



## SCHOOLS FUNDING FORUM AGENDA

8:30 am to 11:00am

Thursday  
16 October 2014

CEME, Room 234,  
Main Entrance

Members 26: Quorum 10

<b>Head Teachers</b>		
<b>Secondary Schools</b>	<b>Primary Schools</b>	<b>Special Schools</b>
Bill Edgar	Nigel Emes Margy Bushell	Geoff Wroe
<b>Academies</b>	David Denchfield	
Julian Dutnall Simon London Keith Williams	Chris Hobson Angela Winch Kirsten Cooper	
	<b>Academies</b>	
	Tim Woodford	
<b>Governors</b>		
Joe Webster	Vacancy	Vacancy
<b>Academies</b>	Tracey Walker	
John McKernan Daniel Gricks	Vacancy	
<b>Pupil Referral Service</b>	Christine Drew	
<b>Non School Representatives</b>		
<b>Early Years PVI Sector</b>	<b>Post 16</b>	<b>Diocesan Board</b>
Katrina Karwacinski	Maria Thompson	Vacancy
<b>Trade Unions</b>		
<b>NUT</b>	<b>NASUWT</b>	<b>UNISON</b>
Ray Waxler	Keith Passingham	John Giles

Please contact David Allen 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 TO AGREE THE NOTES OF THE MEETING HELD ON 18TH SEPTEMBER**

The notes are attached at Appendix A.

**3 MATTERS ARISING**

**4 SECTION 251 2014-15 BENCHMARKING**

To receive benchmarking data on LA planned expenditure for 2014-15 as recorded in the section 251 budget statement.

A summary of Havering's position along with detailed comparative data will be tabled at the meeting.

**5 SCHOOL CARRY FORWARD BALANCES (Pages 1 - 2)**

To consider a review of the thresholds currently used to challenge schools on high carry forward balances. Appendix B refers.

**6 SCHOOLS WITH FALLING ROLLS- REVIEW OF CRITERIA FOR FINANCIAL SUPPORT (Pages 3 - 6)**

Following the inclusion of a new provision in The School and Early Years Finance (England) Regulations for 2014-15, Havering introduced arrangements to support schools and academies with falling rolls that are judged by Ofsted to be either Good or Outstanding. LAs were free to develop their own arrangements within the overall criteria and the Schools Funding Forum agreed a budget of £500,000. At the September meeting of the Funding Forum a budget of £500,000 was also agreed for 2015-16 but the local arrangements need to be reviewed for affordability. Appendices C and C.1 refer

**7 SCHOOL FUNDING 2015-16**

To approve the provisional 2015-16 funding formula for submission to the DFE by 31<sup>st</sup> October based on October 2013 data and consider options for the allocation of funding based on forecast pupil numbers for October 2014. Proposals will be tabled at the meeting.

**8 TRADE UNION FACILITY TIME (Pages 7 - 10)**

To note communications received from the LGA and from trade union associations on de-delegation of trade union facility time.  
Appendices D and D.1 refer.

**9 DE-DELEGATION OF BUDGETS IN 2015-16**

Only representatives of maintained primary schools may vote on de-delegation of the primary school budget and representatives of maintained secondary schools on the secondary budget.

**(i) Attendance, Behaviour and Traveller Support Service**

To decide on de-delegation of the budget for the Attendance, Behaviour and Traveller Support Service. A summary of responses from schools will be tabled at the meeting.

**(ii) School Insurance**

To decide on de-delegation of the budget for school insurance. A proposal will be tabled at the meeting.

**10 NEXT MEETINGS**

**Schools Funding Forum, 16 October 2014**

The next meetings have been arranged as below and further meetings are to be arranged for the Spring and Summer terms.

