

ROTHERHAM BOROUGH COUNCIL – REPORT TO SCHOOLS FORUM

1. Meeting:	Rotherham Schools' Forum
2. Date:	9th December 2011
3. Title:	DSG funding for Extended Schools
4. Directorate:	Children and Young People's Services (CYPS)

5. Summary:

The new Coalition Government merged a number of former Standards Fund Grants into the Dedicated Schools Grant for 2011/12 under the guiding principle that schools were to be given freedom and flexibility across all their budgets to choose how best to support their pupils. Any previous targeting of funds and earmarking of specific amounts was removed.

For 2011/12, Schools Forum agreed that funding levels for Extended Services be maintained through the Dedicated Schools Grant (DSG) at the same levels as they were provided for in 2010/11 and the local authority continued to direct and manage this funding. The agreement was for one year only so schools now need to decide on how this funding (£1,487,545 in 2011/12) should be distributed in 2012/13.

The key issues for consideration are:-

- (i) Do schools wish to continue to ring-fence and therefore target funding for extended services in 2012/13?
- (ii) Do schools want the LA to retain funding for extended services and deliver services on their behalf as is the current position or do schools want the freedom and flexibility to choose how resources are deployed?
- (iii) Is the current mechanism for distribution of funding appropriate or does it need amending?

6. Recommendations:

- (i) The Government's removal of ring-fencing from former Standards Fund Grants including the former 'Extended Services Grant', gives schools the freedom to decide how this funding is deployed to best meet the needs of pupils. From 2012/13, it is therefore proposed that this funding be delegated to schools and form part of the 'Individual Schools Budget' with each school receiving an allocation through an agreed formula.
- (ii) A proportion of the current 'Extended Services' funding is allocated on the basis of free school meals. The Government's intended primary driver of funding to meet the needs of deprived children is through the Pupil Premium. To this end, the Government has committed to increasing the Pupil Premium from £625m in 2011-12 to £1.25bn in 2012-13 as announced in September. It will rise again each year until 2014-15 when it will be worth £2.5bn. Schools therefore need to decide on

whether the £1.487m (est. £36 per pupil) should continue in part, to be funded on the basis of free school meals.

- (iii) For the purposes of transparency and in recognition that the Government is currently consulting on wide ranging reform to the funding of schools for implementation from 2013/14, a one year interim solution is proposed. In order that schools can clearly identify the funding they receive for 'Extended Services' it is proposed that the total funding available be maintained at the same per pupil level for 2012/13 i.e. approximately £36 per pupil, and a new formula factor introduced for 1 year only.
- (iv) Formula options:-

For the purposes of simplicity, two options are proposed:-

Option 1 - that each school receives the same per pupil unit of funding allocation based on the January census pupil number count.

This option is based on the rationale that the former purpose of the Grant is irrelevant and in order to impart the choice that the Government intends, all schools are entitled to a similar amount with the Pupil Premium providing the means by which additional funding is allocated to schools for deprivation.

Option 2 - that funding is allocated 50% on pupil numbers and 50% on free school meals numbers.

This option is based on the rationale that the former purpose of the Grant remains relevant and that schools with higher levels of deprivation should continue to receive higher levels of funding. This option provides most stability at individual school level as it reflects to some degree, current practice. The main issue with this approach is the continued 'lock-in' to the former purposes of Grants at a local level whilst national policy through the Pupil Premium is changing in respect of how deprivation funding is driven. Given the increases in Pupil Premium over coming years, there would be a widening gap between per pupil funding for schools serving the most and least deprived communities.

- (v) Delegation of 'Extended Services' funding does not mean that schools discontinue provision of extended services, simply that schools take responsibility for decisions of what to fund and how much. There is a risk however that economies of scale may be reduced or even lost through a more distributed model. Such risks however can be mitigated if schools work together under the learning community model approach. This also presents opportunities for staff currently employed via the local authority to be redeployed into schools and to use their skills and knowledge in partnership approaches. It is in everyone's interests to make early decisions regarding this funding to provide time for partnerships to plan for their future.

7. Background

'Extended services' is an umbrella term that refers to schools' extra-curricular activities or wider services provided before and after the school day to the local community. Extended services can enable schools to provide

- high-quality learning opportunities either side of the school day
- ways of intervening early when children are at risk of poor outcomes, e.g. by providing access to study support, parenting support or to more specialist services (such as health, social care or special educational needs services)
- ways of increasing pupil engagement
- ways of improving outcomes and narrowing gaps in outcomes between different groups of pupils
- access to childcare services and/or activities before and after school (such as breakfast clubs, sports and arts activities, and study support) that can enable parents to take up or stay in employment
- community use of facilities, such as facilities for adult and family learning, sports and ICT.

Schools often find it helpful to work in partnership with their local authority, other schools (as part of clustering arrangements) and private and voluntary sector providers to develop and deliver access to extra curricular activities and services. As at September 2010, more than 99 per cent of schools were offering access to a range of extended services according to the DFE.

The Coalition Government has said that it wants schools to decide which extended services to offer based on the contribution they are making to improving pupil outcomes, particularly for disadvantaged pupils.

The schools White Paper 'The Importance of Teaching' published in November 2010, stated that the Government 'will rely on schools to work together with voluntary, business and statutory agencies to create an environment where every child can learn, where they can experience new and challenging opportunities through extended services, and where school buildings and expertise are contributing to building strong families and communities'.

This paper does not seek to question the value or contribution of 'extended services'. It is more a question of control over the decision making process. In an education system where schools are being given more autonomy and with it greater accountability, then it should be for schools to decide how they deploy their funding. This may result in schools increasing or decreasing the amount of funds invested in extended services. The fundamental issue though is that schools are given the choice.

The DFE have published evidence on the impact of extended services which schools may find informative in arriving at future funding decisions:-

<http://www.education.gov.uk/popularquestions/schools/typesofschools/extendedservices/a005585/what-are-extended-services>

8. Finance:

Schools Forum were presented with details of the funding for extended services in October 2011. The amounts of extended services funding for 2011/12 provided through the DSG are:-

- Extended Services Disadvantage Subsidy (Go For it!) £893,600
- Extended Services Sustainability £593,945

Prior to 2011, funding for extended services was provided as a ring-fenced grant through the Standards Fund. From 2011, there is no requirement to earmark specific amounts for extended services. Schools have the freedom and flexibility across all their budgets to target funds as they see fit to best support their pupils.

The budgeted costs for Extended Services as reported to Forum in October, cover central staffing costs until August 2012. There is therefore no commitment or call on 2012/13 budgets at present in respect of extended service provision.

9. Risk and Uncertainties

The Authority employs a small number of staff funded through the extended services budget. Should Schools Forum decide that funding be delegated to individual schools, then these staff may be subject to redeployment or redundancy. Should schools decide that 'extended services' offers valuable means to support pupil outcomes then it would be entirely possible for existing staff to be re-deployed into schools and continue their work through partnership arrangements i.e. schools within learning communities use part of their allocations to fund a post and provide the required service(s).

An early agreement by schools regarding 2012/13 funding would be in the interest of all parties to seek positive outcomes for those affected.