



## HAVERING SCHOOLS FUNDING FORUM AGENDA

**8.30 am**

**Thursday  
14 September 2017**

**CEME**

Members 24: Quorum 9

### **MEMBERSHIP:**

#### **Representative Groups**

##### **Head Teachers (12):**

Bill Edgar, Secondary  
Simon London, Secondary Academy  
Keith Williams, Secondary Academy  
Vacancy, Secondary Academy  
Nigel Emes, Primary (Chair)  
Margy Bushell, Primary  
Kirsten Cooper, Primary  
Malcolm Drakes, Primary  
Jan Taylor, Primary  
David Denchfield, Primary Academy (Temporary appt)  
Emma Allen, Special  
Gary Pocock, Special Academy

##### **Governors (6):**

John McKernan, Secondary Academy  
Vacancy, Secondary Academy  
Bernard Gilley, Primary  
Vacancy, Primary  
Vacancy, Primary Academy  
Eileen Hinds, Pupil Referral Service

##### **Non-School Representatives (3):**

Joanna Wilkinson, Early Years PVI Sector  
Maria Thompson, Post 16  
Vacancy, Diocesan Board

##### **Trades Unions (3):**

John Delaney, NUT  
Keith Passingham, NASUWT  
John Giles, UNISON

**For information about the meeting please contact:**

**David Allen**

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Please contact David Allen [david.allen@havering.gov.uk](mailto:david.allen@havering.gov.uk) tel: 433851 to give apologies for absence or to raise queries on the agenda.

If you are unable to attend please contact your named substitute or ask David Allen to do so on your behalf.

**AGENDA ITEMS**

**1 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS**

**2 ELECTION OF CHAIR AND VICE-CHAIR**

To elect a Chair and Vice-Chair until the first meeting of the autumn term 2018.

**3 MATTERS ARISING**

**4 MINUTES** (Pages 1 - 7)

To agree the minutes of the meeting held on 18<sup>th</sup> May 2017 (attached).

**5 HIGH NEEDS STRATEGY REVIEW** (Pages 8 - 21)

Report attached.

**6 HIGH NEEDS BUDGET FORECAST 2017-18 AND PRESSURES FOR 2018-19**  
(Pages 22 - 25)

Report attached.

**7 THE HAVERING ACADEMY OF LEADERSHIP** (Pages 26 - 27)

Report attached.

**8 EDUCATION SERVICE GRANT REDUCTION** (Pages 28 - 40)

Report attached.

**9 NATIONAL FUNDING FORMULA** (Pages 41 - 48)

Report attached.

**10 SCHOOLS REVENUE FUNDING 2018-19 - DFE OPERATIONAL GUIDANCE**  
(Page 49)

Attached.

**11 CENTRAL SERVICES DSG CENTRALLY RETAINED FUNDING** (Pages 50 - 52)

Report attached.

**12 DE-DELEGATION** (Pages 53 - 65)

Report attached.

**13 SCHOOL FINANCING SCHEME** (Pages 66 - 69)

Report attached.

**14 ACADEMY CONVERSION AND SPONSORS**

To note that on 1<sup>st</sup> September 2017, Scargill Infant, Scargill Junior and Whybridge Junior Schools joined together to form the Hornchurch Academy Trust.

**15 NEXT MEETINGS**

Future meetings have been arranged as follows:

9<sup>th</sup> November 2017

14 December 2017

25<sup>th</sup> January 2018

22<sup>nd</sup> February 2018

22<sup>nd</sup> March 2018

10<sup>th</sup> May 2018

7<sup>th</sup> June 2018

5<sup>th</sup> July 2018

All meetings to start at 8.30 am at CEME.

A request will be made to bring forward the date of the January meeting to meet the DFE deadline on the submission of the agreed funding formula for 2018-19.

**16 ANY OTHER BUSINESS**

**Andrew Beesley**  
**Head of Democratic Services**

**MINUTES OF A MEETING OF THE  
SCHOOLS FUNDING FORUM  
CEME,  
18 May 2017 (8.30 - 11.35 am)**

**Present:**

**Representative Groups**

**Head Teachers:** Emma Allen, Special  
Margy Bushell, Primary  
Kirsten Cooper, Primary  
David Denchfield, Primary  
Malcolm Drakes, Primary  
Bill Edgar, Secondary  
Nigel Emes, Primary  
Chris Hobson, Primary  
Simon London, Academy  
Eileen Hinds, AP Academy

**Governors:** Sheila Clarke, Primary

**Non-School  
Representatives:** Joanna Wilkinson, Early Years/PVI Sector

**Trade Unions:** John Giles, UNISON  
Ray Waxler, NUT

Emma Ferry, SEND Review Project Manager was also present for part of the meeting.

**1 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS**

Apologies were received from Gary Pocock, Keith Williams, Bernard Gilley and Maria Thompson.

It was noted that this was Ray Waxler's last meeting and that John Delaney would be taking over.

**2 TO AGREE THE NOTES OF THE MEETING HELD ON 2ND MARCH 2017**

The notes of the meeting held on 2 March 2017 were before the Forum for agreement. It was noted that Joanna Wilkinson had been present at the meeting.

The minutes were otherwise agreed as a correct record and signed by the Chairman.

### 3 **MATTERS ARISING**

School Budgets 2017-18 (minute 47) – A letter had been sent from London Councils in response to the consultation which included the views of Havering and a letter sent by schools from 14 local authorities from outside London. It was **AGREED** that there should not be a separate letter sent on behalf of the Forum.

Schools in Deficit (minute 51) – The identification of an additional budget to write off the deficits of schools that were becoming sponsored academies was progressing. Criteria for write-off would be developed at a future meeting of the Forum.

### 4 **SCHOOLS FORUM REPRESENTATION**

It was noted that Sheila Clarke's school was converting to Academy Status and from that date she would no longer be eligible to serve on the Funding Forum as governor representative of LA maintained schools.

The Forum was in line with guidance in terms of the number and type of its members but there needed to be a re-balancing between representatives of maintained schools and Academies. Options were presented which included reducing the numbers of Maintained schools' representatives or increasing representatives of Academies. There could also be a reduction in the number of trade union representatives of teaching staff from two to one.

It was intended that a balance be achieved in representation between primary and secondary representatives per pupil and between maintained schools and academies taking into consideration the likely increase in academy conversions. To this end Option C was recommended which proposed a decrease of two primary Maintained school representatives (one Head teacher and one governor) and an increase of one Primary Academy representative (a governor).

With regard to the proposal to reduce teachers' trade union representation from teacher RW commented that it was increasing difficult to find people to take on facility time and there was therefore likely to be reduced participation by the Unions on the Forum. Teaching staff did not put themselves forward for these roles.

DA advised that Forums in other local authorities only had one Union representative and it was noted that all teaching Unions also attended the conditions of service working party.

It was **AGREED** unanimously to adopt option C of the report before the Forum regarding the revised representation on the Forum.

It was **AGREED** to reduce representation of Unions on the Forum from two places to one, by a majority of 9 votes to 3.

## 5 **DEDICATED SCHOOLS GRANT – YEAR END BALANCE 2016-17**

It was noted that the carry forward balance related to the 2017-18 year rather than as stated in paragraph one of the report. The £0.5 million for transition to the national funding formula would continue to be held.

Some of the £300k reserve for additional resource provision had been spent and a new ARP was due to be opened shortly. Early years had shown a small underspend that would be reallocated back into that funding block. The £79k underspend for high needs had also been put back into the 2017/18 block.

The schools block funding was only available to fund activities as shown in the report. The pupil growth fund allocation had been used to fund expansions in primary schools. Funding would also be needed as cohorts from previous years moved through the system. Allocations had also been made for bulge class funding and to meet infant class size regulations. A £210k underspend for schools with falling rolls would be reallocated to the 2017/18 budget in anticipation of expansion in the secondary sector.

The overspend on de-delegated budgets was principally due to a high number of teachers being on maternity leave and further details on this would be brought to a future meeting of the Forum.

A Forum member felt that there was not sufficient funding to support children with SEN in early years' settings and needs were not sufficiently addressed prior to starting at primary school. These issues would be picked up in the LA review of its SEND strategy.

It was **AGREED** that the allocation of the Dedicated Schools Grant in financial year 2017-18 be undertaken as detailed in the report to the Forum.

## 6 **SECTION 251 BUDGET STATEMENT 2017-18**

The Section 251 statement detailed the annual planned spend for children's services and would be used by the Department for Education as well as published on the Council's website. Key points were that the overall budget for education and children's services was £249m of which £37m was for children's social care and £213m for education. Of the £213m, £183m was allocated directly to schools and early years' providers.

The published figures represented the decisions made by the LA and Schools Funding Forum during the year on matters such as de-delegation,

and central retention (e.g. for pupil growth). Approximately £730k or 5% of the early years' budget was retained centrally.

The high needs budget included top up funding for maintained schools and academies and the cost of provision at non-maintained and independent schools for pupils with Education, Health and Care Plans (total £13m). It also included the cost of alternative provision.

The attention of the Funding Forum was drawn to two new sections of the s251 statement: "central provision within schools' budget (former ESG retained duties)" and "central provision funded through maintained schools budget". The former showed the costs held against £589k of the DSG that were previously funded from a central Education Services Grant and the latter, the opportunity to charge the costs of some central functions to the budgets of maintained schools (this was not used in 2017-18).

The total schools budget of £206m reconciled with the grant received shown elsewhere on the statement.

The statement also showed the planned expenditure on central Education functions such as School Improvement, Education Welfare, Educational Psychologists and Home to School Transport. The total for central education functions was £6.7m of which £2.3m was for transport and £500k for pension commitments. Children's and Young People's Services were shown as follows: Sure Start Centres and Early Years: £1m, Children Looked After: £15m, Safeguarding: £13m, Family Support Services: £4.7m, Services for Young People: £1.8m.

Table 2 showed the funding allocated to LA maintained special schools and AP settings of which Corbets Tey was the only one. The increase in 6<sup>th</sup> form places was noted which because of more local provision was beneficial for the budget.

The Early Years Table detailed the hourly base rate for early years' providers of £4.39, the hourly deprivation factors and included an estimate for take up of the additional 15 hours from September giving an overall budget of £11.5m.

The Forum received the Section 251 budget statements.

## **7 PUPIL GROWTH FUND - PROPOSED AMENDMENT TO CRITERIA**

Officers explained that primary schools could be disadvantaged by the Local Authority's duty to ensure sufficient school places for every child. It was noted that in most cases the PAN of a school could not be reduced even if pupil numbers were significantly lower than this due to the need to ensure sufficient capacity. Schools therefore had to budget for an additional class but were not allocated any funding for this. In some cases, schools could



be supported, if appropriate, by the Pupil Growth Fund, Falling Rolls Fund and funding allocated for schools in financial difficulties.

It was therefore proposed to amend the criteria for use of the Pupil Growth Fund for use in exceptional circumstances. This would allocate additional funding when a primary school's request for a reduction in PAN was not agreed by the LA and it was still necessary to continue to organise classes to the forms of entry required by the PAN. Concern was raised that the current expansion strategy could compound problems of schools in financial difficulty. Officers responded that space capacity was required by DfE and parental preference was also an issue. Political factors associated with school expansions also needed to be considered. It was noted that some expansions would not be filled but schools that had expanded should not be allowed to suffer financially. It was confirmed that there were only two schools with low year groups moving through that might benefit from this amendment.

The amendment to the criteria for use of the Pupil Growth Fund (as shown in the report to the Forum) was **AGREED** unanimously.

## 8 **TRADE UNION FACILITY TIME**

The trade union facility time working group had recommended to the Forum a reduction in the charge per pupil. It was noted that the working group had not yet considered the returns submitted by the NASUWT on how facility time was used. The current charge of £3.50 per pupil would, in any case, require a reduction in the facility time provided due to the 1% pay award and employer pension and NI contributions.

There was now more buy-in from Academies but some Academies were still not paying the charge, such as those run by external MATs. It was proposed that any reduction in the rate would take effect from 1 September 2017 although Forum members felt more lead-in time was needed. It was emphasised by the NUT representative that the facility time charge was not optional for schools and that the provision of facility time was a statutory requirement.

It was confirmed that the Schools Funding Forum did support facility time and that it was only the amount of this and the cost to schools that was being questioned. The outgoing NUT representative felt that his replacement would find the role very difficult to perform, even on current levels of facility time.

The Forum voted on the revised rate for facility time as follows:

£3.50 per pupil (current rate) – 0 votes  
£3 per pupil – 4 votes  
£2.50 per pupil – 6 votes  
£2 per pupil – 0 votes

The Forum also voted on the implementation date of the new rate as follows:

January 2018 – 0 votes

April 2018 – 8 votes

September 2018 – 5 votes

It was therefore **AGREED** that the trade union facility time rate should be £2.50 per pupil with effect from April 2018.