<b>Actions</b>	<b>Deadline</b>	<b>Meeting Date</b>
School census day	2 October 2014	
Schools Forum consultation / political approval for provisional 2015-16 funding formula	By mid-October 2014	16 October
Deadline for submission of exceptional cases for amending the place led funding baseline	17 October 2014	16 October
Deadline for LAs to submit provisional 2015-16 school budget proforma to EFA	31 October 2014	16 October
Budget tool re-issued to LAs containing October 2014 census-based pupil data	Mid-December	
Publication of DSG Schools Block allocations for 2015-16 (prior to academy recoupmnt)	Wk commencing 15 December 2014	
Deadline for submitting final window requests in exceptional circumstances only for: <ul style="list-style-type: none"> <li>• MFG exclusions</li> <li>• Exceptional premises factors</li> <li>• Sparsity factors</li> <li>• Lump sum variations for amalgamating schools</li> <li>• Pupil number variations</li> </ul>	31 December	11 December
Schools Forum consultation / political approval for final 2015-16 funding formula	By mid-January 2015	
Deadline for LAs to submit final 2014-15 school budget proforma to EFA	20 January 2015	
Deadline for LAs to confirm budgets for their maintained schools	27 February 2015	
Funding Issues 2015-16, Capital Allocation announcement 2015-16, Year end Issues 2014-15		
Section 251 statement 2015-16, LA comparative data		
Hold for urgent issues		
Commence funding cycle for 2016-17		

All meetings to be held at CEME at 8.30 a.m.

**11 ANY OTHER BUSINESS**

## Appendix A

**MINUTES OF A MEETING OF THE  
SCHOOLS FUNDING FORUM  
CEME  
18 September 2014 (8.30 - 10.20 am)**

**Present:**

<b>Head Teachers</b>	Nigel Emes (Chair) (Primary) Margy Bushell (Primary) Kirsten Cooper (Primary) David Denchfield (Primary) Chris Hobson (Primary) Bill Edgar (Secondary) Simon London (Academy) Keith Williams (Academy) Tim Woodford (Academy)
<b>Governors</b>	Daniel Gricks (Academy) Tracey Walker (Primary)
<b>Non-School Representatives</b>	Maria Thompson (Post 16)
<b>Trade Unions</b>	Ray Waxler, NUT Keith Passingham, NASUWT John Giles, UNISON
<b>Officers in Attendance</b>	David Allen (LBH) Mary Pattinson (LBH) Anthony Clements (LBH)

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

Apologies for absence were received from Emma Allen (substitute for Geoff Wroe), John McKernan, Christine Drew and Katrina Karwacinski.

**37 TO AGREE THE NOTES OF THE MEETING HELD ON 13 JUNE 2014**

The notes of the meeting held on 13 June 2014 were agreed as a correct record and signed by the Chairman.

38 **MATTERS ARISING**

Item 27 – SEND Reform refers

It was noted that to meet the requirements of the Children & Families Act 2014, the new structure in Learning and Achievement had begun operating from 1 September this year.

39 **ELECTION OF CHAIRMAN AND VICE CHAIRMAN**

Nigel Emes was re- elected as Chairman unanimously.

Keith Williams agreed to serve and was appointed as Acting Vice-Chairman pending a formal nomination being discussed at the Havering Secondary Partnership.

40 **MEMBERSHIP**

The following changes to membership of the Forum were noted:

1. That Kirsten Cooper, head Teacher of Nelmes Primary School had been appointed as Head Teacher representative for primary cluster D.
2. That Christine Drew had been appointed as representative of the Pupil Referral Unit in place of Noel McNab.
3. That John Giles had been appointed as UNISON rep in place of Dave Thomas. Pauline Lewis was the named substitute.
4. The vacancies of two primary school governors and a special governor.
5. That Trevor Sim, representative of vulnerable children, had retired. The Schools Forum regulations no longer required this category of representation and the LA was therefore not proposing to seek a replacement. The Forum also put on record its thanks for Trevor Sim's work over the last 30 years.

41 **SECTION 251 OUTTURN 2013-14**

The statement of LA expenditure in 2013-14 against section 251 budget headings was received.

There were few significant variances between outturn and the original budget. The Forum was given explanations of variances on the some budget lines as follows:

1.0.1 Individual Schools Budget – £65m underspend. The original budget is expressed as the total funding allocated to schools and academies through the funding formula whereas the expenditure is for maintained schools only. The difference of £65m is the amount recouped by the EFA for allocation to academies.

