

Consultation on Schools and High Needs Funding 2018-19

Summary

Attached is a detailed consultation paper that explains the changes arising from the Government's implementation of a national funding formula for schools and high needs from 2018-19.

The main points are as follows:

Schools

From 2020-21 schools will receive their funding direct from the Government based on the national funding formula (NFF).

2018-19 and 2019-20 are transitional years in which the funding continues to be allocated to LAs. LAs may decide the extent to which they implement the NFF in distributing funding to their schools.

The funding to be allocated to LAs includes a 0.5% increase per pupil for all schools. It also places a 3% cap on per pupil increases for schools that would otherwise receive a higher increase. LAs do not have to apply either the 0.5% increase or the cap in allocating funding to its schools. Nor do they need to apply the new funding rates to the national funding factors in the two transitional years.

A comparison of Havering's current funding formula (used in 2017-18) and the NFF is at Appendix A. It increases substantially the funding allocated through additional needs factors (deprivation, EAL and prior attainment) but reduces the amounts allocated through pupil numbers and the lump sum.

The LA has estimated the funding it is to receive through the DSG Schools Block and has analysed the data from the October 2017 census which it will use to allocate final funding to schools in 2018-19.

A number of options have been modelled and discussed with the Schools Funding Forum based on applying various values for the funding. Three options are attached at Appendix B to show how the funding of school's would differ depending on whether the NFF is used or if, with some slight changes, Havering's current formula were to continue.

The LA's proposal is to apply the NFF in full (Option A) which will:

- Provide every school with a minimum of 0.5% increase per pupil
- Cap increases at 3% per pupil

- Reduce the funding ratio of primary: secondary funding from the current 1:1.134 to 1:1.31, closer to the national average of 1:1.29
- Meets the DFE requirement for 2019-20 (one year early) a minimum £3,500 per pupil to primary schools and £4,800 to secondary
- 39 primary schools will receive a 3% increase in funding per pupil; 11 will receive an increase between 0.5% and 3% and 11 will receive a 0.5% increase
- 3 secondary schools will receive a 3% increase in funding per pupil; 6 will receive an increase between 0.5% and 3% and 9 will receive a 0.5% increase

High Needs

A national funding formula (NFF) is to be implemented from 2018-19 to distribute high needs funding from central to local government. It is estimated that this will allocate an additional £1m to Havering but this is insufficient to meet a growing level of need in both the number of pupils and students with SEND requiring support and an increasing complexity of need.

The DFE is permitting a one-off transfer of up to 0.5% of the Schools Block in 2018-19 to the High Needs Block in recognition of these pressures. The LA, supported by the Schools Funding Forum is intending to transfer to the High Needs Block, £800k of funding that has been held centrally to support transition to the national funding formula. This will allow the LA to invest in more local provision and increase the funding allocated to schools that have pupils on roll with EHC plans. This and the additional funding to be received from the revised formula will be used to:

- fund an increase in the number of schools with additionally resourced provision;
- increase the hourly rate that schools receive for pupils with EHC plans above the £6,000 the school must fund;
- increase the funding to schools that have a disproportionately high numbers of pupils with EHC plans;
- increase the funding to support early years providers with children with SEND
- fund increasing complexity of need in special schools
- fund support to pupils with significant medical needs but no EHC plan
- fund local provision for post 19 students to reduce the costs of out of borough placements; and
- increase the number of places for alternative provision for secondary age pupils

Consultation on Schools and High Needs Funding 2018-19

Introduction

This consultation document sets out the proposals of Havering Local Authority for the funding of schools for the financial year 2018-19 following the Government's implementation of a national funding formula for schools and high needs.

Process

The consultation period will run until 11th December 2017.

A summary of responses to the consultation will be reported to the meeting of the Schools Funding Forum on 14 December and final decisions taken by the Local Authority in January before schools are issued with their funding.

Responding to the Consultation

Although the consultation paper is sent to all head teachers and Chairs of Governors, we would prefer to receive a single response from each school.

Any responses should be sent to:


School Finance Team
Children's Services
London Borough of Havering
Mercury House
Mercury Gardens
Romford
RM1 3DW

E-mail: education.finance@haverling.gov.uk

All responses should be returned by 11th December 2017.

Further Information

If you require any further information about any item included in the consultation paper please contact:

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 01708 433851
Email: david.allen@haverling.gov.uk

A National Funding Formula for Schools and High Needs

The Government launched its first stage consultation on a national funding formula for schools in March 2016 and the second stage in December 2016. In the first stage they set out seven objectives for a new formula. These were to introduce a formula that will:

- *Support opportunity.* Fundamentally, the funding system should support schools and local authorities to extend opportunity to all pupils to achieve their potential;
- *Be fair.* It should allocate funding to schools and local authorities on the basis of objective measures of the needs and characteristics of their pupils;
- *Be efficient.* It should support efficiency within schools and local authorities, and across the system as a whole;
- *Get funding straight to schools.* It should maximise the resources available for teaching and learning and enable head teachers and local authorities to achieve value for money;
- *Be transparent.* It should be easily understood and justified;
- *Be simple.* It should rationalise funding streams as far as possible; and
- *Be predictable.* It should ensure schools and local authorities can manage and plan for year on year changes.

Following on from the second stage consultation, and after the general election result in May, the government announced in July 2017 a number of changes to the proposals it had made for the new national funding formula including an additional £1.3 billion for schools and high needs in the two year period 2018-20.

Government Policy Documents, Impact Summaries and Technical Notes

The Government has released a number of documents, summary tables and technical notes on the operation of the national funding formula which for further reading can be found using the following links:

Executive Summary

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/648533/national_funding_formula_for_schools_and_high_needs-Exec_summary.pdf

Policy Document

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/648532/national_funding_formula_for_schools_and_high_needs-Policy_document.pdf

Allocation Tables and Technical Notes

<https://www.gov.uk/government/publications/national-funding-formula-tables-for-schools-and-high-needs>

Summary of the Changes

- 2018-19 and 2019-20 will be transitional years in which local authorities will receive an allocation of funding based on the national formula applied to schools' data. The local authority will continue to allocate funding to schools according to its local formula before funding is allocated direct to schools by the ESFA (Education, Skills and Funding Agency) from 2020-21 onwards.
- The Dedicated Schools Grant will be allocated to LAs in four "blocks":

