maintained schools and academy	£765,050
Non-BFC maintained schools	£842,000
Kennel Lane Special School	£1,230,650
Other specialist providers - pre 16	£3,748,420
Other specialist providers - post 16	£2,635,250
<b>Specialist places</b>	
Kennel Lane Special School	£1,850,000
BFC maintained schools	£292,000
<b>Education out of school</b>	
College Hall Pupil Referral Unit	£711,490
Home Tuition	£260,160
Family Outreach Work	£94,130
<b>Other support to high needs pupils</b>	
Teaching and support services	£648,750
Sensory Impairment services	£226,470
Autism support service	£84,000
Traveller education	£75,140
Medical support, specialist equip etc.	£210,610
SEN high needs contingency	£100,000
SEN Resource Unit	£55,000
<b>Total Budget</b>	<b>£13,829,120</b>
<b>Total DSG funded</b>	<b>£13,812,120</b>
<b>Total Job Evaluation Reserve funded</b>	<b>£17,000</b>



## Proposed 2016-17 Funding Allocations for New / Expanding Schools

## Start-up costs

**New Primary School - academy**

Expense / Income	Pay point	Basic Pay / cost	On-costs	Full Year Total	FTE Jan - Mar	Cost Jan - Mar	FTE Apr - Aug	Cost Apr - Aug
Headteacher	L11	£50,542	£13,394	£63,936	0.4	£6,394	0.6	£15,984
Caretaker - Caretaker grade	BG - l17	£18,781	£3,756	£22,537	0.0	£0	0.5	£2,817
School Business Manager	BG - l32	£27,924	£5,585	£33,509	0.4	£3,351	0.6	£8,377
Governing body		£4,000		£4,000		£1,000		£1,667
Professional costs (legal / finance)		£25,000		£25,000		£9,375		£15,625
Recruitment / hospitality		£5,000		£5,000		£0		£2,083
Equipment / Resources (Revenue)		£8,000		£8,000		£0		£3,333
Office Services		£3,000		£3,000		£0		£1,250
<b>Sub - Total</b>						<b>£20,100</b>		<b>£51,100</b>
Less DfE grant		<b>-£25,000</b>		<b>-£25,000</b>				<b>-£25,000</b>
<b>Total</b>						<b>£20,100</b>		<b>£26,100</b>

**Community Primary school - expanding**

Headteacher	L11	£50,542	£13,394	£63,936	0.4	£6,394	0.6	£15,984
Caretaker - Caretaker grade	BG - l17	£18,781	£3,756	£22,537	0.0	£0	0.5	£4,695
School Business Manager	BG - l32	£27,924	£5,585	£33,509	0.4	£3,351	0.6	£8,377
Governing body		£4,000		£4,000		£1,000		£1,667
Recruitment / hospitality		£5,000		£5,000		£0		£2,083
Equipment / Resources (Revenue)		£8,000		£5,000		£0		£2,083
Office Services		£3,000		£2,600		£0		£1,083
<b>Total</b>						<b>£10,700</b>		<b>£36,000</b>

## Proposed 2016-17 Funding Allocations for New / Expanding Schools

## Fixed costs – New Academy Primary

Primary - New	Data Source	Pay point	Basic Pay	On-costs £'s	Full year total	FTE	Gross Pay	1 FE
								Cost Apr - Mar
Headteacher - Leadership	Pay & Conditions & HR	L9	£48,087	£12,743	£60,830	1.0	£60,830	£60,830
Senior Leadership - non teaching time	Pay & Conditions & HR	L2	£7,053	£10,766	£17,819	1.0	£17,819	£17,819
Teaching, Learning, Responsibility Allowances	Pay & Conditions & HR	TLR	£6,386	£1,692	£8,078	1.0	£8,078	£8,078
SEN support from SEN Co - addition over mainscale	HR	L1	£6,085	£1,613	£7,698	0.5	£3,849	£3,849
Caretaker - Caretaker grade	HR	BG I - 17	£18,781	£3,756	£22,537	1.0	£22,537	£22,537
School Bursar/Business Manager	HR	BG - I32	£27,924	£5,585	£33,509	0.8	£26,807	£26,807
Office support reception, clerical	HR	BG - K10	£14,571	£2,914	£17,485	0.2	£3,497	£3,497
Administration	HR	BG - I22	£27,924	£5,585	£33,509	0.2	£6,702	£6,702
Governing body	Estimate		£3,000		£3,000		£3,000	£3,000
Fixed contribution to Grounds Maintenance	Estimate		£5,803		£5,803		£5,803	£5,803
Fixed contribution to Utilities	Estimate		£3,000		£3,000		£3,000	£3,000
<b>Total New Primary Diseconomy Funding</b>								<b>£161,900</b>