1.1.1 Contingencies – £198k underspend. This was the amount delegated by maintained schools to support schools in financial difficulty. No schools qualified for support.

1.2.1, 1.2.2 & 1.2.3 Top up funding - £200k underspend. The budget in 2013-14 (total £11.8m) needed to be sufficient to meet expenditure in the first year of operation of the new arrangements for High Needs

1.3.1 Central expenditure on under 5s - £1.1m underspend. The budget for 2 year old provision was originally included in this budget line but expenditure was recorded in line 1.0.1

1.4.10 Pupil Growth - £800k overspend. The original budget of £1m had already been identified as insufficient and during the year the Funding Forum had agreed additional funding from the DSG carry forward

1.8.1 DSG for 2014-15 This line showed the £1.68m that had been carried forward. The Forum had agreed at a previous meeting how the funding should be allocated and officers would check that the £400k earmarked for schools had been distributed.

The rest of the statement showed year end variances against core (no DSG) budgets.

The Council's Chief Finance Officer was required to certify that he was satisfied that the Dedicated Schools Grant (DSG) was allocated to schools. Auditors had, however, made an adverse comment on the reporting of capital spend in maintained schools. Coding by schools would be monitored as a result. Schools had also been reminded of the difference between capital and revenue. There had been no fraud cases reported in schools.

Havering would not be subject to further checks through the additional criteria to the DSG assurance system relating to general under of overspend of the DSG unless 5% of schools had a surplus of more than 15% for 5 years.

The budget line concerning retirements/redundancy related to ill health retirements of school keepers. Academies funded this item themselves.

## 42 **SCHOOL CARRY FORWARD BALANCES**

All schools with significant carry forwards had been followed up and the Forum considered a confidential paper. Many carry forwards were due to delayed building projects or the need for expansion or bulge classes which had altered original plans for use of balances. A reduction in devolved capital funding and appointment of a new head teacher may also result in a carry forward. Some schools needed the carry forward to balance their budget but they needed to understand that this was only one-off income.

A carry over in excess of 8% was considered high for primaries while the equivalent figure for secondaries was 5%. These targets had originally been set by the DfE and had been retained in Havering even though they were no longer statutory. The equivalent target for Academies was thought to be 12%. For some schools 2013-14 was the first year that there was a high carry forward balance and the main concern of officers was schools with regular high carry forward balances.

It was felt that some projects were questionable, for example spending £76k on leadership development. Some schools had also recorded high expenditure on i-pads. It should be expected that expenditure of this nature would be part of a clear strategy for schools rather than an unplanned opportunity to spend one off sums of money. The Council did have a balance control mechanism which could be used to claw back funding and reallocate this to other schools and this needed to be clarified.

It was felt that there was a danger of 'panic buying' associated with the carry forward balance and that the Forum could help with changing this culture over time. There was a risk that schools were seen to be well-funded and it was felt that high carry forwards did not give a good impression.

It was agreed that David Allen would write to Chairs of Governors asking how they challenged carry forward balances and also asking if previous expenditure plans had been followed. The sustainability of plans for new staff funded from carry forwards would also be challenged. The Council's balance control mechanism would also be mentioned in any letter.

All schools would also be written to regarding carry forward balances and the percentage thresholds for carry forwards would be checked.

#### 43 **SCHOOLS IN FINANCIAL DIFFICULTY**

The Forum considered a confidential paper on schools that were in financial difficulty due to lower than expected roll numbers. Schools with a more than 8% carry forward had been excluded as had the two Academies. Schools had also been excluded that had already been supported for pupil growth. It was clarified that Academies were eligible for falling rolls funding but not for financial difficulties funding which was met from de-delegatd budgets from maintained schools.

The criteria for schools with falling rolls were agreed as submitted with the addition of a clearer paragraph on the eligibility of Academies.

#### 44 **FAIRER FUNDING OF SCHOOLS - DFE FUNDING ARRANGEMENTS FOR 2015-16**

Officers explained that the school funding reforms were aimed to make funding based more on the needs of pupils. Havering had not, however, received any allocation from the additional £350m of funding. Place led



funding for alternative provision had been increased from £8k to £10k per place. This would however mean a reduction in the top up element to the Pupil Referral Service.