Early Years
Schools
High Needs
Central School Services

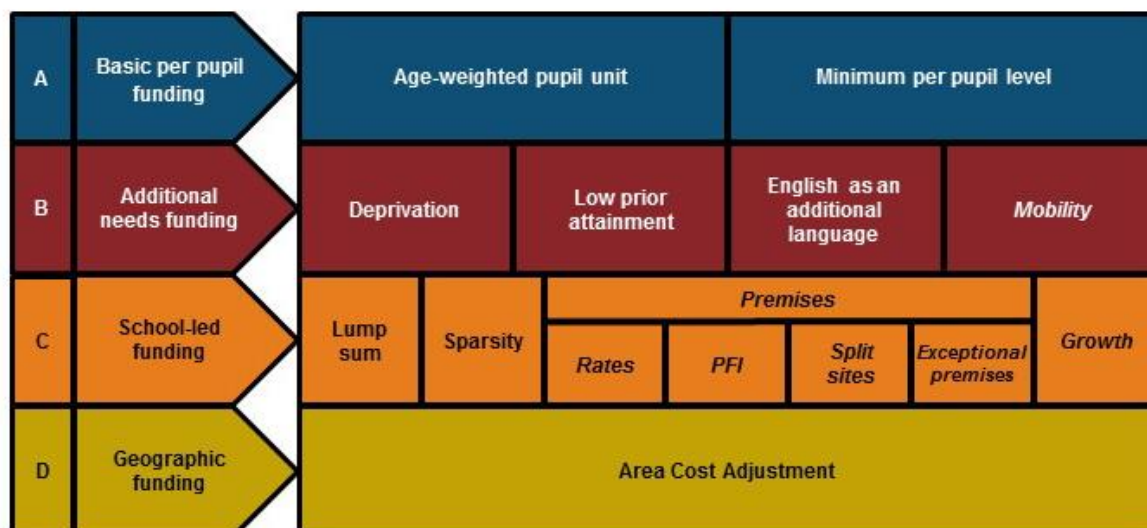
The Schools Block will be ring fenced; it can be used only for the purposes of funding schools.

- There will be a minimum per-pupil funding level of £4,800 for secondary schools and £3,500 for primary schools in 2019-20 with transitional levels of £4,600 and £3,300 in 2018-19. Per pupil funding already exceeds these amounts in all Havering schools.
- Allocations to local authorities will be on the basis of an increase of at least 0.5% per pupil in 2018-19, and at least 1% per pupil by 2019-20, compared to the per pupil baseline of their schools.

1. Schools Block

1.1 Schools NFF Building Blocks

The national funding formula will have a range of factors (per pupil, free school meals etc.) which will attract the same rates across the country adjusted for area costs to recognise the higher salary costs in London.



The headings in the diagram above that are written in italics will be added on to schools' funding formula allocations as appropriate from separate budgets held by the LA e.g. business rates. PFI, Split Sites and Exceptional Circumstances do not apply to schools in Havering.

The majority of the funding factors are those already used in Havering's current formula but the rates applied to them are different. Further information on the formula factors is provided below and a comparison of new and current funding rates.

1.2 Formula changes

The new funding rates (including ACA) and a comparison to the current, local formula rates are shown at Appendix A.

This demonstrates a shift away from basic per pupil funding and lump sums to better target additional needs in schools as defined by the data used in the factors.

Further information on each factor is provided below.

AWPU (Age-weighted pupil units) and Lump Sums

Lump sums and AWPU rates are significantly reduced against the current year particularly at primary and KS3. However, all schools will gain more through the additional needs factors depending on the level of deprivation and prior attainment data. The difference between losses through AWPU and lump sums and gains through additional needs factors will be moderated through either a minimum funding guarantee or a gains cap.

Free School Meals

Previously, LAs had the choice of using either a straight free school meals factor based on eligibility as at the October census or FSM Ever6 based on pupils on roll in January over the past six years, the same as the Pupil Premium Grant. Havering has used the former so the amount allocated through that factor in 2018-19 will be much less but with more funding allocated through the Ever6 data. Most Havering schools will benefit from this change in methodology in terms of the overall funding they receive through a Free Schools Meals factor.

LAC factor

The LAC (Looked After Children) factor has been removed. In Havering's formula, £1,000 has previously been allocated for each looked after child on roll.

The pupil premium for children adopted from local authority care or who have left care under a special guardianship or care order is to be increased from £1,900 to £2,300.

IDACI (Income Deprivation Affecting Children index)

The rates applied to IDACI factors (other than the most deprived levels A and B - where there are relatively fewer pupils in Havering) are increasing and the introduction of a funding rate for a lower level deprivation indicator, Level F will benefit most schools as deprivation funding has not been allocated previously for these pupils.

Prior attainment

Funding rates for prior attainment will more than double against Havering's current rates. The Government has considered research that shows that a pupil's prior attainment is the strongest predictor of their likely later attainment and is therefore targeting increased funding to schools through this factor.

For primary schools funding will be allocated through this factor for pupils who did not reach the expected level of development at foundation stage.

For secondary schools funding will be allocated for pupils who did not achieve the expected level at key stage 2 in one or more of reading or writing or mathematics.

EAL factor

EAL funding is also more than doubled and will be allocated based on the number of pupils recorded on the October census as having entered state education in England during the last three years, and having been exposed to a mother tongue other than English.

1.3 Havering's funding allocation for 2018-19

In determining Schools Block funding to LAs for 2018-19 the DFE has provided indicative figures by aggregating the total funding that would be allocated to schools if the NFF were applied to October 2016 data and divided it by the number of pupils in each mainstream sector. This has produced a unit of funding for primary and secondary of £4,004.60 and £5,474.26 respectively.

For final allocations in 2018-19 these units of funding will be applied to the number of pupils from the October 2017 census to calculate the amount the LA will receive. To this will be added funding for business rates, pupil mobility, pupil growth and falling rolls based on historic spend.

From that overall Schools Block total the LA must allocate funding through a local formula which in the two transitional years may or may not be similar to the NFF.

Verified data based on the October 2017 census data will not be received by LAs from the DFE until mid-December so Havering's financial modelling is based on raw, unverified data extracted locally from the October 2017 census. The figures in the modelling options should not therefore be considered as the final funding that schools will receive in 2018-19.