## 9 **STRATEGIC REVIEW AND PLANNING OF SPECIAL EDUCATION PROVISION**

As part of a Government review of SEND provision and funding, local authorities were required to refresh their SEND strategy and look to fill any gaps in provision etc. A strategic plan had therefore been drawn up for high needs provision. There would be additional capital of around £2.5 million available over the next three years for SEND provision in Havering.

Havering's vision was to expand Special Schools and also re-designate Special Schools. Agreement had also been given for a new 60 place SEND free school. Investment was also being made in existing SEND provision by increasing the number of ARPs and in workforce development. Officers added that the high needs block was worth a total of around £20m and the Forum would be consulted on how this was best allocated.

There were pressures on high needs and on early years' special needs provision. It was planned to establish a group to look at these areas that would meet before the end of the current academic year. By September 2017, it was planned that a final draft of the strategy refresh would be available that could be consulted on more widely. Representatives would be invited to sit on the task and finish group from Hall Mead, Redden Court and RJ Mitchell schools which had SEND specialisms as well as other schools and providers.

Proposals would be brought to the next meeting, based on affordability. It was suggested that alternative provision available at the Olive Academy should also be considered. It was agreed that any comments or requests to be on the task and finish group should be sent via e-mail.

The Forum noted the report.

## 10 **ACADEMY CONVERSIONS AND SPONSORS**

The Forum noted that Marshalls Park School became an Academy on 1 April 2017 as part of the South West Essex Community Education Trust.

11 **NEXT MEETINGS**

Officers would advise the date of the next meeting in due course.

12 **ANY OTHER BUSINESS**

There was no other business raised.

13 **EXCLUSION OF THE PUBLIC**

It was agreed that the public should now be excluded from the remainder of the meeting on the grounds that it was likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public were present during those items there would be disclosure to them of exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972.

Chairman

# Agenda Item 5



**Havering**  
LONDON BOROUGH

## Schools Funding Forum 14<sup>th</sup> September 2017 **ITEM 5**

**Subject Heading:**

**Strategic Review and Planning of  
Special Education Provision**

**Report Author:**

**Emma Ferrey – SEND Review Project  
Manager**

**Eligibility to vote:**

**N/A**

### **SUMMARY**

This item is to receive an update on the progress of the review of, and strategy for special education provision in Havering. The review intends to refresh the existing SEND Strategy, incorporating the Post-16 Strategy, into a coherent, future-focussed document which will support planning for provision for the borough over the coming years.

### **RECOMMENDATIONS**

That the Schools Funding Forum notes the report.

### **REPORT DETAIL**

#### **Background**

Over the past few years, the government has introduced a number of changes to how children and young people with special educational needs, as well as their families, are supported. The main change has been through the introduction of the Children and Families Act 2014. The Act set out to ensure that local authorities work in partnership with health, social care, schools, colleges and other key partners to ensure that children, young people and their families receive joined-up, high quality and appropriate services.

Last year, the government announced proposals to consult on how funding is given to local authorities and schools to support children and young people with SEND. As part of this, local authorities are required to refresh their SEND Strategy to

ensure that it is up to date, reflects current and predicted trends, and provides clarity on how the authority expects different levels of needs to be met and where its current and future gaps in provision are.

### **Progress**

The Schools Funding Forum was informed of the high needs review at the last meeting of the academic year. Forum members suggested a focus group with schools as well as wider consultation with school staff, colleges, early years providers, parents and pupils to feed into a comprehensive review of special educational provision and high needs funding in the borough.

In order to review this strategy and how our high needs funding is allocated, the following were consulted with:

- Parents and carers, via the Parents Forum (run by Positive Parents) and through a questionnaire on SurveyMonkey
- Children and young people, via Advocacy for All consultations on:
  - short breaks
  - personal outcomes evaluation tool (POET – which asks about young people’s experiences of getting an EHCP)
  - preparing for adulthood
- Schools and academies, including special schools and academies via a focus group and a request to all schools to email any comments
- Post-16 providers and colleges via a focus group and a request to all providers to email any comments
- Local authority staff via two drop-in sessions and a request to email any comments

### **Next Steps**

There remain some groups who are yet to be consulted with – these will take place during September:

- Early years providers via a focus group and a request to all providers to email any comments
- Parents at a mainstream school (Nelmes)
- Health colleagues at NELFT and the CCG meetings were set up over the summer but NELFT/CCG cancelled these.

Once all consultations have been completed, a final draft of the strategy will be drawn up. This draft will be ready by early October for formal consultation with stakeholders, through stakeholder networks. This will then be submitted for sign off to the SEND Executive Board, followed by the Health and Well-Being Board in November and then final sign off by Executive Decision in early December.

The current version of the draft strategy is attached.

# HAVERING HIGH NEEDS STRATEGY 2017 - 2022

In Havering we want all children and young people to thrive and develop the skills, characteristics and knowledge which prepares them for adult life.

Our vision is for children and young people with special educational needs and disabilities to enjoy their education in the most inclusive environment possible and be supported in participating as fully as they can in the lives of their schools and local community, throughout childhood and into adulthood.

This strategy builds on the outcomes of the Havering High Needs Review 2017.

## 1. What we will keep doing and what we will start doing

Through this strategy, we aim to develop our system for supporting children and young people with SEND so that it builds both capacity and flexibility. We want to ensure there is sufficient provision, it is appropriately resourced and it can flex to meet changing needs and demands.

*Add in something about commitment to local provision & expenditure on OOB and about building quality and capacity.*

We want to build on what is working well in the borough and make improvements and changes where they are needed. We want to develop an ethos of pragmatism, challenge and aspiration.

The strategy also sets out, within this ethos, how we will make improvements in the standard, quality and range of educational provision.

This section sets out what we want to do, in terms of:

- Developing new provision
- Improving existing provision
- Improving support and training for staff across all settings

In addition to increasing numbers, we are also seeing more children presenting with more complex disabilities. This will change how we meet needs within Havering – across special schools, ARPs and mainstream schools; as well as with short breaks, leisure services and health provision.

## Developing new provision

### ❖ SEMH/ ASD School

We have been selected by the DfE to commission a new free school which will meet the needs of children and young people in the borough. Through our data analysis, we recognised that children with social, emotional and mental health difficulties were increasing in numbers and we had no specialist facility to support them.

The school will cater for children and young people aged 3-16 years who have severe social, emotional and mental health difficulties. The new school will also provide some overnight provision as part of the offer.

We are in the process of working with the DfE to invite tenders for the delivery of the school which we expect to be open by September 2019.

### ❖ ARPs (Additionally Resourced Provision)

We already have ARPs in X schools, but we know, from feedback from schools and from parents as well as from our own data, there are not enough of these. Schools in particular are keen to see a better distribution of ARPs throughout the borough and across both primary and secondary phases.

### *List current and planned ARPs*

We know that we need more ARPs in early years and primary schools, particularly those that focus on supporting children who have ASD. We plan to deliver a programme of new ARPs, at least two per year over the next 5 years.

*The next X ARPs will be for children with ASD in primary and secondary, followed by...*

*Paul to add in wording about behaviour support.*

### ❖ Free school

We will look at the possibility of opening another school which would focus on those waiting for assessments (from social care or education) or those who do not meet the threshold for an EHCP but still require high levels of support.

### ❖ Post-19 provision

Corbets Tey @ The Avelon have already developed provision for 16-19 year olds and from September 2018, will be providing focussed pathways into adulthood for young people aged 19 years and over (up to age 24). The first cohort will consist of ten learners and will be a pilot for rolling out more widely the provision across both CT@TA and Havering's other post-19 providers.

There will be two pathways on offer, depending on need:

1. Pathway to transition to the community & adult life – which will consist of life planning, community participation, communication skills and emotional and physical wellbeing
2. Pathway to work – which will consist of supported work experience and placement, travel training, specific college/ subjects which support the work placement and emotional and physical wellbeing

A third pathway will be developed from September 2019:

3. Pathway to independent living – which will consist of supported living, travel training, financial planning, community participation, communication skills and emotional and physical wellbeing.  
This pathway will be on stream later to allow time to develop suitable accommodation placements.

### *Add in longer terms plans*

#### **Health**

We recognise that there is a perception of insufficient therapeutic provision across the borough, and this is often cited as a reason for sending children and young people to expensive out of borough placements. We have reviewed, with our health colleagues, the need for additional therapists particularly in our special schools. Therefore we will assess the feasibility of commissioning new therapists within the local authority who can work across special schools and post-16, providing sensory occupational therapy, speech and language therapy and physiotherapy.

#### **Improvements/ increased places**

##### **Mainstream:**

We will

- **Use some capital funding to improve spaces within ARPs or mainstream schools** which have high numbers of pupils with SEND.
- See Section 4: Finance

*Add in finance throughout this section...we could spend money on OOB provision but we want to focus our resources in/on Havering*

##### **Alternative Provision:**

*Lift most of this blurb out and add to the review document*

Secondary aged pupils who are permanently excluded currently attend at Olive AP Academy – Havering, until they are deemed ready to return to mainstream education. In relation to primary pupils, exclusions are rare and support is provided via an InReach team and off site classrooms. There are plans also to establish an assessment facility for those pupils with more complex behavioural needs.

Our data shows that the number of excluded pupils is increasing. Nationally, there has been an increase in the percentage of secondary aged pupils who have been permanently excluded, from 0.13% in 2013/14 to 0.17% in 2015/16. This corresponds to around 35.2 permanent exclusions per day in 2015/16, up from an average of 30.5 per day in 2014/15. The rate of fixed period exclusions across all state-funded primary, secondary and special schools has also increased from 3.88 per cent to 4.29 per cent of pupil enrolments, which is equivalent to 429 pupils per 10,000. Data further shows that:

- Pupils with identified special educational needs accounted for almost half of all permanent exclusions and fixed period exclusions
- Pupils with SEN support had the highest permanent exclusion rate and were almost 7 times more likely to receive a permanent exclusion than pupils with no SEN



- Pupils with an Education, Health and Care plan or with a statement of SEN had the highest fixed period exclusion rate and were almost 6 times more likely to receive a fixed period exclusion than pupils with no SEN

Currently there are 64 places commissioned at Olive AP Academy. The current pupil roll at the Academy is a mix of children, some with EHCPs, some not yet diagnosed but who are likely to meet the threshold for an EHCP and some who do not have, and do not need an EHCP.

Some of these excluded pupils, generally those with EHCPs, would be better to remain in their school, with additional appropriate support. To redress this balance we will:

- **Develop a clear admissions policy** for Olive AP Academy, with senior leadership, and in consultation with schools
- **Seek to reduce the number of exclusions** - work with schools, both with and without ARPs, to update the Exclusions Concordat\* and monitor implementation
  - Schools told us that they recognise there are vastly different criteria across Havering for permanently excluding pupils. Both schools and the council want that to change so that there is clarity and consistency in managing, and dealing with, different levels of behaviour. To do this we are changing how funding is accounted for and allocated to schools and introducing a greater level of accountability via the IYFAP (In Year Fair Access Panel) process. We are also developing and improving training to schools, via local authority staff and via school-to-school peer support
- **Refresh and promote the behaviour support approach** from the local authority, developed in partnership with expertise from Olive AP Academy
- **Develop our network of quality assured AP providers** to support pupils at risk of exclusion from school

\* The Exclusions Concordat is:

Behaviour at level 1& 2	school's own support in place
Behaviour at level 3	significant intervention e.g. a 6 week programme at Olive
Behaviour at level 4	permanent exclusion: <ul style="list-style-type: none"> <li>• Return to mainstream; or</li> <li>• Identify appropriate intervention</li> <li>• Continue appropriate support and education at Olive AP Academy</li> </ul>

### Special:

The number of pupils on roll in our special schools is increasing, along with an increase in the complexity of need.

We expect that our three special schools will:

- Review their designation to ensure it accurately reflects their intake
- Review the funding matrix to improve fairness and appropriateness of funding levels

- Reduce the number of pupils accepted into their schools with moderate learning disabilities (these pupils will be supported in mainstream schools and ARPs)

### Early Years:

- Tbc – awaiting focus groups with EY SENCOs and providers

### Post-16 and Preparing for adulthood:

In Havering, we are committed to following the recommended model of pathways to adulthood, which aims to support young people, from age 14, into a fulfilling and positive adulthood across the four pathways:

1. Training, employment and positive activities
2. Good health
3. Independent living
4. Community, family and friendships

We have a dedicated team supporting young people into a positive adulthood, led by a Preparing for Adulthood Manager. **Do we want to add in some more info about the PfA Team here?**

To achieve this we plan to:

- **Improve our offer for pathways to adulthood** (training, employment and positive activities; good health; independent living; community, family and friendships). Not only do we need to improve our offer for pathways to adulthood, we also need to make it easier to find out what is currently available.
- **Develop a wider offer for young people to experience, and progress into, the world of work.** Working with Havering College, Quarles Campus, Ravensbourne School Sixth Form and Corbets Tey @ The Avelon, we have mapped current provision and recognise that we need a better offer.
- **Develop a positive offer for those young people who may never be able to work** or who are not yet ready for work
- **Plan, prepare and commission appropriate services** for young people moving into their adult lives, working with housing and adults' services, including commissioning.
- **Communicate better with young people, and their parents,** about what is possible for their future and how each young person may get there. This will include being clear about who and why young people would stay on in education beyond age 20/21 years
- **Start planning for the future from age 14 (Year 9)**
  - **Develop a SEND Moving On event** to provide an interactive opportunity for young people and their parents to find out more about what is available in Havering (this will be based on the Moving On event for mainstream young people which takes place annually in October)
- **Increase number of post-16 places** available across the spectrum so that young people who want to access post-16 provision can do so at their provision of choice, with appropriate support.