There would be no change to high needs funding for 2015/16 although it was planned to move towards a more formulaic approach to this area. There was also a pupil premium for 3 and 4 year olds included those attending schools with a nursery. It was confirmed that no Havering schools came under the rural school criteria based on distance to the next nearest school.

Academy funding would be simplified with the top line DSG allocation now including pupils in free schools with this funding recouped by the DfE. The Council was also no longer required to budget for the carbon reduction commitment as this would be deducted at source.

Overall, there were no significant changes in the funding arrangements for 2015/16.

#### **45      **SCHOOLS REVENUE FUNDING 2015-16 - OPERATIONAL GUIDANCE****

Local Authorities were required to consult with Maintained and Academy Schools on changes to local funding arrangements. Havering complied with all the principal funding factors such as basic entitlement, deprivation, prior attainment and Looked After Children. Other factors such as split sites, London fringe and exceptional premises were not used in Havering as yet.

The Havering primary:secondary ratio was 1:1.36 compared to an average of 1:1.27. This indicated that Havering secondary schools were more generously funded than the national average. No school could lose more than 1.5% of funding under the formula in 2015-16.

The SEND reforms had been introduced in September 2014 and on required greater collaboration between Local Authorities and institutions to agree pupils' packages. It was suggested that an item on this, to include worked examples of the use of personal budgets, could be included on a future agenda for the Forum. SEN projections could also be discussed at a future meeting.

The Forum noted that an initial funding submission to the DfE was required by 31 October 2014.

#### **46      **DFE CONSULTATION ON THE SCHOOL AND EARLY YEARS FINANCE REGULATIONS 2014****

It was noted that a DfE consultation on changes to the regulations had been launched with a response deadline of 17 October.

**47 EXCEPTIONAL FACTORS AND MFG EXCLUSIONS FOR 2015-16**

It was noted that the deadline for submitting applications to the DfE for exceptional factors and MFG exclusions was 30 September 2014 and that the Local Authority was not proposing to submit applications for exception. The Forum was reminded that there were some schools that continued to benefit from historical Excellence Cluster and Behaviour Improvement Programme grant. The new funding formula factors allocated these schools less than they had received in previous years but were protected by the Minimum Funding Guarantee on a -1.5% per pupil reduction. A previous application to the DfE for an exemption had been rejected.

**48 LBH CONSULTATION WITH SCHOOLS**

The Forum considered a draft consultation paper for schools on 2015-16 funding. It reminded schools of changes in 2014-15 such as a reduction in , the secondary attainment rate had due to a change in the data used and the introduction of a LAC factor. The criteria for SEN had also changed As regards and fewer schools were able to call on a High Needs headroom allocation.

For 2015-16 local authorities could only now bid to the DfE for additional funding for significant growth in high needs numbers. There were no changes proposed for early years, other than the introduction of the pupil premium. It was noted that there were large groups of Looked After Children from other boroughs.

Academies were now funded on the same formula factors as maintained schools. Options modelling for the funding formula would be an agenda item at the October meeting of the forum.

Generally, there were few changes for 2015-06 fundidng.

One changes would affect 16 schools that had received a transitional allocation for SEN headroom but this was no longer allocated in 2015-16 and would be put back into the high needs block.

A further £100k had initially been requested for centrally held budgets but there were now more bulge classes expected in 8 schools as well as the Rainham expansion. It was agreed to increase the budget for pupil growth and infant class size from £2.5m to £2.7m. The budgets agreed for central retention were as follows:

Pupil Growth/Infant Class sizes	£2,700,000
Falling Rolls Fund	£500,000
Contribution to combined budgets (Schools supporting schools and SCC)	£236,000
Admissions and Appeals	£499,734

Servicing Schools Forums	£42,250
Termination of Employment Costs	£39,421
Capital Expenditure from revenue	<u>£87,490</u>
Total	£4,104,895

National Copyright Licence £115,000

Including:

Copyright Licensing Agency (CLA)  
Music Publishers Association (MPA)  
Newspaper Licensing Authority (NLA)  
Education Recording Agency (ERA)  
Motion Picture Licensing Company (MPLC), and  
Filmbank Distributors Ltd. (for the PVSL)

Officers would check the cost of appeals for Academies which were believed to be around £138 per appeal. It was felt that the numbers of appeals were unlikely to reduce from current levels.