1.4 Funding formula options 2018-19

Attached at Appendix B are three options for the formula to be used in Havering in 2018-19. The LA is proposing to adopt the NFF in full (Option A) but is consulting with schools before final decisions are made. Local Authorities may continue to use a minimum funding guarantee (MFG) of between -1.5% and + 0.5% and all three options propose a minimum + 0.5% per pupil increase for all schools.

The 3 options are as follows:

Option A – Full implementation of the NFF funding rates (plus ACA) as shown in Appendix A.

MFG 0.5%, Gains cap 3%, Primary:Secondary ratio 1:1.31

Option B – Current funding rates (the 2017-18 rates in Appendix A) except for IDACI which are the NFF rates and with no funding allocated through FSM Ever6.

MFG 0.5%, Gains cap 3%, Primary:Secondary ratio 1:1.36

Option C – Current funding rates (the 2017-18 rates in Appendix A) except for a lower FSM rate and using the FSM Ever6 factor but at a rate that is higher than the NFF rate. .

MFG 0.5%, Gains cap 3%, Primary:Secondary ratio 1:1.34

The figures shown include business rates which are added onto the sums allocated through the formula and any funding due through pupil mobility. Pupil mobility funding is allocated on the basis of the number of pupils who entered a school during the last three academic years, but did not start in September (or January for reception pupils). Funding is only allocated above a 10% threshold, based on the proportion above the threshold (for example, a school with 12% mobility, will attract pupil mobility funding for 2% of pupils).

LAs must also take into account the requirement to fund estimated pupil numbers in new schools that have opened in the last seven years and have not yet reached their full number of year groups. Havering has two such schools so will be required to fund pupils numbers that are in addition to the October 2017 census for which no funding will be received. The Schools Block will therefore need to be spread a little more thinly but this has been contained within the overall Schools Block and has not affected the ability to fully apply the NFF funding rates.

1.5 Other schools block funding

Other than the funding to be distributed to schools through the formula, funding has been included within Havering's Schools Block allocation to support pupil growth (£2.7m) good and outstanding schools with falling rolls (£0.4m), a continuation of the budget to support school partnerships (£0.2m) and historical commitments (£0.08m).

1.6 De- delegation

As in previous years, deducted from the budgets of LA maintained schools will be funding for centrally retained services as follows:

EAL Service
Attendance & Behaviour
Maternity Insurance
General Insurance
Trade Union Facility Time
FSM eligibility checking service
Contingency for schools in financial difficulty

In 2018-19 there is an additional amount that will be deducted relating to the cost of the LA's central services. This relates to the loss of Education Services Grant (ESG) to the LA. LAs provide a range of functions for LA maintained schools that it does not provide for academies that have previously been funded from ESG. These include: budgeting and accounting, closure of accounts, audit, HR and pensions administration, asset management and monitoring of the national curriculum assessment. The DFE finance regulations now permit the LA to pass these costs on to LA maintained schools so there is consistency between all schools and academies in meeting the costs of these functions. This will amount to an additional charge of £19.89 per pupil to every maintained school.

2. High Needs Block

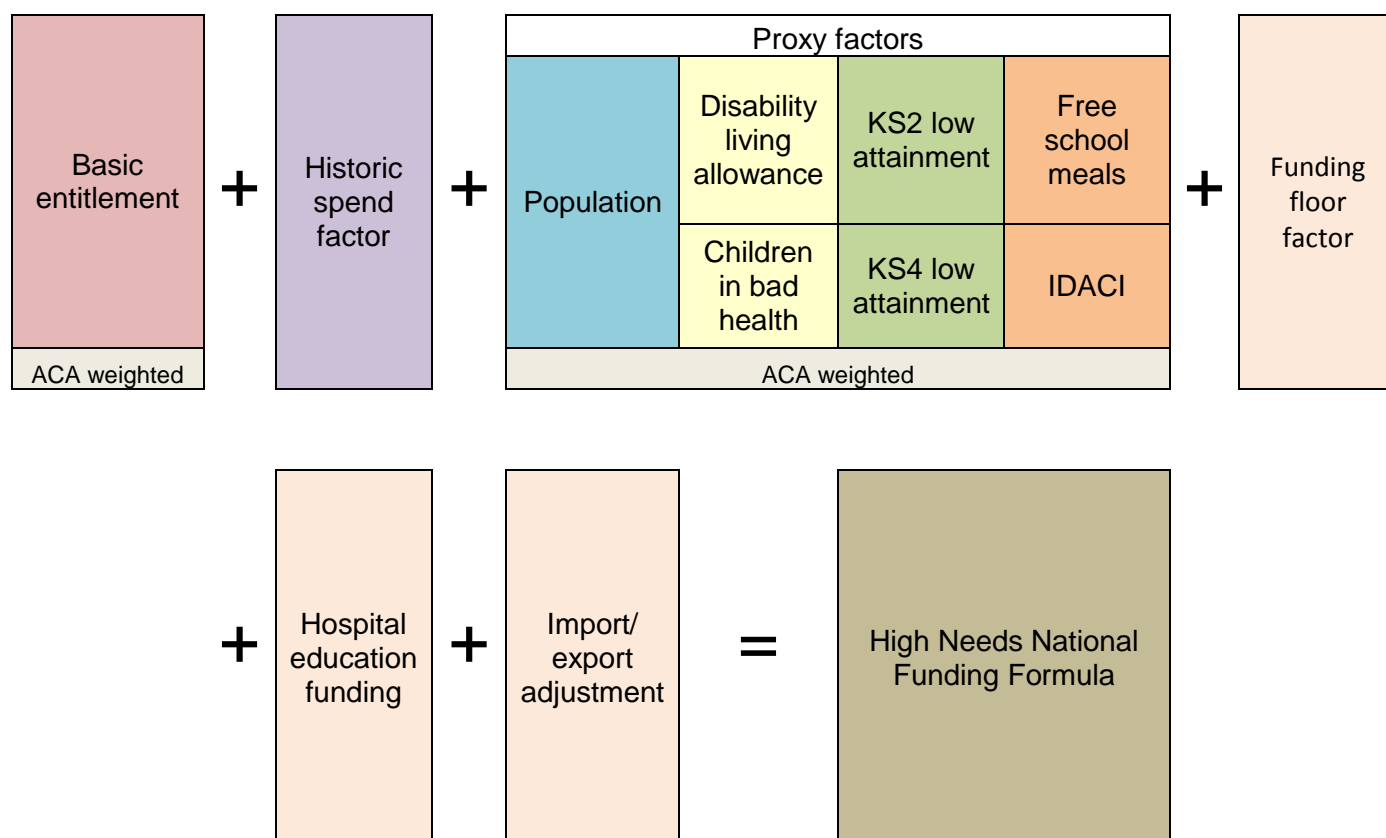
2.1 High Needs NFF

The DFE's current methodology for allocating High Needs funding to local authorities is based on spending patterns of over 10 years ago with no meaningful increases in spite of a growing need for provision and an increase in the level of complexity of need.