In consultation with providers and parents, we recognise that we need to do more to clarify what are the options for young people up to 25 - both pathways which include education and those which do not.

Add about pilot at CT@TA from September 2018.

Asfa to send:

- Data from students 1 year after leaving Quarles
- Criteria for supported internships and supported internships available/ offer
- Map of provision & levels of need for post-16, including curriculum map (Asfa to send what they've done so far)

### Short breaks:

Short breaks can be a lifeline for children and parents. To ensure this is reviewed as part of a package of support we will:

- Put in the right level of support to help keep families together
- Work with providers to improve the offer and range of short breaks
- Ensure that short breaks providers are supporting young people to move into an independent adulthood as possible, through a range of measures including reducing reliance on services by supporting young people to create their own 'short breaks' with friends

### Health:

Do the CCG have anything to add here?

### Early Years:

Meeting with EY in September – Area SENCOs and providers

### Workforce development

Having a confident, resilient and flexible workforce has been identified as a priority across all stakeholders. We know that in order to meet our ambitious aims we will need to invest in our workforce across early years, schools, post-16 providers and local authority staff, as well as working with our colleagues in health and with other providers.

We will develop:

- Improved behaviour support mechanisms and training
- Increased SEND support services:
  - for special school staff supporting pupils with more complex needs
  - for mainstream and ARPs staff to confidently support pupils with additional needs
- Training for CAD Team which can be disseminated to schools – do we want to specify what this might be?
- Preparing for adulthood training for schools and post-16 providers
- Support for those without an EHCP through:
  - TA training } can we add more detail here?
  - In-school training }
- Mechanisms for sharing good practice from school to school

- Methods to promote understanding, and knowledge of, the Code of Practice
- A better system for operating the complex needs panel
  - Budget-holder and/ or commissioners will sit on the panel
  - Panel members will be supported to be creative with solutions to meet the needs, in borough, of most of our children and young people
  - Decision-making at panel will be consistent and transparent

Commissioning input?

DRAFT

## 2. How we plan to do it

We want to create a confident, dynamic and flexible workforce who can respond and adapt to changing needs and are clear on our common aims. We want staff to be resilient in their approach to working with families as well as to schools and other partners.

Creating a work environment which encourages creativity and an invest-to-save mind-set is one of our key priorities to enable significant change in our effectiveness in supporting children with SEND.

Local authority teams – need to clarify role of SEND/ Inclusion/ Attendance/ Behaviour Support services

### **Communications:**

We want to continue building on our work to engage with parents through Positive Parents; and with children and young people through Advocacy for All and Pupil Voice Network.

CYP            } SEND Moving On event  
Parents        }

Schools  
Health  
LA staff – adults' services and children's services

**3. How will we know we've got there?  
What are our measures of success?**

See action plan

DRAFT

## 4. Finance

The majority of the funding to support Havering's strategy for high needs provision is allocated through the Government's annual allocation of the Dedicated Schools Budget (DSB) High Needs Block. Provision is also supported from schools' delegated budgets to meet the first £6,000 of the costs of high needs provision.

In the early years' sector there is a small budget to support children with high needs that match funds a sum in the High Needs Block.

The high needs budget funds a range of provision including:

- Special schools
- Additional Resourced Provision (ARPs) in mainstream schools
- "Top up" element 3 funding for placements of pupils with EHC plans in mainstream schools and academies
- Placements in non-maintained special schools, independent special schools and out of borough special schools
- Post-16 provision up to the age of 25 in local provision and colleges, as well as out of borough colleges and in non-maintained and independent provision
- Alternative provision for pupils with challenging behaviour
- A range of support from central services for 0-5 year olds and 5-19 years olds

Havering's allocation of high needs funding is under pressure each year from increases in the number of pupils requiring support and the increased complexity of need. A significant pressure also comes from the number of high cost placements in out of borough provision. We recognise that many areas within the high needs budget are under-resourced, across both mainstream and special schools.

### **Priorities**

Havering's priority is to develop sufficient local, affordable provision which is the first choice for children, young people and parents and which provides the right support at the right time. In order to achieve this, we will invest in our existing services and provision as well as develop new provision. These developments will be based on what our data and projections tell us as well as feedback we get from children, young people and their parents.

We will take an 'invest to save' approach in our developments, aiming to reduce, year on year, the number of children and young people who go out of borough for their education.

### **Capital Funding**

- The building of a new SEMH/ASD special free school will be funded by the Government
- Funding has already been earmarked in Havering's capital programme for the provision of more additionally resourced provision in mainstream schools
- £2.4m of additional funding has also been allocated by the DFE over a 3-year period between 2018-20 to support additional provision for young people with SEND and improvements to existing provision

Our expectations are that this funding will also be used to:

- Create new (additional) places at good or outstanding provision
- Improve facilities; such as through:
  - Expansion(s) to existing provision including at the same site or at a different site
  - Reconfiguring provision to make available the space for the additional places or facilities
  - Re-purposing areas so that they meet the needs of pupils with special educational needs and disabilities.

### **Revenue funding**

In order to improve support in schools, and following our consultations with schools, parents and young people, we are implementing a number of changes. These developments will be monitored to assess their impact and ensure value for money. We expect that there will be further changes as numbers reduce in out of borough placements. Any further changes will be consulted on and will similarly be subject to monitoring and evaluation.

We will:

- re-evaluate expectations regarding the £6,000 for SEN support in schools' delegated budget
- look at how we can support all schools to take more equal numbers of SEND pupils
- increase funding to early years to ensure that children with additional needs get the support and diagnosis required to improve their transition into school life
- look at funding additional therapeutic interventions across special schools and post-16 provision
- revise the matrix funding levels which are used for pupils at special schools, to ensure a more consistent and equitable approach
- ring-fence a small budget for pupils with high medical needs but who do not meet the criteria for an EHCP
- support schools to think creatively about how they can spend their SEND budget to maximise resources



## 5. Action Plan

Outcome	Measure of success – not sure we need this column? Maybe use as timescale? Over 5 years?
Increased capacity in our special schools by <ul style="list-style-type: none"> <li>• re-designating them to reflect the levels of need of current and future cohorts</li> <li>• moving more pupils with MLD into mainstream schools, with or without ARPs, depending on levels of need</li> </ul>	Re-designation of Corbets Tey to SLD Re-designation of Dycorts to ??? Reducing the expected MLD cohort in special schools so that the numbers in special schools, as a minimum, remain static
Development of a specialist provision for SEMH	New provision built/ developed for pupils with SEMH
Improved partnership working across specialist and mainstream schools to share expertise and best practice	Reduction in numbers of exclusions from mainstream schools Established model/ framework for sharing best practice across schools
Better preparation for adulthood which starts informally from an early age and formally from Year 9 (age 13)	IAG framework/ guidance for schools is developed PfA team share best practice and support workforce development around PfA
Improved partnerships with local post-16 provisions and colleges	Development of more inclusive practice through sharing and preparing for transition to post-16 from an early age.
Work across other boroughs to share/ develop joint resources to maximise economies of scale	Identify any options for joint development e.g. provision for pupils with high medical care needs
Ability to respond to government funding initiatives	

# Agenda Item 6



**Havering**  
LONDON BOROUGH

## Schools Funding Forum 14<sup>th</sup> September 2017 ITEM 6

**Subject Heading:**

**High Needs Funding**

**Report Author:**

**David Allen – Strategic Finance  
Manager**

**Eligibility to vote:**

**All members**

### SUMMARY

This report summarises the forecast expenditure in 2017-18 from Havering's DSG allocation from the DSG (Dedicated Schools Grant) High Needs.

### RECOMMENDATIONS

That the Schools Funding Forum notes the forecast position on High Needs expenditure for financial year 2017-18 and notes the range of pressures that are to be addressed within the High Needs review.

### REPORT DETAIL

Funding in support of high need provision is funded to local authorities through the High Needs Block of the Dedicated Schools Budget (DSG). An allocation is made for all provision for Havering pupils but a proportion is then recouped for provision made through non maintained special schools, 6<sup>th</sup> form colleges and academies.

Havering's allocations in the last four years has been as follows:

	2014-15 £m	2015-16 £m	2016-17 £m	2017-18 £m
Initial allocation	18.874	18.981	19.485	22.698
Recoupment	0.716	1.075	2.581	3.581
Available funding	18.158	17.906	18.304	19.117
Spend	17.910	18.728	18.225	19.304
Spend vs Budget	(0.248)	0.822	(0.079)	0.187

The allocation in 2016-17 includes £1.4m that was transferred into the High Needs Block from the Schools and Early Years Blocks to meet increasing costs and prevent overspend.

The funding available from High Needs allocations needs to be used to support Havering's draft LA High Needs Strategy which sets out the vision for SEND provision and services for young people aged 0 – 25 years.

The forecast expenditure as at September 2017 is for an overspend of £187k against a high needs block DSG allocation of £19.1m. Appendix A provides a further breakdown.

The annual allocations of high needs funding to the LA in the above table are based on a methodology that relates to expenditure on high needs from 2012-13 and has not been adjusted by the DFE to meet changing levels of need. As part of the national funding formula proposals, the DFE intends to distribute high needs funding to local authorities according to a formula. 50% of this formula will again be based on historical spend, 25% on population and the remaining 25% on a range of deprivation factors. Based on the application of this formula to 2015-16 data Havering would receive an increase in funding of 8.2% but the proposal also include a cap of 3% which would limit the additional funding received. It is estimated that the new formula would provide an additional £600k of funding.

There are, however, a number of competing pressures on high needs funding. These include:

- An increasing number of pupils and students requiring EHC Plans within a growing pupil population;
- An increase in the complexity of need of children requiring placement in Havering schools;
- The revenue costs of funding a new special school for SEMH and ASD children;
- The revenue costs of more additionally resourced provisions in mainstream schools;
- Funding that recognises the pressures on schools with high numbers of pupils with EHC plans;

- The need for additional support within children's early years;
- An increase in post 16 provision up to the age of 25;
- Pupils with medical needs but no EHC Plan; and
- Additional training for school staff for children with SEND

Schools Funding Forum 14th September 2017**High Needs Funding 2017-18**

Allocation £19.1m	Estimated Expenditure	Current No of Pupils/Places supported	
	£	Pre 16	Post 16
Havering Special Schools	5,339,553	279	28
Expenditure on therapies etc	34,922		+ 17
Out of Borough Maintained Special Schools	381,845	29	
Revised In-Borough Primary Top-up	1,930,575	366	
Out of Borough Mainstream Primary	85,990	21	
Expenditure on alternative tuition + therapies	27,375		
Forecast based on applications as @Sept 17 In year EHC Plans	126,700		
Total Primary High Needs funding	2,170,640	387	
Revised In-Borough Secondary Top-up	1,078,827	297	
Out of Borough Mainstream Secondary	88,583	21	
Expenditure on alternative tuition + therapies	255,772		
In year EHC Plans	25,340		
Total Secondary High Needs funding	1,448,522	318	
Schools with high nos. of pupils with SEN	212,734		
Additionally Resourced Provision	1,577,605	86	
In-Borough Post-16 Top-up	238,745		107
Out of Borough Post-16	779,809		63
Expenditure on Post-16 Tuition	34,619		
Under recouped	38,000		
Total Post-16	1,091,173		170
Non-Maintained & Independent Special Schools Pre-16	2,130,604	44	
Non-Maintained & Independent Special Schools Post-16	911,942		18
In year placements	63,288		
Alternative Provision	2,540,300		
Central support teams	1,401,625		
<b>Total</b>	<b>19,304,753</b>	<b>1,143</b>	<b>233</b>

High Needs allocation	18,117,929
Forecast overspend	186,824

# Agenda Item 7



**Havering**  
LONDON BOROUGH

## Schools Funding Forum 14<sup>th</sup> September 2017 ITEM 7

**Subject Heading:**

The Havering Academy of Leadership

**Report Author:**

Grahame Smith – School Improvement  
Manager

**Eligibility to vote:**

All members

### SUMMARY

This is a request for permission to use £50k of the centrally held Partnership Funding to support the establishment of the Havering Academy of Leadership.