A number of services were de-delegated for maintained primary and secondary schools. Further details would be given to the Forum on insurance costs. It was noted that insurance could not be offered to Academies as this would be on a commercial basis. Trade union facility time had now gone to a £4 per pupil rate, reducing costs from £200k to £146k. It was confirmed that not all monies had been received as yet.

The attendance service was well regarded but there was poor feedback on the behaviour service and the quality of support offered. It was agreed that David Allen should write to heads regarding their views on the attendance and behaviour service and that their views would feed back into the final decision on de-delegation. Splitting the service would mean a reduction in attendance support. Feedback on the ethnic minority achievement service was good and it was agreed to continue to de-delegate this to the Local Authority.

It was agreed to de-delegate for primary schools the following services – EAL, free school meals eligibility, licenses/subscriptions, maternity cover, trade union facility time and support for schools in financial difficulty. Bill Edgar would consult with secondary colleagues before deciding on de-delegation for maintained secondary schools.

#### 49 **ACADEMY CONVERSIONS**

It was noted that Pyrigo Priory School was to be an Academy from 1 January 2015. Eight (of 59) primaries and 14 (of 18) secondaries would then be Academies.

The Oasis Romford and Drapers Mayfield Free Schools were expected to open in September 2015. It had not been possible to find an alternative site for the Oasis Academy before the start of the current school year.

## 50 **EDUCATION SERVICES AND COUNCIL BUDGET**

The Education Service Grant had been £113.17 per pupil in 2014/15 and would reduce to £87 per pupil in 2015/16. The Grant for Academies in 2014/15 was £140 per pupil. £27 per pupil transitional protection would be lost but Academy budgets would not be reduced overall by more than 1%. The total grant for Havering would reduce from £3.2m to £2.6m but further reductions were likely due to the new Academies.

As regards the borough position, £40m had been taken out of the education budget over the last four years. The new savings plans for another £60m of savings were now in the public domain and would be considered, along with any alternative proposals from opposition groups at a meeting of Cabinet on 24 September. There would be public and staff consultation following this.

The overall £60m saving had been reduced to £45m by removing all increases to budgets for growth as well as increases for inflation. The current plans covered the next two years and there was still a budget gap for the following two years.

Specific proposals included changing the peppercorn rent on the Stubbers Centre to a market rent. The new way of working at the music school would also be expanded. The older people's social care budget would be reduced by £8m while there would be fewer children's social care teams to support schools. There would no longer be any youth support for secondary schools and there would also be a reduction in support for early help and troubled families.

Management costs in catering were being reviewed and a lot of savings were being made in SEN teams. There would also be a review of staff terms and conditions but this would not include maintained schools.

Restructures would take place in each Learning & Achievement team. This would take place for the school organisation team in October 2014, for the support for vulnerable children team in November 2014 and for finance and HR teams in January 2015. Dialogue would be needed with schools supporting the most vulnerable children. It was accepted that schools were also under pressure and there would be more SEN children in schools receiving less support.

Work was being undertaken on future school numbers and demand, given the changing demographics of the borough.

It was requested that any rumours schools hear regarding restructures etc be e-mailed to the Head of Learning & Achievement in order that the correct information could be given.

51 **NEXT MEETINGS**

The next meeting would be held on Thursday 16 October at 8.30 am at CEME. Dates for spring and summer 2015 had not been set at this stage.

52 **ANY OTHER BUSINESS**

There was no urgent business raised.

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**Chairman**

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Schools Funding Forum 16<sup>th</sup> October 2014

### CONTROL OF SCHOOL BALANCES – REVIEW OF THRESHOLDS

Havering's Scheme for Financing Schools currently includes provision for a balance control mechanism where funding may be deducted that the LA does not consider appropriately assigned above 5% (secondary) or 8% (primary and special ) of the budget share.