Following consultation, a national funding formula is to be implemented from 2018-19. All LAs will receive at least a 0.5% increase in their High Needs allocations with higher increases capped at 3%. Without the cap, Havering would have received 8.2%.

Havering's indicative allocation calculated from all of the funding factors above is £24,443,581 (before the transfer out of funding to academies, colleges etc.) but this is reduced to £23,389,265 by the 3% gains cap. It is, however an additional £1,012,000 on the High Needs block funding in 2017-18.

The revised formula to LAs is as follows:



Basic entitlement

This is set at £4,000 + ACA (the area cost adjustment) for pupils in special schools and special academies. For Havering the indicative allocation is based on 313 pupils recorded on the October 2016 census. This will be updated for the October 2017 census for the final allocation in 2018-19.

Historic spend factor

This factor allocates 50% of the overall funding available for distribution nationally. This to provide every local authority with an amount based on existing high needs to minimise any disruption to existing provision. Havering will receive £10.6m through this factor.

Proxy factors

The remainder of the High Needs Block (£2.7 billion nationally) is to be distributed through the proxy factors as follows:

Population

50% of the allocation through proxy factors is to be on the basis of 2-18 population projections for 2018 from the Office for National Statistics. Havering will receive £6.8m through this factor which will increase each year as the pupil population increases.

Deprivation

The Free School Meal factor and IDACI (Income deprivation affecting children index) will each allocate 10% of the total funding. Havering's indicative allocation is £1.2m and £1.3m respectively.

Low attainment

Funding based on KS2 and KS4 attainment accounts for 7.5% each of the total funding. Havering's indicative allocation is £731k and £846k respectively.

The funding for KS2 low attainment is based on the number of children not achieving level 3 or above in KS2 tests and not attaining a scaled score in 2016.

The funding for KS4 low attainment is based on the number of children not achieving 5+ A* to G GCSEs in 2012-16.

Health and disability

A total of 15% of the available funding will be allocated based on data from the 2011 population census of children in bad health and the number of children aged 0-16 for which parents receive a Disabled Living Allowance as at November 2016. Havering's indicative allocations through these factors are £903k and £882k respectively.

Funding Floor

The funding floor factor protection is calculated on a per head of population basis, ensuring that every local authority receives at least a 0.5% increase per head. Havering receives the 0.5% increase plus an additional 2.5% to meet the level of the 3% cap.

Import/export adjustment

Because the funding allocated through the factors above relate to the resident pupil population, local authorities face higher costs if they attract more pupils with high needs from outside the local authority area into schools and college places that they fund (imports). Conversely, authorities that export pupils to other local authorities face lower costs. Havering's indicative funding assumes a net export of 45 pupils which at £6,000 per pupil equates to a reduction of £270,000.

Hospital education factor

This factor adds funding to those authorities with planned spending on hospital education. Havering's allocation of £78k relates to the provision at Queens Hospital.

3% gains cap

The national formula, as well as ensuring that all authorities gain by 0.5% per head of pupil population, applies a gains cap to those that would have otherwise gained by more than 3%.

2.2 High Needs Pressures

In 2016-17, 26 out of 31 London boroughs overspent their High Needs allocation and there is a growing gap between the cost of provision and the funding allocated.

Havering did not overspend in 2016-17 although £1.4m was transferred from other funding blocks to mitigate the forecast overspend. Without that transfer, Havering would have also overspent.

Havering is finalising a review of its High Needs Strategy including the allocation of resources and it is clear that even with the additional funding from the revised formula allocation there will be insufficient to meet the projected costs in 2018-19 and future years. A breakdown of funding pressures in 2018-19 is attached at Appendix C.

In 2018-19 there is a one off opportunity to transfer 0.5% of an LA's Schools Block funding to the High Needs Block which requires the approval of LAs' Schools Forums based on evidence produced by the LA. Havering LA considers that this transfer of £800k (below the 0.5% limit) is necessary to meet the increasing costs of high needs provision in the borough and has received the support of the Schools Funding Forum.

This transfer will, however, have no impact on the funding that schools will receive through the formula for 2018-19 as the £800,000 will be replaced in the Schools Block by an unallocated amount from previous years' DSG underspends that the Schools Funding Forum has agreed may be retained to support the transition to the NFF.

The LA considers that this is an appropriate use of this transition contingency as it enables the LA to make some important changes to the funding of local provision specifically in support of schools that have a more inclusive ethos and attract a disproportionately high number of pupils with special educational needs. The LA is in the process of refreshing its High Needs Strategy which recognises the value of local, good quality provision and the additional £800k along with an anticipated increase in the 2018-19 funding to Havering through the revised formula distribution will support the implementation of these strategic objectives.

3. Central School Services Block

This new funding block is to fund provision that was previously allocated as part of the Schools Block and a central Education Service Grant to local authorities.

From 2018-19 funding for ongoing allocations will be made on the basis of national formula as shown below. As a result Havering's allocation will be reduced by £26,790 based on DFE indicative figures. Because of the increase in pupil numbers in Havering, the actual reduction is likely to be less in the final allocation of funding through this block.

Allocations for historic commitments will remain unchanged in 2018-19 and the DFE will be monitoring expenditure with the expectation that funding will reduce each year.