(Please note, this is not a request for new funding, but permission to access funding already allocated for Partnerships).

### RECOMMENDATIONS

That the Schools Funding Forum agrees to allow the Local Authority and Steering Group to use £50k towards the establishment of the Academy, which will launch on 1<sup>st</sup> November 2017 and serve all schools and academies in Havering.

### REPORT DETAIL

#### 1. Background

These are the key points in relation to this request:

- Following wide consultation, the Havering Academy of Leadership will be launched on 1<sup>st</sup> November 2017.
- The Academy is a collaborative between the LA, the two Havering Teaching Schools, and all schools and academies in Havering. It will promote partnerships for all, not just schools causing concern.
- The Academy will support the development of leadership at all levels.
- The Academy is currently being managed by a Steering Group of representative heads, principals and governors. From 1<sup>st</sup> November 2017, at its launch, the Academy will be governed by a Board of representatives from schools, academies and the LA. There are clear lines of accountability.
- The LA submitted a bid to the Strategic School Improvement Fund in July 2017 but was not successful.

- The LA is already making a contribution: the interim staffing arrangements; the administration and the management set-up costs; meeting the cost of the establishment of the new website and logo, etc.
- The contribution from the Partnership Fund will help to fund the Director role, admin support and the general running of the Academy.

### ***The Academy's 6 Priorities:***

- a) To ensure that the leadership and management within Havering schools and academies is at least good, with a strong aspiration for outstanding.
- b) To ensure that all tiers of leadership can access high quality induction, training, support and development via clear career pathways (from career entry level, up to whole system leadership).
- c) To promote innovative and flexible leadership structures within and across schools, in order to ensure improved pupil outcomes and cost-effective provision.
- d) To strengthen and align the work of all the strategic partners in relation to improving leadership (the LA, the Teaching Schools, all schools and academies, regional and national bodies).
- e) To make more effective use of the expertise and good practice already in the system, so that we learn from the best leaders: local, regional, national, international.
- f) To develop the sustainable climate, conditions, opportunities and incentives, to recruit and retain top quality leaders and potential leaders of the future, and support succession planning.

### ***The Academy's 10 Key Functions:***

1. Oversight, monitoring and reporting on the Havering Leadership Strategy and its priorities.
2. Co-ordinating a coherent programme for leadership development for leaders at all levels and providing, commissioning or signposting opportunities as appropriate.
3. Monitoring and evaluating the range and quality of leadership programmes available to Havering leaders.
4. Collating a range of relevant data regarding training, attendance, accreditation, leadership and inspection outcomes.
5. Tracking, encouraging and fast-tracking local leadership talent to support succession planning.
6. Promoting the work and availability of NLEs, NLGs, LLEs, SLEs, local inspectors and consultants and lead practitioners.
7. Maintaining and promoting a Register of Effective Practice across the borough, in various areas to support partnerships.
8. Maintaining an online presence, sharing events, updates, publications.
9. Sharing the latest leadership developments and research and encouraging action research projects within the borough.
10. Advocacy for leadership within Havering.

## **2. Financial implications**

At its meeting on 22<sup>nd</sup> September 2016 the Schools Funding Forum agreed to the central retention of a £200,000 Schools Partnership Fund. This fund has been used to broker support from schools with expertise in certain areas in which other schools require strengthening particularly in teaching and learning and in leadership and management. The fund is also used by the LA to support schools causing concern. It is anticipated that the £50k can be met within the overall £200k in the current financial year.

# Agenda Item 8



**Havering**  
LONDON BOROUGH

## Schools Funding Forum 14<sup>th</sup> September 2017 ITEM 8

<b>Subject Heading:</b>	<b>Education Services Grant Reduction</b>
<b>Report Author:</b>	<b>David Allen – Strategic Finance Manager</b>
<b>Eligibility to vote:</b>	<b>LA maintained school members</b>

### SUMMARY

Following the cessation of the Education Service Grant from September 2017, local authorities are considering options for the future delivery of education services and how they are funded. This item sets out the financial position in Havering and requests additional funding from LA maintained schools to support the costs of services previously funded by Education Services Grant.

### RECOMMENDATIONS

That the Schools Funding Forum considers the allocation of Schools Block funding to maintain a range of LA services for 2018-19 as set out in the report detail below.

### REPORT DETAIL

#### 1. Education Services Grant

LA Education services have been historically funded from the Council's General Fund (funded from Council Tax, Revenue Support Grant (RSG) and income etc) but in 2011 approximately £5m of RSG which related to Education services was converted into Education Services Grant (ESG).

The ESG has been allocated each year since then at £15 per pupil for a retained services element and a general rate per pupil to either LAs or academies depending on where pupils were on roll. Initially, this amount was £116.46 per pupil but over the years was reduced to £77 in its final year of 2016-17.

Allocations since 2015-16 have been as follows



Funding	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000
Retained duties @ £15 per pupil	564	570	589	589 (estimate)
General rate @ £87/£77 per pupil	1,980	1,766	0	0
Transitional rate @ £66 per pupil	n/a	n/a	568	n/a
<b>Total</b>	<b>2,544</b>	<b>2,336</b>	<b>1,157</b>	<b>589</b>

The reductions in the amounts received by the LA each year reflect an increase in the number of academies and a reduction in the rate allocated per pupil. From an initial allocation of £3.5m the LA has had to make savings each year to meet the funding gap.

## 2. Financial Year 2017-18

In 2017-18 the retained service element of £589k was transferred into the Schools Block of the DSG and the Schools Funding Forum agreed that it be allocated for statutory LA services that were funded by grant when it was ESG.

There was a transitional allocation to LAs of ESG at £66 per pupil for the period April to August and the general rate ceased altogether from September 2017. Havering's indicative transitional allocation was £606k which was later reduced to £567k following further academy conversions.

Further savings were made in the Education service of £590k.

The funding gap of £589k has been reported to Havering Council and consideration is being given to how it can be funded in the current financial year.

In 2017-18 the reduction in grant has been funded as follows:

	£000	£000
ESG allocation 2016-17	2,336	
Cost savings		590
Retained duties		589
Transitional ESG		568
Council funding		589
<b>Total</b>	<b>2,336</b>	<b>2,336</b>

A number of local authorities raised this issue with their Schools Forums in anticipation of the funding gap in financial year 2017-18 and various amounts were agreed. Havering's Schools Forum was advised of the new power of LAs to seek funding from schools at the meeting held on 22<sup>nd</sup> September 2016 but no funding was requested.

### 3. Financial Year 2018-19

For financial year 2018-19 there will be no further transitional ESG funding so the gap between the reduced costs of £1,746k (the original £2,336k less the £590k savings) and the only remaining funding of £589k for retained duties is £1,157k. This assumes that the £589k remains at the same amount once it is transferred into a new central services block as part of the new national funding formula arrangements.

Given the increased size of the funding gap, the LA is now seeking the approval of The Schools Funding Forum to charge some of the costs of central services to the budgets of LA Maintained schools for 2018-19. The relevant extract from the DFE operational guidance is attached at Appendix A.

The services for which charges are to be made and the charge per pupil are set out in the table below. The per pupil charge for mainstream schools is multiplied by 3 to reflect the higher amount of ESG that LAs received for special schools.

<b>Section 251 2017-18</b>					
	<b>Chargeable service</b>	<b>DSG funded (ex ESG)</b>	<b>Core funded</b>	<b>Requested transfer to School Budgets</b>	<b>Cost per pupil</b>
<b>Service Strategy &amp; Regulation</b>		£416,663	£655,432	£251,000	£15.01
Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 2, 56)	No				x 3 for special schools = £45.03 per place
Budgeting and accounting functions relating to maintained schools (Sch 2, 73)	Yes				
Functions relating to the financing of maintained schools (Sch 2, 58)	Yes				

Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 2, 57)	Yes				
Monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies (Sch 2, 58)	Yes				
Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 for maintained schools (Sch 2, 59)	Yes				
Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 2, 60)	Yes				
Investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body (Sch 2, 61)	No				
Functions related to local government pensions and administration of teachers' pensions in relation to staff working at maintained schools under the direct management of the headteacher or governing body (Sch 2, 62)	Yes				

Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 2, 75)	No				
HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition/organisation of staff (Sch 2, 63); determination of conditions of service for non-teaching staff (Sch 2, 64); appointment or dismissal of employee functions (Sch 2, 65)	Yes				
Consultation costs relating to staffing (Sch 2, 66)	Yes				
Compliance with duties under Health and Safety at Work Act (Sch 2, 67)	No				
Provision of information to or at the request of the Crown relating to schools (Sch 2, 68)	Yes				
School companies (Sch 2, 69)	No				
Functions under the Equality Act 2010 (Sch 2, 70)	No				
Establish and maintaining computer systems, including data storage (Sch 2, 71)	Yes				
Appointment of governors and payment of governor expenses (Sch 2, 72)	Yes				
<b><u>Education welfare</u></b>					
Inspection of attendance registers (Sch 2, 78)	No	£127,820	£57,190	£0	£0

<p><b><u>Asset management</u></b></p> <p>General landlord duties for all maintained schools (Sch 2, 76a &amp; b (section 542(2)) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have:</p> <ul style="list-style-type: none"> <li>• appropriate facilities for pupils and staff (including medical and accommodation)</li> <li>• the ability to sustain appropriate loads</li> <li>• reasonable weather resistance</li> <li>• safe escape routes</li> <li>• appropriate acoustic levels</li> <li>• lighting, heating and ventilation which meets the required standards</li> <li>• adequate water supplies and drainage</li> <li>• playing fields of the appropriate standards</li> </ul> <p>General health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc Act 1974)</p> <p>Management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012)</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>£44,517</p>	<p>£41,543</p>	<p>£41,543</p>	<p>£2.48</p> <p>x 3 for special schools = £7.45 per place</p>
<p><b><u>Central support services</u></b></p> <p>Clothing grants (Sch 2, 52)</p>	<p>No</p>	<p>£0</p>	<p>£90,960</p>	<p>£0</p>	<p>£0</p>

Provision of tuition in music, or on other music-related activities (Sch 2, 53)	No				
Visual, creative and performing arts (Sch 2, 54)	No				
Outdoor education centres (but not centres mainly for the provision of organised games, swimming or athletics) (Sch 2, 55)	No				
<b><u>Premature retirement and redundancy</u></b>					
Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 2, 77)	No	£0	£0	£0	£0
<b><u>Monitoring national curriculum assessment</u></b>					
Monitoring of National Curriculum assessments (Sch 2, 74)	Yes	£0	£61,000	£40,000	£2.76

In summary the charge to schools that is requested is as below:

	Cost of services £	£ per pupil	x 3 for special per place
Central Services	0	0.00	0
Education welfare service	0	0.69	0.00
Asset management	41,543	2.48	7.45
Statutory/ Regulatory duties	251,000	15.01	45.03
Monitoring national curriculum assessment	40,000	2.39	0.00
<b>Total</b>	<b>332,543</b>	<b>19.89</b>	<b>59.66</b>

***Extract from Operational Guidance on Schools Revenue Funding***

**Services for maintained schools**

Local authorities are able to fund services previously funded from the general funding rate of the ESG (for maintained schools only) from maintained school budget shares with the agreement of maintained school members of the schools forum.

The amount to be retained by the local authority will need to be agreed by the relevant maintained schools members of the schools forum (primary, secondary, special and pupil referral units (PRUs)). If the local authority and schools forum are unable to reach a consensus on the amount to be retained by the local authority, the matter can be referred to the Secretary of State.

Local authorities should set a single rate per 5 to 16 year old pupil for all mainstream maintained schools, both primary and secondary. In the interests of simplicity, this should be deducted from basic entitlement funding. Adjustments to other factors will not be allowed and the rate will not include early years or post-16 pupils, who are in any case funded through different formulae. Local authorities may choose to establish differential rates for special schools and PRUs if the cost of fulfilling the duty is substantially different for these schools. The rate will be expressed per place rather than per pupil for special schools and PRUs<sup>1</sup>.

As with de-delegation, the amount to be held by the local authority will be determined after MFG has been applied.

If a school converts to academy status, the amount retained for that school will be recouped from the local authority's DSG for the remaining months of the financial year that the school is an academy. The academy will be reimbursed in its monthly general annual grant (GAG) payment from the point of conversion. Unlike for de-delegated services (see paragraphs 136 to 147 below), there will be no phased transfer of funding following conversion so there will be immediate recoupment of this part of the budget. For example, if a school converts on 1 January 2019, 3/12ths of the retained amount relating to that school will be recouped.