## Proposed 2016-17 Funding Allocations for New / Expanding Schools

## Fixed costs – Expanded Community Primary

Primary - Expanded	Data Source	Pay point	Basic Pay	On-costs £'s	Full year total	FTE	Gross Pay	1 FE
								Cost Apr - Mar
Senior Leadership - non teaching time	Pay & Conditions & HR	L2	£40,628	£10,766	£51,394	0.2	£10,279	£10,279
Teaching, Learning, Responsibility Allowances	Pay & Conditions & HR	TLR	£6,386	£1,692	£8,078	1.0	£8,078	£8,078
SEN support from SEN Co - addition over mainscale	HR	L1	£6,085	£1,613	£7,698	0.5	£3,849	£3,849
Caretaker - Caretaker grade	HR	BG I - 17	£18,781	£3,756	£22,537	1.0	£22,537	£22,537
School Bursar/Business Manager	HR	BG - I32	£27,924	£5,585	£33,509	0.8	£26,807	£26,807
Office support reception, clerical	HR	BG - K10	£14,571	£2,914	£17,485	0.2	£3,497	£3,497
Administration	HR	BG - I22	£27,924	£5,585	£33,509	0.2	£6,702	£6,702
Governing body	Estimate		£2,000		£2,000		£2,000	£2,000
Fixed contribution to Grounds Maintenance	Estimate		£5,803		£5,803		£5,803	£5,803
Fixed contribution to Utilities	Estimate		£3,000		£3,000		£3,000	£3,000
Fixed contribution to split site e.g. broadband	Estimate		£4,000		£4,000		£4,000	£4,000
<b>Total Expanding Primary Dis-economy Funding</b>								<b>£96,600</b>

## Proposed 2016-17 Funding Allocations for New / Expanding Schools

## Class funding – Expanded Community Primary

	Data source	Basic Pay / cost	On-costs	Full Year Total	FTE	Cost Sept - Mar	Cost Apr - Aug
<b>Primary class costs model for both new and expanding schools</b>							
Teacher M6	Pay point	£33,575	£8,897	£42,472	1.0	£24,776	£17,696
Teacher PPA - 10% M6	Pay point	£3,358	£890	£4,247	1.0	£2,478	£1,769
Classroom Support BG-K10	HR Advice	£14,571	£2,914	£17,485	1.0	£10,200	£7,285
Middyay- controller BG- K10	HR Advice	£14,571	£1,865	£1,315	0.1	£767	£548
Curriculum Equipment / Resources	CFR	£153		£4,582		£2,673	£1,909
Educational visits / extended services	CFR	£41		£1,229		£717	£512
Catering - net expd/ income	CFR	£119		£3,569		£2,082	£1,487
Cleaning, including materials	CFR	£49		£1,482		£865	£617
Computing & Communications - Curriculum	CFR	£16		£484		£283	£201
Cost of Leases	CFR	£4		£120		£70	£50
External Professional Services	CFR	£19		£578		£337	£241
Insurance	CFR	£38		£1,134		£662	£472
Licenses	CFR	£1		£35		£20	£15
Postage telephony	CFR	£10		£312		£182	£130
SLAs / BFBC Services	CFR	£3		£90		£53	£37
Staff expenses /Interview expenses/ fares, Transport, other	CFR	£42		£1,265		£738	£527
Printing, Stationery & General Office	CFR	£69		£2,066		£1,205	£861
Utilities All,& Refuse	CFR	£76		£2,284		£1,332	£952
Income school based - Excluding Grants	CFR	-£187		-£5,614		-£3,275	-£2,339
Income PPG - LA average 17.05% of NOR	DFE	-£1,320		-£225		-£131	-£94
<b>Total classroom costs</b>				<b>£78,900</b>		<b>£46,000</b>	<b>£32,900</b>