Havering's indicative allocation is as follows:

	Current allocation £
ESG for retained duties of the LA	589,000
School Admissions	499,734
National copyright licences	164,521
Schools Forum Servicing	43,250
Total	1,296,505

National Funding rates	£	Data	Actual allocation £
Per pupil rate	31.95	36,112	1,153,948
Deprivation rate	13.29	8,712	115,788
Total			1,269,736

Reduction	26,769
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Historic Commitments	£	£
School Partnership Fund	200,000	200,000
Energy conservation	87,490	87,490
Total	287,490	287,490

Allocation	1,583,995	1,557,226
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Appendix A

Comparison of current LBH funding rates with the new NFF rate

	2017-18 LBH rates	2018-19 national rates	ACA @ 1.08204	Lower	%	Higher	%
AWPU (Primary)	3,079.06	2,747.00	2,972.36	-106.70	-3%		
AWPU (KS3)	4,547.03	3,863.00	4,179.92	-367.11	-8%		
AWPU (KS4)	4,745.43	4,386.00	4,745.83	0.40	0%		
Ever6 FSM (Primary)	0.00	540.00	584.30			584.30	100%
Ever6 FSM (Secondary)	0.00	785.00	849.40			849.40	100%
FSM (Primary)	1,252.32	440.00	476.10	-776.22	-62%		
FSM (Secondary)	2,260.66	440.00	476.10	-1,784.56	-79%		
IDACI F (Primary)	0.00	200.00	216.41			216.41	100%
IDACI E (Primary)	125.00	240.00	259.69			134.69	108%
IDACI D (Primary)	275.00	360.00	389.53			114.53	42%
IDACI C (Primary)	275.00	390.00	422.00			147.00	53%
IDACI B (Primary)	630.00	420.00	454.46	-175.54	-28%		
IDACI A (Primary)	645.00	575.00	622.17	-22.83	-4%		
IDACI F (Secondary)	0.00	290.00	313.79			313.79	100%
IDACI E (Secondary)	125.00	390.00	422.00			297.00	238%
IDACI D (Secondary)	275.00	515.00	557.25			281.66	102%
IDACI C (Secondary)	275.00	560.00	605.94			282.66	103%
IDACI B (Secondary)	630.00	600.00	649.22			18.54	3%
IDACI A (Secondary)	645.00	810.00	876.45			230.53	36%
LAC	1,000.00	0.00	0.00	-1,000.00	-100%		
Low Attainment (Primary)	489.22	1,050.00	1,136.14			646.92	132%
Low Attainment (Secondary)	802.89	1,550.00	1,677.16			874.27	109%
EAL (Primary)	232.67	515.00	557.25			324.58	140%
EAL (Secondary)	734.73	1,385.00	1,498.63			763.90	104%
Lump Sum (Primary)	150,000.00	110,000.00	119,024.40	-30,975.60	-21%		
Lump Sum (Secondary)	175,000.00	110,000.00	119,024.40	-55,975.60	-32%		

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Appendix B.1

Schools Funding Options for 2018-19

				Key			Option A	Option B	Option C
				Within Cap and MFG threshold	MFG	CAP			
	Status	Pupil Number change	Baseline - 2017/18				NFF (no LAC), Gains cap at NFF level of 3% & MFG of 0.5%	2017-18 formula continued with gains cap at NFF level of 3% & MFG of 0.5% and revised rates for IDACI	2017-18 formula continued with gains cap at NFF level of 3% & MFG of 0.5% and revised rates for FSM abnd Ever6
		358					169,393,220	169,380,239	169,392,005
Primary Phase - Infant 1	Maintained	-1	1,069,347				1,070,529	1,070,489	1,070,489
Primary Phase - Infant 2	Maintained	16	1,112,497				1,201,489	1,198,641	1,198,641
Primary Phase - Infant 3	Academy	0	881,060				903,802	884,695	902,872
Primary Phase - Infant 4	Maintained	-8	876,241				870,086	870,344	870,344
Primary Phase - Infant 5	Maintained	-14	1,491,315				1,480,691	1,465,547	1,462,476
Primary Phase - Infant 6	Academy	1	1,069,481				1,077,824	1,077,551	1,078,250
Primary Phase - Infant 7	Maintained	-13	1,105,833				1,085,537	1,083,238	1,071,924
Primary Phase - Infant 8	Maintained	-8	1,086,263				1,085,663	1,085,682	1,085,682
Primary Phase - Infant 9	Maintained	-1	813,244				812,798	812,818	815,640
Primary Phase - Infant 10	Maintained	2	1,064,672				1,076,200	1,075,814	1,075,813
Primary Phase - Infant 11	Academy	0	1,027,623				1,032,140	1,031,986	1,032,361
Primary Phase - Infant 12	Maintained	26	799,328				900,458	910,644	906,061
Primary Phase - Junior 1	Maintained	-3	1,346,812				1,372,681	1,372,014	1,372,014
Primary Phase - Junior 2	Maintained	-8	1,361,066				1,368,589	1,368,398	1,368,398
Primary Phase - Junior 3	Academy	0	1,125,674				1,155,738	1,130,530	1,154,808
Primary Phase - Junior 1	Academy	-22	1,174,733				1,132,572	1,133,816	1,133,816
Primary Phase - Junior 5	Maintained	9	1,763,658				1,844,654	1,838,950	1,843,111
Primary Phase - Junior 6	Academy	16	1,122,386				1,196,310	1,199,457	1,207,070
Primary Phase - Junior 7	Maintained	12	1,241,824				1,317,146	1,315,021	1,315,021
Primary Phase - Junior 8	Maintained	-8	1,375,731				1,384,857	1,384,629	1,384,629
Primary Phase - Junior 9	Maintained	-3	1,032,485				1,048,340	1,043,801	1,047,799
Primary Phase - Junior 10	Maintained	48	1,144,470				1,341,087	1,330,334	1,335,001
Primary Phase - Junior 11	Academy	0	1,291,479				1,307,094	1,325,570	1,325,571