Local authorities will need to provide sufficient evidence to their schools forum to enable them to make an informed decision on the amount of funding to be held centrally. This could include:

- planned total spending for 2018-19 on each of the headings set out in table 4 below
- spending shown to at least the level of detail provided in the 2018-19 section 251 budget statement

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<sup>1</sup> The multipliers used in ESG previously were 3.75 for PRUs and 4.25 for special schools.

- comparable figures for previous years' spending, split where relevant between those relating to all schools and those for maintained schools only
- consequences for the funding and delivery of each of the services provided if the request was not approved
- the impact on individual school budgets and their overall financial position
- the impact on the local authority if the amount was not held centrally
- detail of the results of the equalities impact assessment carried out to assess the impact of the central retention of the funding on children or other people who have one or more of the protected characteristics under the Equality Act 2010

The split of services between responsibilities local authorities hold for all schools and those that relate to maintained schools only are shown at table 4 below. References are to the schedules in the current [schools and early years finance \(England\) regulations 2017](#).

**Table 4: Central services that may be funded with agreement of schools forums**

Central Services	
Responsibilities local authorities hold for all schools (funded by the central school services block with the agreement of schools forums)	Responsibilities local authorities hold for maintained schools (funded from maintained school budgets only with agreement of the maintained school members of the schools forum)
<b><u>Statutory and regulatory duties</u></b>	<b><u>Statutory and regulatory duties</u></b>
Director of children's services and personal staff for director (Sch 2, 15a)	Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 2, 56)
Planning for the education service as a whole (Sch 2, 15b)	Budgeting and accounting functions relating to maintained schools (Sch 2, 73)
Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)	Functions relating to the financing of maintained schools (Sch 2, 58)
Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c)	Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 2, 57)
Formulation and review of local authority schools funding formula (Sch 2, 15d)	Monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies (Sch 2, 58)
Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e)	Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 for maintained schools (Sch 2, 59)



<b>Central Services</b>	
<p>Responsibilities local authorities hold for all schools (funded by the central school services block with the agreement of schools forums)</p>	<p>Responsibilities local authorities hold for maintained schools (funded from maintained school budgets only with agreement of the maintained school members of the schools forum)</p>
<p>Consultation costs relating to non-staffing issues (Sch 2, 19)</p> <p>Plans involving collaboration with other LA services or public/voluntary bodies (Sch 2, 15f)</p> <p>Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)</p> <p>Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)</p>	<p>Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 2, 60)</p> <p>Investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body (Sch 2, 61)</p> <p>Functions related to local government pensions and administration of teachers' pensions in relation to staff working at maintained schools under the direct management of the headteacher or governing body (Sch 2, 62)</p> <p>Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 2, 75)</p> <p>HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition/organisation of staff (Sch 2, 63); determination of conditions of service for non-teaching staff (Sch 2, 64); appointment or dismissal of employee functions (Sch 2, 65)</p> <p>Consultation costs relating to staffing (Sch 2, 66)</p> <p>Compliance with duties under Health and Safety at Work Act (Sch 2, 67)</p> <p>Provision of information to or at the request of the Crown relating to schools (Sch 2, 68)</p> <p>School companies (Sch 2, 69)</p> <p>Functions under the Equality Act 2010 (Sch 2, 70)</p> <p>Establish and maintaining computer systems, including data storage (Sch 2, 71)</p> <p>Appointment of governors and payment of governor expenses (Sch 2, 72)</p>
<p><b><u>Education welfare</u></b></p> <p>Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)</p> <p>School attendance (Sch 2, 16)</p> <p>Responsibilities regarding the employment of</p>	<p><b><u>Education welfare</u></b></p> <p>Inspection of attendance registers (Sch 2, 78)</p>

Central Services	
Responsibilities local authorities hold for all schools (funded by the central school services block with the agreement of schools forums)	Responsibilities local authorities hold for maintained schools (funded from maintained school budgets only with agreement of the maintained school members of the schools forum)
children (Sch 2, 18)	
<p><b><u>Asset management</u></b></p> <p>Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)</p> <p>General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)</p>	<p><b><u>Asset management</u></b></p> <p>General landlord duties for all maintained schools (Sch 2, 76a &amp; b (section 542(2)) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have:</p> <ul style="list-style-type: none"> <li>• appropriate facilities for pupils and staff (including medical and accommodation)</li> <li>• the ability to sustain appropriate loads</li> <li>• reasonable weather resistance</li> <li>• safe escape routes</li> <li>• appropriate acoustic levels</li> <li>• lighting, heating and ventilation which meets the required standards</li> <li>• adequate water supplies and drainage</li> <li>• playing fields of the appropriate standards</li> </ul> <p>General health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc Act 1974)</p> <p>Management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012)</p>
<p><b><u>Central support services</u></b></p> <p>No functions</p>	<p><b><u>Central support services</u></b></p> <p>Clothing grants (Sch 2, 52)</p> <p>Provision of tuition in music, or on other music-related activities (Sch 2, 53)</p> <p>Visual, creative and performing arts (Sch 2, 54)</p> <p>Outdoor education centres (but not centres mainly for the provision of organised games, swimming or athletics) (Sch 2, 55)</p>
<p><b><u>Premature retirement and redundancy</u></b></p> <p>No functions</p>	<p><b><u>Premature retirement and redundancy</u></b></p> <p>Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 2, 77)</p>

Central Services	
Responsibilities local authorities hold for all schools (funded by the central school services block with the agreement of schools forums)	Responsibilities local authorities hold for maintained schools (funded from maintained school budgets only with agreement of the maintained school members of the schools forum)
<b><u>Monitoring national curriculum assessment</u></b>  No functions	<b><u>Monitoring national curriculum assessment</u></b>  Monitoring of National Curriculum assessments (Sch 2, 74)
<b><u>Therapies</u></b>  No functions	<b><u>Therapies</u></b>  This is now covered in the high needs section of the regulations and does not require schools forum approval
<b><u>Other ongoing duties</u></b>  Licences negotiated centrally by the Secretary of State for all publicly funded schools (Sch 2, 8) – this does not require schools forum approval  Admissions (Sch 2, 9)  Places in independent schools for non-SEN pupils (Sch 2, 10)  Remission of boarding fees at maintained schools and academies (Sch 2, 11)  Servicing of schools forums (Sch 2, 12)  Back-pay for equal pay claims (Sch 2, 13)  Writing to parents of year 9 pupils about schools with an atypical age of admission, such as UTCs and studio schools, within a reasonable travelling distance (new addition to CSSB, to be included in 2018-19 regulations). <sup>2</sup>	
<b><u>Historic commitments</u></b>  Capital expenditure funded from revenue (Sch 2, 1)  Prudential borrowing costs (Sch 2, 2(a))  Termination of employment costs (Sch 2, 2(b))  Contribution to combined budgets (Sch 2, 2(c))	

<sup>2</sup>Funding for this duty was previously delivered to local authorities via a s.31 grant. Additional funding will be added to the CSSB baseline for this from 2018-19.

Central Services	
Responsibilities local authorities hold for all schools (funded by the central school services block with the agreement of schools forums)	Responsibilities local authorities hold for maintained schools (funded from maintained school budgets only with agreement of the maintained school members of the schools forum)
<p><b><u>Additional note</u></b></p> <p>Services set out in the table above will also include administrative costs and overheads relating to these services (regulation 1(4)) for:</p> <ul style="list-style-type: none"> <li>• expenditure related to functions imposed by or under Chapter 4 of Part 2 of the 1998 Act (financing of maintained schools), the administration of grants to the authority (including preparation of applications) and, where it's the authority's duty to do so, ensuring payments are made in respect of taxation, national insurance and superannuation contributions</li> <li>• expenditure on recruitment, training, continuing professional development, performance management and personnel management of staff who are funded by expenditure not met from schools' budget shares and who are paid for services</li> <li>• expenditure in relation to the investigation and resolution of complaints</li> <li>• expenditure on legal services</li> </ul>	

School improvement is not included in the arrangements set out in table 4. Local authorities receive a separate grant covering their statutory intervention functions and monitoring and commissioning of school improvement support. This grant is up to £50 million per full year, allocated to local authorities on the basis of the number of maintained schools, an area cost adjustment and top-up to ensure each local authority receives a minimum allocation of £50,000. In addition, we're continuing to make available to academies and maintained schools a new £140 million Strategic School Improvement Fund. This fund is aimed at ensuring resources are targeted at the schools most in need of support to help them drive up standards, use their resources effectively and deliver more good or outstanding school places. For further information on this fund, including how to access the support, please see the guidance on the [school improvement grant](#). Finally, schools forums can agree to de-delegate further funding for additional school improvement provision, in 2018 to 2019 (see section on [de-delegated services](#)).

**Schools Funding Forum 14<sup>th</sup> September 2017 ITEM 9**

<b>Subject Heading:</b>	<b>Schools and High Needs National Funding Formula</b>
<b>Report Author:</b>	<b>David Allen – Strategic Finance Manager</b>
<b>Eligibility to vote:</b>	<b>All members</b>

**SUMMARY**

This report summarises the announcement made on 18<sup>th</sup> July 2017 by Justine Greening, Secretary of State for Education on school funding including the introduction of a national funding formula for schools and for high needs provision.

**RECOMMENDATIONS**

That the Schools Funding Forum notes the report.

**REPORT DETAIL**

At the time of writing, the detail of the national funding formula following the DFE consultation has not been announced. On 17<sup>th</sup> July the Secretary of State released a statement to announce an additional £1.3bn for schools and high needs over the next two years, 2018-19 and 2019-20. A copy of the statement is attached. The main points are as follows:

- The Government reaffirmed its plans to introduce a national funding formula in 2018-19, supported by “significant extra investment” into the core schools budget over the next two years;
- A further £1.3 bn for schools and high needs across 2018/19 and 2019/20 in addition to the schools’ budget set at the 2015 spending review has been provided. This additional funding is across the next two years as schools transition to the national funding formula. Spending plans beyond 2019/20 will be set out in a future spending review.
- As a result of this additional investment, the Government states that core funding for schools and high needs will rise from almost £41bn in 2017/18 to

£42.4bn in 2018/19. In 2019/20 it will rise again to £43.5bn. This represents £1.3bn in additional investment: £416m more than was set aside at the last spending review for the core school budget in 2018/19 and £884m more in 2019/20. This means that the total schools budget will increase by £2.6bn between this year and 2019/20. Per pupil funding will now be maintained in real terms for the remaining two years of the Spending Review period to 2019/20.

- Although the Government will respond in full to the second consultation on the new National Funding Formula in September 2017, the additional investment is expected to:
  - Increase the basic amount that every pupil will attract in 2018/19 and 2019/20;
  - Provide for up to 3% gains a year per pupil for underfunded schools, and a 0.5% a year per pupil cash increase for every school over the next two years; and
  - Continue protecting funding for pupils with additional needs, as proposed in December 2016;
  - Increase the percentage allocated to pupil led factors. This formula settlement to 2019/20 will provide at least £4,800 per pupil for every secondary school.
- The £1.3Bn additional investment in core schools funding will be funded in full from efficiencies and savings that the Secretary of State has identified from within the DfE's existing budget. These efficiencies and savings are expected to be derived from:
  - Savings and efficiencies from across the DfE's capital budget are expected to release £420m with £315m expected to be derived from healthy pupils' capital funding (the soft drinks industry levy).
  - In delivering the free schools programme, the DfE will be working more efficiently to release savings of £280m up to 2019/20. This will include delivering 30 of the planned new 140 schools through the local authority route, rather than the free schools route.
  - From the DfE resource budget, which amounts to £60bn per year, £250m in 2018/19 and £350m in 2019/20 will be re-prioritised to fund the increase in the core schools' budget.
  - A further £200m will be redirected from the DfE's central programmes towards frontline schools' funding.
  - The DfE will continue with its commitment to securing substantial efficiency gains over the coming years. National Deals, such as those currently available on insurance and energy, that procure better value goods and services in areas all schools spend money on and purchase goods in can save significant amounts.
  -
- In 2018/19 and 2019/20 the National Funding Formula will set indicative budgets for each school and the total schools' funding received by each local authority will be allocated according to the national fair funding formula.

- Local authorities will continue to set a local formula to distribute that funding, and to determine individual schools' budgets in 2018/19 and 2019/20, in consultation with schools within the authority.
- To support local authorities' planning, all local authorities will receive in 2018/19 an increase to the amount of funding that they plan to spend on schools and high needs in 2017-18. These increments for local authorities will be confirmed in September 2017.
- The Government will ring-fence the vast majority of funding provided for primary and secondary schools although local authorities, in agreement with their local schools' forum, will be able to move some limited amounts of funding to other areas, such as special schools, where this better matches local need.

As well as this additional investment through the national funding formula, the Secretary of State highlighted the Government's commitment to doubling the physical education and sports premium for primary schools with all primary schools will receive an increase in their PE and sports premium funding in the next academic year.

