

# DARLINGTON SCHOOLS FORUM

10<sup>th</sup> March 2015

ITEM NO 4

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## SCHOOL FUNDING FORMULA & BUDGET SETTING 2015/16

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### Purpose of Report

1. To update Forum regarding any changes to the 2015/16 funding formula or budget setting.

### Background

2. School Forum agreed the schools and early years funding formulas for 2015/16 at their January 2015 meeting.
3. School Forum also agreed the allocation of DSG across the various budget lines at their January 2015 meeting.

### Updates

#### School & Early Years Funding Formulas

4. The Darlington school funding formula was submitted to the Education Funding Agency (EFA) on 15<sup>th</sup> January in line with the EFA's 20<sup>th</sup> January deadline.
5. The EFA confirmed on 29<sup>th</sup> January that the Darlington formula complied with the regulations and criteria.
6. As a result no changes were required to the formula and therefore the school budget shares that were presented to Forum in January will be the schools budgets for 2015/16.
7. In line with the Schools and Early Years Finance (England) regulations it has come to light that the lump sums paid to nursery schools in Darlington must be of the same value. Currently in line with historic arrangements there is a difference of £2,765 in the lump sums paid to the two schools. In line with the regulations, therefore it is necessary to equate the lump sum, this will have no overall effect on the agreed 2015/16 budget as the difference will come from the budget set aside for hourly rate payments to nursery schools.
8. No changes have been made to the early year's hourly rates that were agreed at the January 2015 meeting.

## Budget Setting

9. Each year the EFA top slice the DSG allocation in order to pay for copyright licenses centrally procured by the EFA. Before the beginning of the year, the EFA write to each Local Authority to notify of the charge for the coming year. At the time of the January Forum the 2015/16 charge had not been received from the EFA and therefore an estimate of £45,017 was built into the 2015/16 budget.
10. Notification was received from the EFA on 10<sup>th</sup> February that the license charge for 2015/16 is £65,670 this represents an increase of £20,653 on the budget set. The increase in charge for 2015/16 has mainly resulted from additional licenses being included within the charge which cost £22,945. These include “Performing Rights Society license, the Phonographic Performance license, the Mechanical Copyright Protection Society licence and the Christian Copyright Licensing International licence”. A briefing regarding copyright licenses is attached at appendix two.
11. As the budget for 2015/16 has all been allocated in line with estimated need it is not proposed to reduce any of the budgets already agreed to cover the £20,653 shortfall in the licencing budget. It is therefore proposed that this shortfall is covered either from additional carried forward underspend from 2014/15 (currently there is only £6,635 unallocated, therefore at present £14,018 is unfunded) or is the first port of call on any underspend in 2015/16 budgets.
12. Forum will be updated regarding the 2015/16 at their June meeting at which point the final 2014/15 budget position will be known, allowing a final decision to be made regarding the funding of the increased licence costs.
13. No other changes have been made to the 2015/16 budget as agreed in January. Appendix one shows the current budget position for 2015/16.

## **Recommendations**

14. That Forum notes the content of this report.

**Brett Nielsen  
Finance Manager,  
Resources Department**