				Option A	Option B	Option C
	Status	Pupil Number change	Baseline - 2017/18	NFF (no LAC), Gains cap at NFF level of 3% & MFG of 0.5%	2017-18 formula continued with gains cap at NFF level of 3% & MFG of 0.5% and revised rates for IDACI	2017-18 formula continued with gains cap at NFF level of 3% & MFG of 0.5% and revised rates for FSM abnd Ever6
Primary Phase - Junior 12	Maintained	-7	961,486	961,244	961,253	961,254
Primary Phase - Primary 1	Academy	6	1,529,758	1,593,063	1,591,667	1,586,233
Primary Phase - Primary 2	Maintained	4	864,412	900,932	899,375	892,856
Primary Phase - Primary 3	Maintained	2	1,977,579	1,999,744	2,016,715	2,009,315
Primary Phase - Primary 4	Maintained	29	2,184,916	2,317,844	2,315,796	2,315,796
Primary Phase - Primary 5	Maintained	5	2,466,402	2,554,205	2,541,911	2,553,017
Primary Phase - Primary 6	Academy	56	298,734	537,964	520,239	498,667
Primary Phase - Primary 7	Maintained	-11	2,435,918	2,462,587	2,462,226	2,462,226
Primary Phase - Primary 8	Maintained	-5	496,108	479,273	480,659	484,396
Primary Phase - Primary 9	Academy	69	534,823	818,552	797,415	797,415
Primary Phase - Primary 10	Maintained	13	1,521,226	1,610,474	1,603,296	1,608,405
Primary Phase - Primary 11	Maintained	1	2,244,905	2,310,777	2,282,755	2,284,766
Primary Phase - Primary 12	Maintained	9	1,680,231	1,757,077	1,747,881	1,750,419
Primary Phase - Primary 13	Maintained	45	1,465,867	1,650,024	1,633,391	1,639,323
Primary Phase - Primary 14	Maintained	15	1,626,318	1,727,296	1,687,855	1,712,909
Primary Phase - Primary 15	Maintained	28	1,994,095	2,140,702	2,109,848	2,137,644
Primary Phase - Primary 16	Academy	-48	2,004,342	1,882,169	1,884,225	1,884,225
Primary Phase - Primary 17	Maintained	-2	2,645,279	2,710,711	2,651,290	2,709,885
Primary Phase - Primary 18	Maintained	15	1,819,125	1,923,105	1,920,591	1,921,135
Primary Phase - Primary 19	Maintained	-1	861,553	880,058	879,282	879,282
Primary Phase - Primary 20	Maintained	18	2,563,067	2,710,736	2,647,942	2,708,825
Primary Phase - Primary 21	Maintained	3	1,670,247	1,707,733	1,703,249	1,714,913
Primary Phase - Primary 22	Maintained	11	1,634,167	1,724,475	1,689,376	1,722,584
Primary Phase - Primary 23	Academy	20	1,176,312	1,287,893	1,272,925	1,283,437
Primary Phase - Primary 24	Maintained	16	2,195,063	2,313,959	2,292,914	2,309,176
Primary Phase - Primary 25	Academy	9	2,020,724	2,113,733	2,112,210	2,112,210
Primary Phase - Primary 26	Maintained	-14	1,831,575	1,826,080	1,817,789	1,826,182
Primary Phase - Primary 27	Maintained	29	1,157,932	1,261,768	1,264,136	1,265,160
Primary Phase - Primary 28	Maintained	-2	871,056	875,444	884,813	880,934
Primary Phase - Primary 29	Maintained	-8	2,256,055	2,291,584	2,291,066	2,291,066
Primary Phase - Primary 30	Maintained	-2	1,517,101	1,517,493	1,517,485	1,525,621
Primary Phase - Primary 31	Maintained	-2	1,545,191	1,580,822	1,567,219	1,554,919
Primary Phase - Primary 32	Maintained	-2	1,473,004	1,506,225	1,495,409	1,491,091
Primary Phase - Primary 33	Maintained	33	1,030,449	1,173,254	1,168,382	1,168,381
Primary Phase - Primary 34	Maintained	50	1,017,931	1,223,248	1,218,512	1,218,512
Primary Phase - Primary 35	Maintained	-4	1,290,700	1,308,896	1,294,477	1,301,613
Primary Phase - Primary 36	Maintained	38	1,638,214	1,832,210	1,811,670	1,816,132
Primary Phase - Primary 37	Maintained	38	1,145,412	1,308,753	1,310,946	1,308,612

				Option A	Option B	Option C
	Status	Pupil Number change	Baseline - 2017/18	NFF (no LAC), Gains cap at NFF level of 3% & MFG of 0.5%	2017-18 formula continued with gains cap at NFF level of 3% & MFG of 0.5% and revised rates for IDACI	2017-18 formula continued with gains cap at NFF level of 3% & MFG of 0.5% and revised rates for FSM abnd Ever6
Secondary Phase - Secondary 1	Academy	-12	4,292,988	4,253,260	4,349,676	4,303,703
Secondary Phase - Secondary 2	Academy	-53	4,386,798	4,213,600	4,209,671	4,206,271
Secondary Phase - Secondary 3	Academy	7	4,701,008	4,757,499	4,816,338	4,783,593
Secondary Phase - Secondary 4	Academy	48	5,769,032	6,109,965	6,106,563	6,106,563
Secondary Phase - Secondary 5	Academy	24	4,986,780	5,131,831	5,144,566	5,166,387
Secondary Phase - Secondary 6	Maintained	-56	2,681,340	2,447,997	2,462,778	2,462,778
Secondary Phase - Secondary 7	Academy	16	4,877,704	4,981,544	5,004,521	4,998,941
Secondary Phase - Secondary 8	Academy	-7	5,121,316	5,206,626	5,231,312	5,182,442
Secondary Phase - Secondary 9	Maintained	8	4,539,704	4,603,178	4,683,609	4,659,819
Secondary Phase - Secondary 10	Academy	28	4,206,777	4,380,412	4,378,021	4,378,021
Secondary Phase - Secondary 11	Academy	-3	3,161,302	3,161,524	3,206,694	3,180,627
Secondary Phase - Secondary 12	Maintained	28	3,355,588	3,521,925	3,565,663	3,537,866
Secondary Phase - Secondary 13	Academy	-130	5,023,110	4,469,988	4,476,343	4,476,343
Secondary Phase - Secondary 14	Academy	-32	4,466,171	4,419,008	4,420,956	4,383,611
Secondary Phase - Secondary 15	Academy	-42	4,822,366	4,722,030	4,723,231	4,714,843
Secondary Phase - Secondary 16	Academy	12	3,771,071	3,848,340	3,915,203	3,887,161
Secondary Phase - Secondary 17	Academy	21	5,772,987	6,038,013	6,049,745	6,039,519
Secondary Phase - Secondary 18	Academy	6	3,228,775	3,278,082	3,277,190	3,277,190

Consultation on Schools and High Needs Funding 2018-19

Appendix B.2

Schools Funding Options for 2018-19 - number of schools in each % increase banding