**ORAL MINISTERIAL STATEMENT**  
**SCHOOLS UPDATE**

**SECRETARY OF STATE FOR EDUCATION:**

This Government believes that all children should have an education that unlocks their potential and allows them to go as far as their talent and hard work will take them. That is key to improving social mobility. We have made significant progress: nine out of ten schools are now good or outstanding, and the attainment gap is beginning to close. We have launched twelve opportunity areas to drive improvement in parts of the country which we know can do better. But all this has been against a backdrop of unfair funding. We know that the current funding system is unfair, opaque and out of date – and this means that, whilst we hold schools to the same accountability structure, we fund them at very different levels. In addition, resources are not reaching the schools that need them most.

School funding is at a record high, because of the choices we made to protect and increase school funding, even as we faced difficult decisions elsewhere to restore our country's finances. But we recognise that at the election, people were concerned about the overall level of funding as well as its distribution. And as the Prime Minister has said, we are determined to listen. So that is why today I am confirming our plans to get on with introducing a national funding formula in 2018-19. I can announce that this will additionally now be supported by significant extra investment into the core schools budget over the next two years. The additional funding I am setting out today, together with the introduction of a national funding formula, will provide schools with the investment they need to offer a world-class education to every child. There will therefore be an additional £1.3 billion for schools and high needs across 2018-19 and 2019-20, in addition to the schools budget set at Spending Review 2015. This funding is across the next two years as we transition to the NFF. Spending plans for years beyond 2019-20 will be set out in a future Spending Review.

But as a result of this investment, core funding for schools and high needs will rise from almost £41 billion in 2017-18 to £42.4 billion in 2018-19. In 2019-20 this will rise



again to £43.5 billion. This represents £1.3 billion in additional investment: £416 million more than was set aside at the last spending review for the core school budget in 2018-19, and £884 million more in 2019-20. It will mean that the total schools budget will increase by £2.6 billion between this year and 2019-20, and funding per pupil will now be maintained in real terms for the remaining two years of the Spending Review period to 2019-20.

For this Government, social mobility and education are a priority. Introducing the national funding formula - something shied away from by previous Governments - backed by the additional investment in schools we are confirming today, will be the biggest improvement to the school funding system for well over a decade.

I said when I launched the consultation last December that I was keen to hear as many views as possible on this vital reform. I'm grateful for the engagement on the issue of fairer funding and the national funding formula. We received more than 25,000 responses to our consultation, including from members from across the House. We have listened carefully to the feedback we have received.

We will respond to the consultation in full in September, but I can today tell the House that the additional investment we are able to make in our schools will allow us to:

- Increase the basic amount that every pupil will attract in 2018-19 and 2019-20;
- For the next two years, provide for up to 3% gains a year per pupil for underfunded schools, and a 0.5% a year per pupil cash increase for every school;
- Continue to protect funding for pupils with additional needs, as we proposed in December.

Given this additional investment, we are able to increase the percentage allocated to pupil led factors and this formula settlement to 2019-20 will provide at least £4,800 per pupil for every secondary school, something which I know Members in some areas will welcome in particular.

The national funding formula will therefore deliver higher per pupil funding in respect of every school, and in every local area. I believe that these changes, building on the proposals we set out in December, will provide a firm foundation as we make historic reforms to the funding system, balancing fairness and stability for schools. It remains our intention that a school's budget should be set on the basis of a single, national formula, but a longer transition makes sense to provide stability for schools. In 2018-19 and 2019-20, the national funding formula will set indicative budgets for each school, and the total schools funding received by each local authority will be allocated according to our national fair funding formula and transparently for the first time.

Local authorities will continue to set a local formula, as they do now, for determining individual schools' budgets in 2018-19 and 2019-20, in consultation with schools in the area. I will shortly publish the operational guide to allow them to begin that process. To support their planning, I am also confirming now that in 2018-19, all local authorities will receive some increase over the amount they plan to spend on schools and high needs in 2017-18. We will confirm gains for local authorities, based on the final formula, in September.

The guide will set out some important areas that are fundamental to supporting a fairer distribution through the national funding formula. For example, we will ring-fence the vast majority of funding provided for primary and secondary schools although local authorities, in agreement with their local schools forum, will be able to move limited amounts of funding to other areas, such as special schools, where this better matches local need.

As well as this additional investment through the national funding formula, I am also today confirming our commitment to double the PE and sports premium for primary schools. All primary schools will receive an increase in their PE and sports premium funding in the next academic year.

The £1.3 billion additional investment in core schools funding which I am announcing today will be funded in full from efficiencies and savings I have identified from within my Department's existing budget, rather than higher taxes or more debt. This has

required some difficult decisions, but I believe it is right to prioritise core schools funding, even as we continue the vital task of repairing the public finances. By making savings and efficiencies, I am maximising the proportion of my Department's budget which is allocated directly to frontline headteachers – who can then use their professional expertise to ensure that it is spent where it will have the greatest possible impact. I have challenged my civil servants to find efficiencies, as schools are.

I want to set out briefly the savings and efficiencies that I will secure:

Efficiencies and savings across our main capital budget can release £420 million. The majority of this will be from healthy pupils capital funding - from which we will make savings of £315 million. This reflects reductions in forecast revenue from the soft drinks industry levy. Every pound of England's share of spending from the levy will continue to be invested in improving child health, including £100 million in 2018-19 for healthy pupils capital.

We remain committed to an ambitious free schools programme that delivers choice, innovation and higher standards for parents. In delivering the programme, and the plans for a further 140 free schools announced at the last Budget, we will work more efficiently to release savings of £280 million up to 2019-20. This will include delivering 30 of the 140 schools are through the local authority route rather than the central free schools route.

Across the rest of the DfE resource budget – over £60 billion per year – I will also reprioritise £250 million in 2018-19 and £350 million in 2019-20 to fund the increase in spending I am announcing today. I plan to redirect £200m from the Department's central programmes towards frontline funding for schools. While these projects are useful, I believe strongly that this funding is most valuable in the hands of head teachers.

Finally, alongside this extra investment in our core schools budget, it is vital that school leaders strive to maximise the efficient use of their resources, to achieve the best outcomes for all their pupils and best promote social mobility. We already

provide schools with support to do this, but we will now go further to ensure that support is effectively used by schools.

We will continue our commitment to securing substantial efficiency gains over the coming years. Good value National Deals, that procure better value goods and services on areas all schools purchase, are available: for example, under the deals, based on our existing work, schools can save on average 10% on their energy bills. We will expect schools to be clear if they do not make use of these deals and have higher costs. Across school spending as a whole, we will improve the transparency and usability of data, so that parents and governors can more easily see the way funding is being spent and understand not just educational standards, but financial effectiveness too. We have just launched a new online efficiency benchmarking service which will enable schools to analyse their own performance much more effectively.

We recognise that many schools have worked hard up to this point to manage cost base pressures on their budgets, and we will take action this year to provide targeted support to those schools where financial health is at risk, deploying efficiency experts to give direct support to these schools.

The significant investment we are making in schools and the reforms we are introducing underpin our ambition for a world-class education system. Together, they will give schools a firm foundation that will enable them to continue to raise standards, promote social mobility, and give every child the best possible education and the best opportunities for the future.

**Schools Funding Forum 14<sup>th</sup> September 2017 ITEM 10**

**Subject Heading:**

**Schools Revenue Funding 2018-19**

**Report Author:**

**David Allen – Strategic Finance  
Manager**

**Eligibility to vote:**

**All members**

**SUMMARY**

This item is to consider the process to be followed in the financial modelling of the DSG for financial 2018-19 and the allocation of funding to schools and the Local Authority.

**RECOMMENDATIONS**

To note the report.

**REPORT DETAIL**

In August the EFA issued the annual operational guide to local authorities on schools revenue funding for 2018-19. This report is to consider the changes from 2017-18 and the timescales leading to the issuing of schools funding statements.

The guidance can be found at:

<https://www.gov.uk/guidance/pre-16-schools-funding-guidance-for-2018-to-2019#operational-guidance-for-2018-to-2019>

Hard copies will be provided at the meeting.

# Agenda Item 11



**Havering**  
LONDON BOROUGH

## Schools Funding Forum 14<sup>th</sup> September 2017 ITEM 11

**Subject Heading:**

**Centrally retained DSG**

**Report Author:**

**David Allen – Strategic Finance  
Manager**

**Eligibility to vote:**

**All members**

### SUMMARY

This item is to seek the approval of the Schools Funding Forum for the central retention of funding from the DSG to continue the support and services agreed in previous financial years.

### RECOMMENDATIONS

To agree the central retention of the budgets in 2018-19 as detailed below.

### REPORT DETAIL

The revised funding arrangements for 2018-19 will include a fourth funding block for central services (the central schools services block). This block is to fund local authorities for statutory duties they hold for both maintained schools and academies.

The central schools services block (CSSB) brings together:

- Funding previously allocated through the retained duties of element of the Education Services Grant (ESG)
- Funding for ongoing central functions such as admissions, previously top-sliced from the schools block

- Residual funding from historical commitments, previously top-sliced from the schools block.

The operational guidelines on 2018-19 revenue funding set out the areas and activities for which DSG funding may be retained centrally.

Those budget areas are listed below together with the funding requested for 2018-19 against the funding agreed by the Schools Funding Forum for 2017-18.

Services	Budget 2017-18	Budget 2018-19
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<b>Schools forum approval is not required (although they should be consulted)</b>		
• High needs block provision	£19.1m	Not known
• Central licences negotiated by the Secretary of State	£161,580	£161,580 (estimate)

<b>Schools forum approval is required on a line-by-line basis.</b>		
• Funding to enable all schools to meet the infant class size requirement	£25,000 (inc in pupil growth)	£25,000 (inc in pupil growth)
• Back-pay for equal pay claims	£0	£0
• Remission of boarding fees at maintained schools and academies	£0	£0
• Places in independent schools for non-SEN pupils	£0	£0
• Admissions	£499,734	£499,734
• Servicing of Schools Forum	£43,250	£43,250
• Contribution to responsibilities that local authorities hold for all schools	£589,000	£589,000

<b>Schools forum approval is required</b>		
• Early years block provision	£730,000	£730,000
• Movement out of the Schools Block	£0	£0
• Any deficit from the previous funding period that reduces the amount of the schools budget	£0	£0
• Any brought forward deficit on de-delegated services which is to be met from the overall schools budget	£61,000	£61,000

**Schools forum approval is required on a line-by-line basis. The budget cannot exceed the value agreed in the previous funding period and no new commitments can be entered into.**

• Capital expenditure funded from revenue (i.e. no new projects can be charged to the central schools budget)	£87,490	£87,490
• Contribution to combined budgets	£200,000	£200,000
• Existing termination of employment costs (i.e. no new redundancy costs can be charged to the central schools budget)	£0	£0
• Prudential borrowing costs	£0	£0

**Schools forum approval is required on a line-by-line basis, including approval of the criteria for allocating funds to schools.**

• Funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy	£2,700,000	£2,700,000
• Funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years	£500,000	£400,000



**Schools Funding Forum 14<sup>th</sup> September 2017 ITEM 12**

**Subject Heading:**

**De-delegation of funding for central services**

**Report Author:**

**David Allen – Strategic Finance Manager**

**Eligibility to vote:**

**LA maintained school representatives**

**SUMMARY**

This item is to seek the approval of the Schools Funding Forum for the de-delegation of funding to maintain the provision of a range of central services permitted by the Schools Funding Regulations.

**RECOMMENDATIONS**

To consider the de-delegation of funding for the following services:

- (i) Contingency to support schools in financial difficulty
- (ii) Attendance & Behaviour
- (iii) EAL
- (iv) Free school meals eligibility
- (v) Insurance
- (vi) Maternity insurance
- (vii) Trade Union Facility Time

## REPORT DETAIL

Funding for de-delegated services must be allocated through the formula but can be passed back, or 'de-delegated', for maintained mainstream primary and secondary schools with schools forum approval. De-delegation is not an option for special schools, nursery schools and PRUs.

Where de-delegation has been agreed for maintained primary and secondary schools the local authority will offer the service on a buy-back basis to those schools and academies in their area which are not covered by the de-delegation. In the case of special schools and PRUs, the funding to buy such services will be included in any top-up payments.

Any decisions made to de-delegate in 2017 to 2018 related to that year only, so new decisions will be required for any service to be de-delegated in 2018 to 2019.

Schools forum members for primary maintained schools and secondary maintained schools must decide separately for each phase whether the service should be provided centrally and the decision will apply to all maintained mainstream schools in that phase. Funding for these services will then be removed from the formula before school budgets are issued. There may be different decisions for each phase.