The current wording of the scheme is as follows:

#### 4.3 LA Control of School Balances

*Surplus budget share balances held by schools as permitted under this scheme are subject to the following restrictions with effect from 1 April 2005:*

- a. the authority shall calculate by 31<sup>st</sup> May each year the surplus balance, if any, held by each school as at the preceding 31 March;*
- b. the authority shall deduct from the calculated balance any amounts for which the school already has a prior-year commitment to pay from the surplus balance;*
- c. the authority shall then deduct from the resulting sum any amounts which the school declares to be assigned for specific purposes as permitted by the authority and which the authority is satisfied are properly assigned. To count as properly assigned, amounts must not be retained beyond the period stipulated for the purpose in question, without the consent of the Authority. In considering whether any sums are properly assigned the Authority may also take into account any previously declared assignment of such sums but may not take any change in planned assignments to be the sole reason for considering that a sum is not properly assigned.*
- d. if the result of steps a-c is a sum greater than whichever is the greater of 5% (for secondary schools) or 8% (for primary and special schools) of the current year's budget share, or £20,000, then the authority may deduct from the current year's budget share an amount equal to the excess.*

*No funds deriving from sums allocated by the authority other than budget shares, or funds derived by the school from sources other than the authority, shall be taken into account in this calculation.*

The 5% and 8% thresholds referred to in the current scheme are historical, based on DfE recommendations in 2005. Since 2011, the operation of a balance control mechanism has been made non statutory although LAs may (with Schools Forum approval) continue to include it in their Schemes for Financing Schools. The guidance at the time was as follows:

*The scheme may contain a mechanism to clawback excess surplus balances. Any mechanism should have regard to the principle that schools should be moving towards greater autonomy, should not be constrained from making early efficiencies*

*to support their medium-term budgeting in a tighter financial climate, and should not be burdened by bureaucracy. The mechanism should, therefore, be focused on only those schools which have built up significant excessive uncommitted balances and/or where some level of redistribution would support improved provision across a local area.*

Havering, along with other LAs, decided to retain their previous arrangements to provide a basis on which to challenge schools.

## **Academies**

In the last few years a number of schools nationally and in Havering have converted to academies and different arrangements apply. For academies it depends on the Funding Agreement. Academies subject to older Funding Agreements have a threshold of 12% but those with new Funding Agreement there is no limit.

Academies are free to carry-forward substantial amounts, as long as they "*have a clear plan for how it will be used to benefit their pupils.*" However, the EFA will report to DfE any trusts where it has serious concerns about a long-term substantial surplus with no clear plans for its use.

Those academies that have not changed their Funding Agreement are subject to the following control

- *an amount equivalent to 2% of the total GAG received in the preceding year may be used for any purposes for which GAG is paid including any expenditure set out in the next bullet point;*
- *an amount equivalent to a further 10% of the total GAG received in that year may be used for the upkeep and improvement of premises and capital expenditure.*

## **Proposal**

The LA will request from schools each year their plans to allocate all balances carried forward to the following financial year. Where balances have exceeded 10% of the budget share or the LA has concerns about any of the plans submitted for the use of balances then the LA will challenge schools on the appropriateness of the expenditure.

Where balances remain above 10% for a second, third or fourth financial year the LA will seek assurances that the original plans for the use of the balance continue to apply. Balances above 15% for continuous period of 5 years will be permitted only in exceptional circumstances only.

In all cases the LA may claw back excessive balances and redistribute these funds to the greatest benefit within the areas funded by the DSG.



Schools Funding Forum 16<sup>th</sup> October 2014

### FALLING ROLLS SUPPORT FUND 2014-15

As part the funding changes for 2014-15 Local Authorities may create a small fund to support good schools with falling rolls where local planning data show that the surplus places will be needed in the near future.

#### Proposal based on DFE suggested criteria

Support is available **only** for schools judged Good or Outstanding at their last Ofsted inspection (this is a mandatory requirement).