					Key		
					Within Cap and MFG threshold		
					MFG		
					CAP		
School Type and Phase	Status	Pupil Number change	Baseline - 2017/18		Option A	Option B 2017-18 formula continued with gains cap at NFF level of 3% & MFG of 0.5% and revised rates for IDACI	Option C 2017-18 formula continued with gains cap at NFF level of 3% & MFG of 0.5% and revised rates for FSM abnd Ever6
		358			169,393,220	169,380,239	169,392,005
Primary Phase - Infant 1	Maintained	-1	1,069,347		1,070,529	1,070,489	1,070,489
Primary Phase - Infant 6	Academy	1	1,069,481		1,077,824	1,077,551	1,078,250
Primary Phase - Infant 9	Maintained	-1	813,244		812,798	812,818	815,640
Primary Phase - Infant 10	Maintained	2	1,064,672		1,076,200	1,075,814	1,075,813
Primary Phase - Infant 11	Academy	0	1,027,623		1,032,140	1,031,986	1,032,361
Primary Phase - Primary 4	Maintained	29	2,184,916		2,317,844	2,315,796	2,315,796
Primary Phase - Primary 6	Academy	56	298,734		537,964	520,239	498,667
Primary Phase - Primary 8	Maintained	-5	496,108		479,273	480,659	484,396
Primary Phase - Primary 9	Academy	69	534,823		818,552	797,415	797,415
Primary Phase - Primary 27	Maintained	29	1,157,932		1,261,768	1,264,136	1,265,160
Primary Phase - Primary 30	Maintained	-2	1,517,101		1,517,493	1,517,485	1,525,621
Secondary Phase - Secondary 1	Academy	-12	4,292,988		4,253,260	4,349,676	4,303,703
Secondary Phase - Secondary 3	Academy	7	4,701,008		4,757,499	4,816,338	4,783,593
Secondary Phase - Secondary 4	Academy	48	5,769,032		6,109,965	6,106,563	6,106,563
Secondary Phase - Secondary 5	Academy	24	4,986,780		5,131,831	5,144,566	5,166,387
Secondary Phase - Secondary 7	Academy	16	4,877,704		4,981,544	5,004,521	4,998,941
Secondary Phase - Secondary 10	Academy	28	4,206,777		4,380,412	4,378,021	4,378,021
Secondary Phase - Secondary 11	Academy	-3	3,161,302		3,161,524	3,206,694	3,180,627
Secondary Phase - Secondary 12	Maintained	28	3,355,588		3,521,925	3,565,663	3,537,866
Secondary Phase - Secondary 16	Academy	12	3,771,071		3,848,340	3,915,203	3,887,161
Primary Phase - Infant 12	Maintained	26	799,328		900,458	910,644	906,061
Primary Phase - Junior 6	Academy	16	1,122,386		1,196,310	1,199,457	1,207,070
Primary Phase - Junior 11	Academy	0	1,291,479		1,307,094	1,325,570	1,325,571
Primary Phase - Primary 3	Maintained	2	1,977,579		1,999,744	2,016,715	2,009,315
Primary Phase - Primary 13	Maintained	45	1,465,867		1,650,024	1,633,391	1,639,323
Primary Phase - Primary 15	Maintained	28	1,994,095		2,140,702	2,109,848	2,137,644

School Type and Phase	Status	Pupil Number change	Baseline - 2017/18	Option A	Option B 2017-18 formula continued with gains cap at NFF level of 3% & MFG of 0.5% and revised rates for IDACI	Option C 2017-18 formula continued with gains cap at NFF level of 3% & MFG of 0.5% and revised rates for FSM abnd Ever6
				NFF (no LAC), Gains cap at NFF level of 3% & MFG of 0.5%		
		358		169,393,220	169,380,239	169,392,005
Primary Phase - Primary 21	Maintained	3	1,670,247	1,707,733	1,703,249	1,714,913
Primary Phase - Primary 28	Maintained	-2	871,056	875,444	884,813	880,934
Primary Phase - Primary 34	Maintained	50	1,017,931	1,223,248	1,218,512	1,218,512
Primary Phase - Primary 35	Maintained	-4	1,290,700	1,308,896	1,294,477	1,301,613
Primary Phase - Primary 37	Maintained	38	1,145,412	1,308,753	1,310,946	1,308,612
Secondary Phase - Secondary 6	Maintained	-56	2,681,340	2,447,997	2,462,778	2,462,778
Secondary Phase - Secondary 8	Academy	-7	5,121,316	5,206,626	5,231,312	5,182,442
Secondary Phase - Secondary 9	Maintained	8	4,539,704	4,603,178	4,683,609	4,659,819
Secondary Phase - Secondary 14	Academy	-32	4,466,171	4,419,008	4,420,956	4,383,611
Secondary Phase - Secondary 17	Academy	21	5,772,987	6,038,013	6,049,745	6,039,519
Secondary Phase - Secondary 18	Academy	6	3,228,775	3,278,082	3,277,190	3,277,190
Primary Phase - Infant 2	Maintained	16	1,112,497	1,201,489	1,198,641	1,198,641
Primary Phase - Infant 3	Academy	0	881,060	903,802	884,695	902,872
Primary Phase - Infant 4	Maintained	-8	876,241	870,086	870,344	870,344
Primary Phase - Infant 5	Maintained	-14	1,491,315	1,480,691	1,465,547	1,462,476
Primary Phase - Infant 7	Maintained	-13	1,105,833	1,085,537	1,083,238	1,071,924
Primary Phase - Infant 8	Maintained	-8	1,086,263	1,085,663	1,085,682	1,085,682
Primary Phase - Junior 1	Maintained	-3	1,346,812	1,372,681	1,372,014	1,372,014
Primary Phase - Junior 2	Maintained	-8	1,361,066	1,368,589	1,368,398	1,368,398
Primary Phase - Junior 3	Academy	0	1,125,674	1,155,738	1,130,530	1,154,808
Primary Phase - Junior 1	Academy	-22	1,174,733	1,132,572	1,133,816	1,133,816
Primary Phase - Junior 5	Maintained	9	1,763,658	1,844,654	1,838,950	1,843,111
Primary Phase - Junior 7	Maintained	12	1,241,824	1,317,146	1,315,021	1,315,021
Primary Phase - Junior 8	Maintained	-8	1,375,731	1,384,857	1,384,629	1,384,629
Primary Phase - Junior 9	Maintained	-3	1,032,485	1,048,340	1,043,801	1,047,799
Primary Phase - Junior 10	Maintained	48	1,144,470	1,341,087	1,330,334	1,335,001
Primary Phase - Junior 12	Maintained	-7	961,486	961,244	961,253	961,254
Primary Phase - Primary 1	Academy	6	1,529,758	1,593,063	1,591,667	1,586,233
Primary Phase - Primary 2	Maintained	4	864,412	900,932	899,375	892,856
Primary Phase - Primary 5	Maintained	5	2,466,402	2,554,205	2,541,911	2,553,017
Primary Phase - Primary 7	Maintained	-11	2,435,918	2,462,587	2,462,226	2,462,226
Primary Phase - Primary 10	Maintained	13	1,521,226	1,610,474	1,603,296	1,608,405
Primary Phase - Primary 11	Maintained	1	2,244,905	2,310,777	2,282,755	2,284,766
Primary Phase - Primary 12	Maintained	9	1,680,231	1,757,077	1,747,881	1,750,419
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Primary Phase - Primary 16	Academy	-48	2,004,342	1,882,169	1,884,225	1,884,225
Primary Phase - Primary 17	Maintained	-2	2,645,279	2,710,711	2,651,290	2,709,885