## 2016-17 proposed funding model for Warfield West Expansion

Year Group	Key Stage	Age	2016/17 financial year			Forecast NOR September 2017
			Forecast NOR September 2016	Forecast NOR at academic year mid-point	Proposed class structure	
Reception	Reception	4	20	20	20	30
Year 1	KS1	5	3	5	6 - 10	20
Year 2		6	3	5		8
Year 3	KS2	7	3	5	6 - 10	8
Year 4		8	3	5		8
Year 5		9	3	5	6 - 10	8
Year 6		10	3	5		8
<b>Totals</b>			<b>38</b>	<b>47</b>	<b>38 - 50</b>	<b>90</b>

Proposed number of classes to be funded	4
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<b>Funding allocations:</b>		
	Full Year	September to March
Fixed lump sum 1 FE	£96,600	£56,350
Rates	£17,900	£10,450
Class funding @ £78,900	£315,600	£184,100
<b>Total</b>	<b>£430,100</b>	<b>£250,900</b>

**Proposed 2016-17 Schools Block budgets to be centrally managed by the Council**

Budget item	Schools Block Centrally Managed		
	Budget 2015-16 £	Proposed Changes £	Draft Total 2016-17 £
<b><u>Part 1: Spending limited to amount agreed in the previous financial year</u></b>			
Combined Services Budgets*:			
Family Intervention Project	£100,000	£0	£100,000
Educational Attainment for Looked After Children	£133,590	£0	£133,590
School Transport for Looked After Children	£42,890	£0	£42,890
Young People in Sport	£18,050	£0	£18,050
Common Assessment Framework Co-ordinator	£42,470	£0	£42,470
Domestic Abuse	£6,000	£0	£6,000
Education Health Partnerships	£30,000	£0	£30,000
SEN Contract Monitoring	£32,680	£0	£32,680
Miscellaneous (up to 0.1% of Schools Budget):			
Forestcare out of hours support service	£4,850	£0	£4,850
Borough wide Initiatives	£27,270	£0	£27,270
Support to Schools Recruitment & Retention	£7,470	£0	£7,470
School Admissions	£175,970	£0	£175,970
Schools Forum	£21,440	£0	£21,440
<b>Sub total Part 1 items</b>	<b>£642,680</b>	<b>£0</b>	<b>£642,680</b>
<b><u>Part 2: No restriction on annual increases</u></b>			
Schools Contingency:			
Significant in-year growth in pupil numbers	£182,648	£0	£182,648
Key Stage 1 class sizes	£86,392	£0	£86,392
Start up costs for new schools (2015-16 base budget relates to Jennett's Park)	£50,000	£56,100	£106,100
Boarding Placements for Vulnerable Children	£75,880	£0	£75,880
Central copyright licensing	£45,000	£25,000	£70,000
<b>Sub total Part 2 items</b>	<b>£439,920</b>	<b>£81,100</b>	<b>£521,020</b>
<b>Total Part 1 and Part 2 items</b>	<b>£1,082,600</b>	<b>£81,100</b>	<b>£1,163,700</b>

\* Combined Service Budgets funded by the DSG generally support vulnerable children and link to other programmes funded by the Council which together result in better, more effective use of resources with improved outcomes for children than if provided and managed independently.