The services which may be de-delegated are:

- contingencies (including schools in financial difficulties and deficits of closing schools)
- behaviour support services
- support to underperforming ethnic groups and bilingual learners
- free school meals eligibility
- insurance
- museum and library services
- licences/subscriptions
- staff costs supply cover (for example, long-term sickness, maternity, trade union and public duties)

For each service de-delegated, local authorities will need to make a clear statement of how the funding is being taken out of the formula (for example, primary insurance £20 per pupil, secondary behaviour support services £30 per FSM pupil). There should be a clear statement of how contingencies and other resources will be allocated. Academies will continue to receive a share of funding for these services in their delegated budget.

De-delegation arrangements for schools converting to academy status during 2018-19 are as follows:

**Conversion date**

On or before 1 April 2018  
 1 May 2018 to 1 September 2018  
 1 October 2018 to 31 March 2019

**De-delegation arrangements**

No de-delegation  
 Local authority retains any de-delegated funding until 1 September 2018  
 Local authority retains any de-delegated funding until 31 March 2019

Where there has been agreement that a school is entitled to receive an allocation from a de-delegated contingency fund, that agreement should be honoured if the school converts to an academy at any point in the year. Where a school converts to an academy in the period 2<sup>nd</sup> April to 1<sup>st</sup> September 2018, local authorities will have an opportunity to present an evidence based case to the EFA to request a recoupment adjustment for the period 2<sup>nd</sup> September 2018 to 31<sup>st</sup> March 2019.

Any unspent de-delegated funding remaining at the year-end should be reported to schools forum. Funding may be carried forward to the following funding period as with any other centrally retained budget, and can be used specifically for de-delegated services if the authority wishes.

**Services for which de-delegation is requested****1. Contingency for Schools in Financial Difficulty**

A small budget of approximately £280,000 has previously been held centrally for a number of years which has been used to support schools who are in financial difficulty, sometimes through past decision making, unforeseen expenditure that cannot be contained within the school's budget or more commonly because of a reduction in pupil numbers. Several schools have been supported through this fund through criteria agreed by the Schools Funding Forum. Because of the reduction in the number of LA maintained schools a reduced budget of £200,000 is requested.

Funding required through de-delegation

	Primary	Secondary	
Formula factor	AWPU	AWPU	
Amount	£11.24	£11.24	
Total	£187,945	£12,195	£200,000

**2. Attendance & Behaviour**

An explanation of the service offered through de-delegation is attached at Appendix A. Because of low numbers of LA maintained secondary schools, in all previous years the decision has been not to de-delegate funding for secondary schools. Figures have not, therefore, been provided for secondary schools.

Funding required through de-delegation from maintained primary schools

Formula factor	AWPU	FSM	IDACI B	IDACI A	Low attainment	
Amount	£2.74	£23.63	£47	£490	£9.11	
Total	£45,816	£35,185	£52,173	£1,470	£43,481	£178,125

### 3. EAL Service

An explanation of the service offered through de-delegation is attached at Appendix B. Because of low numbers of LA maintained secondary schools, in all previous years the decision has been not to de-delegate funding for secondary schools. Figures have not, therefore, been provided for secondary schools.

Funding required through de-delegation from maintained primary schools

Formula factor	EAL 3
Amount	£62.85
Total	£125,000

### 4. Free School Meals Eligibility

This service checks the eligibility of children for free school meals and pupil premium grant by accessing a central government hub. Without this service schools would need to make their own arrangements to determine eligibility.

Funding required through de-delegation

	Primary	Secondary	
Formula factor	FSM	FSM	
Amount	£8.21	£8.21	
Total	£12,225	£1,059	£13,284

### 5. Insurance

Insurance for maintained schools is currently held centrally funded from de-delegation. The Borough's insurance contract expires on 30<sup>th</sup> June 2018 and will be re-tendered. The specification is to include schools. Further information is to be sought from the Borough's insurers before a decision on whether to de-delegate is sought from schools.

## 6. Maternity Insurance

The LA administers an insurance scheme that meets the costs of teachers who are on maternity leave. The benefit of de-delegating the budget is that schools do not have to pay premiums or make claims.

If the funding is not de-delegated, schools would need to make individual choices to buy into the scheme which, if some schools decided not to, may make it unviable to run. It is not offered to academies.

Funding required through de-delegation

	Primary	Secondary	
Formula factor	AWPU	AWPU	
Amount	£28.08	£28.08	
Total	£469,526	£30,467	£499,993

## 7. Trade Union Facility Time

A working group of the Schools Funding Forum has previously considered issues raised in a DFE advice and guidance document and made comparisons of costs with other LAs. Decisions were made to reduce the amount of facility time and therefore the costs to schools and academies.

The pooled arrangements continue to benefit schools through the provision of support from locally based and accredited trade union officials.

The costs have reduced from an original £5.70 per pupil to £4.00 in 2015-16 and to £3.50 in 2016-17 and 2017-18. The Schools Funding Forum has already agreed at its meeting on 18<sup>th</sup> May 2017 to reduce the charge to schools to £2.50 per pupil from April 2018.

The total budget required has reduced from an original £200,000 to £125,000.

Funding required through de-delegation

	Primary	Secondary	
Formula factor	AWPU	AWPU	
Amount	£2.50	£2.50	
Total	£41,803	£2,712	£44,515

**Havering Attendance, Behaviour and Traveller Support Service****Introduction**

The Attendance, Behaviour and Traveller Support Team provides for a central bank of knowledge and support to be available to primary and secondary school across Havering. Our team works to support a range of school staff, including members of SMT, SENCOs, teachers and support staff. We also work closely with parents/carers, undertaking home visits where appropriate, with the aim of reducing barriers to good attendance/school engagement and reminding parents of their legal responsibilities where necessary.

A key part of our role, and one which we believe sets us apart from other approaches, is our joint work with other key professionals. We have been developing our links with statutory and voluntary agencies who have responsibility and accountability for children and young people at most risk of exclusion and/or disengagement from school. This year the team manager has forged strong links, in particular, with managers from the Early Help service and health service teams working with children/young people. This work has enabled us to advocate for a more holistic and education focussed approach to supporting pupils at risk of school disengagement and to support schools where thresholds for early help/social care intervention are not being met.

The focus of our work over the past year has been:

- Supporting schools to improve attendance, particularly persistent absence
- Support and challenge of parents/carers where there are attendance and/or behavioural concerns
- Linking with other key inclusion and wider council services to improve attendance and behaviour, including SEN, the AP Commissioner, Early Help and CAMHS services, as well as supporting pastoral support networks
- Supporting the roll out of restorative justice training
- Support for schools in policy writing (such as Flex School Guidance)
- Supporting behaviour confidence across all schools, using agreed behaviour thresholds and working with key primary school leaders in particular
- Establishing behaviour support intervention programmes and off site facilities

Annex 1 provides some comparative data on attendance and exclusions. The data show that Havering schools compare favourably with London and national averages in some areas of attendance and exclusion but there is still more work to do. The Attendance and Behaviour Team would like to request that Schools Funding Forum give a mandate for them to continue support for schools to help bring about further positive change, and to build on existing work to support a more holistic/multi agency approach with vulnerable pupils.

**Our Core Offer to LA Maintained Schools**

Support for up to five individual children per academic year (this may vary depending on the current need in the school) in the last academic year we actively supported 139 individual children in schools and primary students who are undertaking a school transition move through

the IYFAP process). Requests for individual student support come via a referral form or IYFAP and through an information sharing meeting with staff within the school to put together a pastoral plan. Key observations will be noted, plus triggers identified, leading to targeted and practical plans to address that child's needs.

A planning meeting may be called, including the students' parents and other key professionals involved. SMART targets will be set with meaningful and individualised rewards offered, some in-class support and progress closely reviewed. Some students will be worked with individually in the classroom and some will offered a programme of group-work to promote and enhance learning behaviours in the classroom.

As a service we also offer a package of transition support with a dedicated TAM's worker, we also work in close partnership with the new Havering IN-reach Primary Service which is a two stage intervention programme as well as two dedicated Early Help Officers that are also available to support work with families.

School professionals can also be supported through our comprehensive professional development training programme (listed below). Schools are entitled to 1 ½ days training per year as part of the core offer, we have also greatly appreciated in this academic year schools sharing trainings across sites as some trainings such as Team Teach have been in very high demand.

#### **Attendance Officer Support:**

It is important to note that school attendance is coming under increasing scrutiny, with the persistent absence (PA) rate now defined as below 90% as opposed to 85%. We offer EVERY school an experienced named officer/s who will work flexibly with schools and visit regularly to monitor attendance, advise and work with schools and families to improve attendance.

The package of support provided to schools in the de-delegated arrangements includes bi-weekly or monthly visits to your school by a named officer to oversee patterns of non-attendance. This includes early intervention when patterns of poor attendance arise and multi-agency working to support the family and improve outcomes. In-school training is provided for school staff on attendance matters on SIMS plus templates, monitored late gate, presentations at new intake meetings, staff meetings and school assemblies. In addition:

- Advice and guidance when a parent wants to educate their child at home.
- Provision of advice and guidance on child protection issues.
- Regular support from a linked Attendance and Behaviour Support Officer (including absence cover when linked officer is unavailable due to ill health, etc.)
- Advice and guidance on promoting early intervention for pupils with poor attendance.
- Guidance on strategies for managing pupil absence.
- Detailed casework with pupils with low attendance that will reach the threshold for legal intervention, if required.
- Outreach work with pupils and families, including home visits and attendance at multi-agency meetings and case conferences for pupils causing serious concern.
- Meetings at school with staff and parents.
- Cross border liaison in relation to out-borough pupils.
- Pre- Ofsted 'health check'

The above support is in addition to the core funded service as follows:

- Support for children on child protection plans and children missing from education
- Issuing of child performance, chaperone and employment licenses

- Issuing and full administration of Fixed Penalty Notices including holiday fines
- Presentation of cases in court that meet the legal threshold for prosecution

Primary schools have particularly appreciated our attendance leaflets for parents and the two new fridge magnets and parents medical advice booklet.

### **Dedicated duty telephone service**

To cover any kind of query related to attendance, behaviour, traveller support or exclusion we offer a dedicated Mon-Fri 9am-5pm duty telephone system for EVERY school in Havering, where a member of our team will be here to answer any questions and provide you with a quick and timely follow-up.

### **Dedicated Traveller Education Support**

We have a wealth of experience of dealing with traveller families. With the dedicated support of our specialist Traveller Education Support Officer and our knowledge of the traveller community we aim to improve the attendance, educational outcomes and school engagement of all pupils from a traveller background. We maintain close and regular contact with parents. We visit families living on privately owned sites, fairgrounds and circuses as well as those in private and council accommodation, by building trust and confidence. This has led to an increase in school attendance, and a wider participation in the life and activities in Havering schools.

Our commitment:

- Support positive relationship building between Traveller families and schools
- Liaise with other agencies within the Borough to improve the quality of services available to traveller families.
- Provide intensive support packages and initial integration support for pupils who demonstrate great need.
- Share information with other agencies, schools, out of borough authorities by developing systems and protocols where necessary, and develop and maintain effective joint working relationships.
- School presentations, parent meetings and trainings according to need.

### **Training/CPD offer to all schools and Academies**

The core training offer is flexible in terms of venue, full-day/half day and twilight options. **LA maintained schools** are entitled to **one whole day** and **one half day** training inclusive, selected from the list below. We offer a wide training menu to schools depending on the needs of the school in consultation and partnership with the Head teacher. We will deliver training packages that will improve the implementation of policy into practice and enhance the confidence of school staff. These packages are approved and recommended by the DfE, NICE and OFSTED. We can train whole school staff teams or smaller targeted groups of staff; teachers, NQT's, TAs and SMSAs.