Surplus capacity as the October count date exceeds 15% of the published admission number in the following year groups:

Financial Year	2014/15	2015/16	2016/17	2017/18	2018/19
Year Group	7	7 & 8	7, 8 & 9	7, 8, 9 & 10	7, 8, 9,10 & 11

Local planning data shows a requirement for at least 90% of the surplus places within the next 5 years

Formula funding available to the school will not support provision of an appropriate curriculum for the existing cohort

The school will need to make redundancies in order to contain spending within its formula budget

Formula for distributing funding:

85% of the appropriate AWPU x per vacant place below 85% of the PAN

e.g.

#### First Year of Funding

PAN: 192  
85%: 163

Year 7 NOR October 2013: 70  
Difference between 85% of PAN and Yr7 NOR: 93

93 x KS3 AWPU x 85% (£4,551.86 x 85% = £3,869) = £359,824

#### Second Year of Funding

PAN: 192  
85%: 163

Year 7 NOR October 2014: 120  
Year 8 NOR October 2014: 70

Difference between 85% of PAN and Yr7 NOR: 72  
Difference between 85% of PAN and Yr8 NOR: 93  
165

165 x KS3 AWPU x 85% (£4,551.86 x 85% = £3,869) = £638,398

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**FALLING ROLLS SUPPORT FUND 2014-15**

As part the funding changes for 2014-15 Local Authorities may create a small fund to support good schools with falling rolls where local planning data show that the surplus places will be needed in the near future.

**Proposal based on DFE suggested criteria**

Support is available **only** for schools judged to be Good or Outstanding at their last Ofsted inspection (this is a mandatory requirement).

Surplus capacity at the October count date exceeds 15% of the published admission number **in the normal year of transfer (YrR, Yr3 or Yr7)**

Local planning data shows a requirement for at least **70%** of the surplus places within the next 3 years

Formula funding available to the schools will not support provision of an appropriate curriculum for the existing cohort

The schools will need to make redundancies in order to contain spending within its formula budget

**The schools do not have surplus balances above 5% for secondary and 8% for primary in the previous funding period**

Formula for distributing funding:

85% of the appropriate AWPU x per vacant place below 85% of the PAN

e.g.

**Funding (Secondary)**

PAN:	192
85%:	163

Year 7 NOR October 2014:	70
Difference between 85% of PAN and Yr7 NOR:	93

$93 \times \text{KS3 AWPU} \times 85\% (\text{£}4,551.86 \times 85\% = \text{£}3,869) = \text{£}359,824$

**Funding (Primary)**

PAN:	90
85%:	77

Year R NOR October 2014:	65
Difference between 85% of PAN and YrR NOR:	12

$12 \times \text{AWPU} \times 85\% (\text{£}3,074.06 \times 85\% = \text{£}2,613) = \text{£}31,355$

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## Trade union facility time in schools

Dear Colleague,

As a result of a reform of school funding arrangements in 2012, services within the schools block and the funding for them is now delegated to schools in the first instance. However, within the delegated areas of spend there are some areas that can be retained centrally by the local authority, should the Schools Forum choose this option, thus enabling schools to 'de-delegate' the funds. One of these areas is staff costs or supply cover, which includes trade union facilities time. So while the funding change has provided a challenge to local authority pooled funding arrangements for facilities time this can be overcome where schools choose to de-delegate.

A further challenge to such pooled arrangements has come about as a result of the increasing number of schools converting to Academy status. Any de-delegation arrangements will not apply to Academies although many authorities allow academies to buy in to the pooled arrangements, and many academies are choosing to do so.

Despite the challenges, the National Employers' Organisation for School Teachers ([NEOST](#)) continues to support the principle of a pooled fund for trade union representation. Accordingly, whilst each individual schools forum is entitled to make its own decision whether or not to de-delegate funds or allow academies to buy back in, we are writing to encourage your authority to retain such a centrally-managed fund where possible. In this respect we would like to draw your attention to the following points:

- As a result of decisions of individual schools forums the vast majority of local authorities continue to de-delegate funding for trade union facility time. Local authorities have indicated that, despite the different perspectives that management and unions often have, the local representatives make a valuable contribution to resolving employee relations issues (both individual and collective) before positions become entrenched and resolution becomes more difficult and costly. These benefits are also acknowledged in the [DfE guidance](#).
- To support good liaison between employers and trade unions officials, it is important that union representatives are able to exercise their entitlement to reasonable time off under both the Trade Union and Labour Relations (Consolidation) [Act 1992](#) and the [ACAS Code of Practice](#) on time off for trade union duties and activities.
- A form of 'pooled' facilities time fund is an efficient way of organising facility time. The [DfE advice](#) acknowledges the efficiency of 'pooled' facility time funds while stressing the need for transparency as to how charges are made and how schools will benefit.
- Responses to an [LGA survey](#) of local authorities indicate that where a significant proportion of academies had chosen not to buy in to the facilities arrangements, this had in some cases led to less effective and efficient ways of arranging and managing facilities time. The LGA encourages authorities to provide academies with the option to buy back into any pooled arrangements for facilities where feasible and has asked Government to ensure that no financial or bureaucratic burdens are put in the way of such arrangements.

No doubt this is an issue that local authorities will wish to keep under review and we will seek to gather local intelligence, both through regional networks and if necessary a further survey of local authorities.

Yours faithfully,



Cllr David Simmonds  
Chair, National Employers' Organisation for School Teachers

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Group Director

26 SEP 2014

Social Care and Learning

Group Director of Children's Services  
London Borough Of Havering  
Mercury House  
Mercury Gardens  
Romford  
RM1 3DW

24 September 2014

Dear Director

We are writing on behalf of all employees working within the boundaries of your local authority area who are members of ATL, NAHT, NASUWT and NUT.

You will recall that, from last April, local schools agreed through your Schools Forum to 'de-delegate' funding for supply cover costs, including for trade union facilities time. We believe that this was the right decision – and a very big majority of Schools Forums made the same decision.

We believe that the central retention and distribution of the fund is the most effective and efficient arrangement and we would like to work with you to ensure that this arrangement continues. Discussions are now taking place in your authority on funding arrangements for supply cover costs from April next year and we are asking you to pass the information in this letter to members in your Schools Forum and to encourage them to vote again for de-delegation of funding arrangements for supply cover costs.

Successive governments have recognised the importance of good industrial relations and have legislated to provide a statutory basis for facilities time as follows.

- Paid time off for union representatives to accompany a worker to a disciplinary or grievance hearing.
- Paid time off for union representatives to carry out trade union duties.
- Paid time off for union representatives to attend union training.
- Paid time off for union 'learning representatives' to carry out relevant learning activities.
- Paid time for union health and safety representatives during working hours to carry out health and safety functions.

These provisions are contained within the Employment Relations Act 1999 and the Trade Union Labour Relations (Consolidation) Act 1992 and the Safety Representatives and Safety Committees Regulations 1997.

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ATL, NAHT, NASUWT and NUT have members and union representatives in academies as well as maintained schools within your local authority area and, in addition to seeking your support for continued de-delegation, we are seeking your agreement for the local trade union funding arrangement to be formally extended to academies within your local authority boundaries.

As the DfE Advice on Trade Union Facility Time acknowledges, the trade union recognition agreement between the authority and the recognised unions will have transferred to the academy school as the new employer of the transferred staff as part of the conversion process to academy status under TUPE. We believe that, following conversion, academies should also become parties to local authority trade union facilities arrangements.

The academies within your boundaries will have received funding for trade union facilities time in their budgets and they are entitled to use that funding to buy-back into local authority arrangements. Indeed, many academies across England have already agreed to buy in to local authority trade union facilities arrangements.

Pooled funding will help the local authority and all schools to meet their statutory obligations on trade union facilities time. Setting up a central funding arrangement will allow academies to pay into a central pool if they wish to. But most importantly, it will help maintain a coherent industrial relations environment where issues and concerns, whether individual or collective, can be dealt with more effectively.

We urge you, therefore, to support the de-delegation funding for supply cover costs and to continue or establish (if you did not do so previously) a mechanism whereby academies within your boundaries are able to buy into a central fund for trade union facilities time. If you agree to do so, we will write to academy principals to encourage them to buy in to your arrangement.

Yours sincerely

Mary Bousted

Russell Hobby

Chris Keates

Christine Blower