Unrestricted

Annex 6

2016-17 DfE pro forma

Pupil Led Factors

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Reception uplift	No	Pupil Units		0.00	Total	Proportion of total pre MFG funding (%)	Notional SEN (%)		
	Description	Amount per pupil		Pupil Units	Sub Total			Notional SEN (%)		
	Primary (Years R-6)	£2,830.98		9,928.83	£28,108,280	£51,097,547	44.28%	2.00%		
	Key Stage 3 (Years 7-9)	£4,060.99		3,454.00	£14,026,660		22.10%	2.00%		
	Key Stage 4 (Years 10-11)	£4,060.99		2,207.00	£8,962,606		14.12%	2.00%		
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)
2) Deprivation	FSM % Primary	£451.61		844.64		£381,451	£2,529,029	3.98%	7.00%	
	FSM % Secondary		£1,390.70		452.96	£629,928			7.00%	
	IDACI Band 1	£406.35	£1,332.72	740.98	344.12	£759,712			0.00%	0.00%
	IDACI Band 2	£609.52	£1,999.08	251.82	158.74	£470,824			0.00%	0.00%
	IDACI Band 3	£812.70	£2,665.44	139.00	64.95	£286,098			0.00%	0.00%
	IDACI Band 4	£1,015.87	£3,331.79	1.00	0.00	£1,016			0.00%	0.00%
	IDACI Band 5	£1,219.05	£3,998.15	0.00	0.00	£0			0.00%	0.00%
	IDACI Band 6	£1,422.22	£4,664.51	0.00	0.00	£0	0.00%	0.00%		
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)
3) Looked After Children (LAC)	LAC X March 14	£211.86		61.54		£13,039	£258,425	0.02%	0.00%	
4) English as an Additional Language (EAL)	EAL 3 Primary	£229.89		865.07		£198,875		0.35%	0.00%	
	EAL 3 Secondary		£229.89		101.87	£23,420			0.00%	
5) Mobility	Pupils starting school outside of normal entry dates	£314.75	£0.00	73.36	0.00	£23,091	0.04%	0.00%	0.00%	

## Unrestricted

### Pupil Led Factors

	Description	Weighting	Amount per pupil	Percentage of eligible Y1-3 and Y4-6 NOR respectively	Eligible proportion of primary and secondary NOR respectively	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)
6) Prior attainment	Low Attainment % new EFSP	45.55%	£579.32	15.87%	1,658.82	£960,991	£2,136,152	3.37%	100.00%	
	Low Attainment % old FSP 78			17.80%						
	Secondary pupils not achieving (KS2 level 4 English or Maths)		£959.53		1,224.73	£1,175,162				
<b>Other Factors</b>			<b>Lump Sum per Primary School (£)</b>	<b>Lump Sum per Secondary School (£)</b>	<b>Lump Sum per Middle School (£)</b>	<b>Lump Sum per All-through School (£)</b>	<b>Total (£)</b>	<b>Proportion of total pre MFG funding (%)</b>	<b>Notional SEN (%)</b>	
7) Lump Sum			£160,000.00	£170,000.00			£5,980,000	9.42%	0.00%	0.00%
8) Sparsity factor							£0	0.00%	0.00%	0.00%
9) Fringe Payments							£0	0.00%		
10) Split Sites							£0	0.00%		0.00%
11) Rates							£1,392,950	2.19%		0.00%
12) PFI funding							£0	0.00%		0.00%
13) Sixth Form							£0	0.00%		0.00%
14) Exceptional circumstances (can only be used with prior agreement of EFA)										
2) Circumstance							<b>Total (£)</b>	<b>Proportion of total pre MFG funding (%)</b>	<b>Notional SEN (%)</b>	
Exceptional Circumstance - joint use sports centres							£85,048	0.13%		0.00%
<b>Total Funding for Schools Block Formula (excluding MFG Funding Total) (£)</b>							<b>£63,479,152</b>	<b>100.00%</b>	<b>£3,228,900</b>	
15) Minimum Funding Guarantee (MFG is set at -1.5%)							<b>£121,778</b>			
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)							Yes			
Capping Factor (%)	0.00%	Scaling Factor (%)		65.53%						
Total deduction if capping and scaling factors are applied							-£121,778			
							<b>Total (£)</b>	<b>Proportion of Total funding(%)</b>		
MFG Net Total Funding (MFG + deduction from capping and scaling)							£0	0.00%		
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved)										
Additional funding from the high needs budget							£0.00			
Growth fund (if applicable)							£626,000.00			
Falling rolls fund (if applicable)							£0.00			
<b>Total Funding For Schools Block Formula - matches columns 1 and 2 in Table 3 of the budget proposals from BFC</b>							<b>£63,479,152</b>			
% Distributed through Basic Entitlement							80.50%			
% Pupil Led Funding							88.25%			
Primary: Secondary Ratio							1 :		1.36	