Trainings available to you are:

- Positive Classroom Behaviour Management for teachers, including NQT's and support staff support via CPD programme to assist teaching staff in developing understanding of the motivations behind children's challenging behaviour. Key stage 1-4
- Positive Lunchtimes! – a specific half day training for SMSAs in-line with the new OFSTED framework Key stage 1-2
- Accredited 1 and 2 day Team Teach Training: de-escalation and positive handling Key stage 1-4 (with staff groups of more than 24 staff at any one time there may be a minimal extra cost for extra tutors for this course only in line with accreditation specifications)



- Restorative Approaches –a whole school approach to behaviour management. We are able to offer whole school or part school training across key stages 1-4. (Please note this training requires more than 1.5 days commitment and some parts of the training require additional purchase).
- Problem solving and circle time. Programmes/workshops that promote better social skills and related to the PSHE curriculum using the ‘Dina Dinosaur’ programme, building capacity and developing a school culture. Key stage 1-2
- Engaging Traveller Families Workshop Key stage 1-4
- Teacher and staff reflective problem solving sessions Key stage 1-4
- Training for Governors and schools on the attendance legal framework Key stage 1-4

***Our training packages are well researched and received, providing enormous value when compared to the price charged by private providers for similar training programme for example if a whole school one day Team Teach Positive Handling Training was booked through Team Teach Ltd would cost in excess of £2,500!. We train over 1500 Havering staff each year.***

***We aim to support schools to manage the most challenging pupils with the human resources that they currently have, hence ensuring good value for money and crucially increase staff confidence.***

For further discussion, please contact: Penelope Denny (Lead Professional for Attendance, Behaviour and Traveller Support) email: [Penelope.denny@haverling.gov.uk](mailto:Penelope.denny@haverling.gov.uk) or call 01708 433828

## Annex 1 – Comparative Attendance and Exclusions Data

### Havering Attendance - Four Year Trend

Primary School Attendance in Havering (Summary Past 4 years):

	2015/16	2014/15	2013/14	2012/13
Overall Absence	4.2%	4.3%	4.1%	4.9%
Authorised Absence	3.4%	3.5%	3.4%	4.1%
Unauthorised Absence	0.8%	0.8%	0.7%	0.8%
Persistent Absence	9.1%	2.7%	2.6%	3.2%

Secondary School Attendance in Havering (Summary Past 4 years):

	2015/16	2014/15	2013/14	2012/13
Overall Absence	5.3%	5.6%	5.3%	5.8%
Authorised Absence	4.1%	4.4%	4.4%	4.7%
Unauthorised Absence	1.2%	1.2%	0.9%	1.1%
Persistent Absence	13.2%	5.7%	5.3%	6.5%

### Comparison with London and England

School Attendance Data 2015/16 – Primary Schools

	Havering	Outer London	England
Overall Absence	4.2%	4.0%	4.0%
Authorised Absence	3.4%	3.1%	3.1%
Unauthorised Absence	0.8%	1.0%	0.9%
Persistent Absence	9.1%	8.4%	8.2%

School Attendance Data 2015/16 – Secondary Schools

	Havering	Outer London	England
Overall Absence	5.3%	4.9%	5.2%
Authorised Absence	4.1%	3.6%	3.8%
Unauthorised Absence	1.2%	1.3%	1.4%
Persistent Absence	13.2%	11.7%	13.1%

### Permanent Exclusions (percentage of school population) 2015/16

	Havering	Outer London	England
Primary	x	0.01%	0.02%
Secondary	0.16%	0.15%	0.17%
Special Schools	0.00%	0.07%	0.08%
Overall	0.07%	0.07%	0.08%

X = statistically negligible i.e. for 1 or 3 pupils

### Number of fixed term exclusions (percentage of school population) 2015/16

	Havering	Outer London	England
Primary	0.88%	0.81%	1.21%
Secondary	6.05%	6.38%	8.46%
Special Schools	1.07%	13.35%	12.53%
Overall	2.93%	3.17%	4.29%

### Percentage of pupils receiving one or more fixed term exclusions (percentage of school population) 2015/16

	Havering	Outer London	England
Primary	0.37%	0.41%	0.56%
Secondary	4.12%	4.02%	4.26%
Special Schools	X	4.35%	5.05%
Overall	1.94%	1.90%	2.11%

### Percentage of permanent exclusions – Havering trend

	2013/14	2014/15	2015/16
Primary	0%	0%	x
Secondary	0.15%	0.23%	0.16%
Special Schools	0%	0%	0%

### Percentage of fixed term exclusions – Havering trend

	2013/14	2014/15	2015/16
Primary	0.54%	0.81%	0.68%
Secondary	5.74%	5.6%	6.05%

**Ethnic Minority Achievement Service - Proposal to maintain a central EAL team****Part 1: Funding request**

- This request represents an overall reduction by nearly 40% of the funding requested in the period 2017-2018 without compromising the capacity of the service.
- 80% of the cost of running the service is requested, allowing schools priority access to consultancy support and to a comprehensive CPD package (see Part 3 for further details). 20% of the cost will be funded by the team's traded element.
- The contingency funding request has been reduced to £25,000. This will ensure that schools with high needs retain more funding in their budgets at the start of the financial year whilst allowing for funds to be released to schools that may historically have had little EAL3 funding but that may experience rapid demographic change. Any remaining contingency at the end of the financial year will be returned to schools.

**Part 2: Rationale for maintaining a central team with EAL expertise in Havering**

- The Havering EAL team is one of the few remaining services in London and the South East that is able to provide regular, direct consultancy support to ensure schools meet the needs of their changing populations. We use local knowledge to provide tailored support to meet the precise needs of your school.
- The central team has a crucial role to play in managing school-to-school support networks and ensuring the sharing of best practice. Our established networks of EMA co-ordinators and EAL TAs could be at risk if these functions were not managed centrally.
- The demographic of Havering is continuing to change rapidly with increasing numbers of children transferring directly from abroad with little or no English. Children with EAL are a potentially vulnerable group who may underachieve if their on-going needs are not recognised or addressed. In addition to providing advice on the needs of newly-arrived pupils, the EAL team can help schools address the needs of more advanced learners of EAL in order to address any barriers to their academic potential.
- De-delegation allows ease of access to the service in the case of schools that may have little experience of meeting the needs of early-stage EAL learners but that may suddenly experience demographic change; it also allows rapid access to support where needs might arise suddenly due to staff turnover and loss of expertise.
- In addition to the support outlined above, the EAL team is also able to provide consultancy advice and CPD focusing on SMSC and British Values provision.

**Part 3: Core provision****Training and consultancy advice for schools:**

- Delivery of EAL health-check audits using historical and 'live' data to help identify and address achievement gaps and strengthen their provision
- Unlimited access to a range of central CPD with a focus on EAL, provision for minority ethnic learners and SMSC development/British Values
- Termly networking meetings for EAL co-ordinators and EAL TAs
- Strategic support for HTs and SLTs
- Operational support for Inclusions Managers, Class Teachers and TAs
- Prompt contingency support for schools, e.g. school visits to discuss admissions and induction arrangements for newly-arrived learners

- Support with the assessment and tracking of learners whose starting points are different from other learners, linking EAL-specific assessment to your school's own systems
- Support with distinguishing between the needs of children learning EAL and those with SEN and assistance with the gathering of evidence for EHCP applications
- Direct access to telephone and email support
- Tailor-made school-based CPD twilight sessions on request
- Free access to a comprehensive range of resources via the HES Portal and also via Havering's Fronter MLE site; and recommendations/advice on commercially available publications (e.g. dual language books and dictionaries)
- Advice and training in the use of key publications, e.g. those produced by the team and archived National Strategies materials
- Training in high-quality EAL interventions, including Talking Partners and Talking Maths (small fee applies for initial training but ongoing support is available at no additional charge)

**Strategic work with LA-based services on behalf of all LA schools, and Academies buying back services, through liaison with:**

- the Admissions team to facilitate the admission and induction of vulnerable learners;
- the Family Learning team to provide information on services which may be available to schools such as ESOL classes;
- other education teams (e.g. Learning Support) to facilitate transitions for vulnerable pupils;
- the LMS team to ensure assessment of EAL learners reflects best practice;
- EAL specialists in neighbouring local authorities to ensure effective collaboration and consistency of EAL provision.

For all maintained schools in Havering, access to the services of the team is available at no additional charge and school requests are always met within agreed time schedules.

# Agenda Item 13



**Havering**  
LONDON BOROUGH

## Schools Funding Forum 14<sup>th</sup> September 2017

**ITEM 13**

**Subject Heading:**

**General T&Cs for Provision of Services to LA Maintained Schools**

**Report Author:**

**Shola Omogbehin – Head of Education Traded Services**

**Eligibility to vote:**

**LA Maintained school members**

### **SUMMARY**

Havering's Scheme for Financing Schools sets out the financial relationship between the local authority and the schools that it funds. The Scheme was agreed by the Schools Funding Forum at its meeting on 17<sup>th</sup> March 2016. The scheme has not changed for 2017-18 other than for dates and the deletion of the names of schools that have become academies from the list of schools to which the Scheme is applied.

However, the LA wishes to amend the Scheme for a change in the delivery model for traded services to ensure a more commercial and sustainable future model. As part of the transformation project and in shaping our operational model to meet the demands of a more competitive and evolving education market, the contractual framework under which maintained schools purchase traded services from the LA is being updated in order to bring things broadly in line with industry standards. A similar contractual framework was implemented for academies in 2015. The new contractual framework which is to be known as 'General T&Cs for the Provision of Professional Services to Maintained Schools' is expected to take effect in the 2018/19 buy back cycle and it will replace all current local guidelines.

### **RECOMMENDATIONS**

That the Schools Funding Forum approves an amendment to the Scheme for Financing Schools to reflect the proposed new contractual framework, including specific changes to the exit terms under which schools or the Council may terminate the agreement for service provision and the mutual obligations of Schools and the Council under the agreement.

### **REPORT DETAIL**

The increased financial autonomy given to schools, the funding constraints they face and the increased competitiveness in the education market place has resulted in a more demanding and price sensitive school buyers' community. The current guidelines for provision of services bought back from the LA using delegated budgets as stipulated in the Scheme for Financing Schools and published on the Education Services Portal falls short of the contracting standards that schools have become accustomed to under the current education market condition.

In adapting to the prevailing market conditions, it has become necessary to update the contractual framework under which traded services is provided to maintained schools. There are three key areas that should be highlighted as follows:

1. Opt-in model of purchasing; under the current model, schools have to opt out within two time scales (1st October – 30th April for the service to stop on 31st August) or (1st May – 30th September for the service to end on 31st March) otherwise the SLA rolls on perpetually. This will cease under the new framework meaning that at the end of the agreement, assuming a school does not terminate the service during the year, the service will not automatically continue.
2. Exit Terms; a straight forward termination rule requiring 3 months' notice of cancellation of a service or services in-year.
3. Responsibilities and Obligations; greater clarity regarding what is expected of all parties to ensure effective delivery of services

Essentially, the proposed changes set out in the new T&Cs for maintained schools are designed to align the way the LA trades with maintained schools broadly with contractual standards in the education market place. In addition, the new T&Cs will eliminate any ambiguities in the current SLA framework which a number of school colleagues have found to be unnecessarily complicated.

In conclusion, this new traded services T&Cs represents a balanced and more transparent framework which more appropriately reflects the new commercial relationship with maintained schools and the realities of the education market place.

Schools Funding Forum 14<sup>th</sup> September 2017

***Extract from Havering's Scheme for the Financing of Schools***

**SECTION 8: THE PROVISION OF SERVICES AND FACILITIES BY THE AUTHORITY**

**8.1 Provision of services from centrally retained budgets**

Before the start of each financial year, the LA will provide to all schools, information on the services available through the Support Services for Education Providers initiative. Other services may also be provided by the LA, outside of these arrangements such as premature retirement compensation and redundancy payments. The LA will determine the basis on which central services are provided to schools. There will be no discrimination in the provision of services on the basis of categories of schools except where (a) funding has been delegated to some schools only or (b) such discrimination is justified by difference in statutory duties.

**8.2 Timescales for the provision of services bought back from the LA using delegated budgets**

For those services charged on the basis of an annual subscription, agreements with the LA will be need to be completed by 30<sup>th</sup> April. To assist schools in making their decisions, by 31<sup>st</sup> December of the previous year, service providers must advise schools of any significant restructuring of their services or price increases above the rate of inflation.

Where a school has advised the LA's Business Support Team between 1 October and 30 April (inclusive) that it does not wish to continue the service for the following financial year, the service will discontinue on 31 August.

Where a school has advised the LA's Business Support Team between 1 May and 30 September (inclusive) that it does not wish to continue the service for the following financial year, the service will discontinue on 31 March.

The term of any arrangement with a school to buy services or facilities from the LA will be limited to a maximum of three years from the date of the agreement, and periods not exceeding five years for any subsequent agreement relating to the same services. In the case of catering services an extension applies to five and seven years respectively.

Services will be offered at prices which are intended to generate income which is no less than the cost of providing those services. The total cost of the service will be met by the total income, even if schools are charged differentially.



### **8.3 Packaging**

Any service for which funding has been delegated will be offered to schools on a buyback basis in a way which does not unreasonably restrict schools' freedom of choice among the services available, and where practicable, this will include provision on a service-by-service basis as well as in packages of services. This does not prevent the LA from offering package of services which offer a discount to schools taking up a wider range of services.

### **8.4 Service Level Agreements**

**8.4.1** Where services or facilities are provided under a service level agreement (including Services to Schools arrangements) - whether free or on a buyback basis - the terms of any such agreement starting on or after the inception of the Scheme will be reviewed at least every three years if the agreement lasts longer than that. At least one month will be given for schools to consider the terms of the agreements.

**8.4.2** Although many Council services will be available to schools through extended agreements and payment of an annual subscription, some services may be offered on a more ad hoc basis as "pay as you go" and may be charged at differentiated rates.

**8.4.3** Centrally commissioned premises and liability insurance is excluded from the requirements under 8.2 and 8.3 as the limitations envisaged may be impracticable for insurance purposes.