School Type and Phase	Status	Pupil Number change	Baseline - 2017/18	Option A	Option B 2017-18 formula continued with gains cap at NFF level of 3% & MFG of 0.5% and revised rates for IDACI	Option C 2017-18 formula continued with gains cap at NFF level of 3% & MFG of 0.5% and revised rates for FSM abnd Ever6
				NFF (no LAC), Gains cap at NFF level of 3% & MFG of 0.5%		
		358		169,393,220	169,380,239	169,392,005
Primary Phase - Primary 18	Maintained	15	1,819,125	1,923,105	1,920,591	1,921,135
Primary Phase - Primary 19	Maintained	-1	861,553	880,058	879,282	879,282
Primary Phase - Primary 20	Maintained	18	2,563,067	2,710,736	2,647,942	2,708,825
Primary Phase - Primary 22	Maintained	11	1,634,167	1,724,475	1,689,376	1,722,584
Primary Phase - Primary 23	Academy	20	1,176,312	1,287,893	1,272,925	1,283,437
Primary Phase - Primary 24	Maintained	16	2,195,063	2,313,959	2,292,914	2,309,176
Primary Phase - Primary 25	Academy	9	2,020,724	2,113,733	2,112,210	2,112,210
Primary Phase - Primary 26	Maintained	-14	1,831,575	1,826,080	1,817,789	1,826,182
Primary Phase - Primary 29	Maintained	-8	2,256,055	2,291,584	2,291,066	2,291,066
Primary Phase - Primary 31	Maintained	-2	1,545,191	1,580,822	1,567,219	1,554,919
Primary Phase - Primary 32	Maintained	-2	1,473,004	1,506,225	1,495,409	1,491,091
Primary Phase - Primary 33	Maintained	33	1,030,449	1,173,254	1,168,382	1,168,381
Primary Phase - Primary 36	Maintained	38	1,638,214	1,832,210	1,811,670	1,816,132
Secondary Phase - Secondary 2	Academy	-53	4,386,798	4,213,600	4,209,671	4,206,271
Secondary Phase - Secondary 13	Academy	-130	5,023,110	4,469,988	4,476,343	4,476,343
Secondary Phase - Secondary 15	Academy	-42	4,822,366	4,722,030	4,723,231	4,714,843

Consultation on Schools and High Needs Funding 2018-19**Appendix C****High Needs Cost Pressures**

	FY 2018-19	FY 2019-20
1 New special free school for ASD/SEMH		
60 places		
£10,000 place funding from ESFA		
LA funds top up		
Expected opening September 2019 but with reduced place number		
Part year - Top up at £25k per pupil x 60 pupils x 7/12	0	875,000
2 Increased number of ARPs		
12 places per ARP		
2 per year - opening September		
Part year - £10k per place plus £6k top up x 12 places x 2 ARPs x 7/12	224,000	
Full year - £10k per place plus £6k top up x 12 places x 2 ARPs x 12/12		384,000
Part year - £10k per place plus £6k top up x 12 places x 2 ARPs x 7/12		224,000
3 Increase in hourly rate for top up payments to schools		
Current hourly rate is £12.67. Increase to £14.		
Top up funding will therefore be for more than 11 hours rather than 12		
Estimated cost	570,000	570,000
Pupils taking in disproportionately high number of children with SEND		
4		
Current funding is £176k		
Allocate an additional £100k	100,000	100,000
5 Early Years additional funding		
Currently £50k from Early Yrs + £50k from High Needs		
Doubled from April 2018	50,000	50,000
6 Support for pupils with medical needs		
Pupils with no EHCP but requiring high levels of support	50,000	50,000
7 Special School Matrix Funding		
The increasing complexity of need is likely to place pupils on the higher matrix funding levels		
Assume 9 pupils per school on higher levels		
9 pupils x 3 schools x £20k	540,000	540,000

8 Post 19 provision		
Additional costs of students moving to post 19		
Assume funding for 10 students for Routes4Life		
10 students x £20k per place x 7/12	116,667	
10 students x £20k per place x 12/12		200,000
9 Additional Alternative Provision (KS3 &4)		
Increase in provision for pupils at risk of permanent exclusion		
10 places at £18k per place	180,000	180,000
Total	1,830,667	3,173,000
Funding sources		
	FY 2018-19	FY 2019-20
1 Additional funding through High Needs settlement		
Based on indicative settlement	1,020,000	2,040,000
2 Proposed transfer from Schools Block to High Needs	800,000	0
3 Reduction in external placement costs (estimate)	150,000	500,000
Total	1,970,000	2,540,000
Contingency for growth (2018-19)	139,333	
Further savings to be identified (2019-20)		-633,000

Consultation on Schools and High Needs Funding 2018-19 - Response

School name:

Section 1 sets out the operational arrangements for the Schools Block including options for distributing funding to schools. Havering is proposing to implement the national funding formula from 2018-19 (option A).

Please advise if you agree to this or not and/or if you wish to raise any other issues regarding the Schools Block.

Section 2 sets out the operational arrangements for the High Needs Block including the use of a contingency to meet shortfalls in the funding available.

Please advise if you agree to this or not and/or if you wish to raise any other issues regarding the High Needs Block.

Section 3 sets out the operation of the Central Schools Services Block.
Please advise if you have any issues

Signed:

Name:

Designation:

Please return by 11th December to:

School Finance Team
Children's Services
London Borough of Havering
Mercury House
Romford
RM1 3DW

E-mail: education.finance@haverling.gov.uk