



Haverling

L O N D O N B O R O U G H

SCHOOLS FUNDING FORUM AGENDA

8:30 am	Thursday 11 December 2014	CEME
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Members: 26

Quorum: 10

MEMBERSHIP:

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

Please contact David Allen david.allen@haverling.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 16TH OCTOBER 2014
(Pages 1 - 24)

The notes are attached at Appendix A.

3 MATTERS ARISING

4 EARLY YEARS FUNDING RATES 2015-16 (Pages 25 - 28)

To agree the hourly rates for Early Years providers with effect from the Summer term 2015. Appendix B refers

(i) 2 year olds

(ii) 3 & 4 year olds

5 TRADING SERVICES (Pages 29 - 32)

To consider a change in the timetable for maintained schools to purchase Local Authority services, to take effect for 2015-16. Appendix C refers.

6 SEND FUNDING CHANGES (Pages 33 - 40)

To note the Department for Education (DfE) call for evidence on Special Educational Needs funding. Appendix D refers

7 NEXT MEETINGS

The next meetings have been arranged as below and further meetings are to be arranged for the spring and summer terms:

15th January 2015

12th March 2015

23rd April 2015

18th June 2015

All meetings to be held at CEME at 8:30 am

8 ANY OTHER BUSINESS

Andrew Beesley
Committee Administration Manager

Public Document Pack Agenda Item 2

**MINUTES OF A MEETING OF THE
SCHOOLS FUNDING FORUM
CEME
16 October 2014 (08:30 – 10:20)**

Present:

Head Teachers

Nigel Emes (Chair) (Primary)
Margy Bushell (Primary)
Kirsten Cooper (Primary)
David Denchfield (Primary)
Tim Woodford (Primary Academy)
Bill Edgar (Secondary)
Julian Dutnell (Secondary Academy)
Simon London (Secondary Academy)
Keith Williams (Secondary Academy)
Emma Allen (Special)

Governors

Tracey Walker (Primary)
John McKernan (Secondary Academy)
Christine Drew (Pupil Referral Service)

Trade Unions

Ray Waxler, NUT
Keith Passingham, NASUWT
John Giles, UNISON

Officers in Attendance

David Allen (LBH)
Mary Pattinson (LBH)
Vicky Parish (LBH)

53 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS

Apologies for absence were received from Katrina Karwacinski (Early Years PVI rep), Maria Thompson (Post 16 rep) and Daniel Gricks (Academy Governor). Bill Edgar provided advance notice that he would have to leave at 10am. Emma Allen was substituting for Geoff Wroe.

54 TO AGREE THE NOTES OF THE MEETING HELD ON 18TH SEPTEMBER

Within the notes of the meeting held on 18th September 2014, on Page 8, item 50, the second paragraph referred to £40m as removed from the budgets. The £40m removal of funds was from Havering Council and not solely from the Education budget.

With that exception, the minutes were agreed and signed by the Chair.

55 **MATTERS ARISING**

Item 39 – Election of Chair and Vice Chair refers

It was noted that there had still been no formal nominations for vice-chairman.

Item 48 - LBH Consultation with Schools refers

On behalf of maintained secondary schools, Bill Edgar advised that de-delegation should continue as in 2014-15 i.e. all budgets except Attendance & Behaviour and EAL.

56 **SECTION 251 2014-15 BENCHMARKING**

Two packs of information were provided. The first set showed the changes nationally against section 251 budget headings from 2013-14 to 2014-15, the first two years of the school funding reforms. The total Schools Budget as funded by the Dedicated Schools Grant (DSG) had increased by £0.7bn from £38.8bn in 2013-14 to £39.5bn in 2014-15. The data showed a £1.3bn increase in recoupment from the DSG reflecting the increase in the number of academy conversions. There had been reductions nationally in per pupil expenditure on centrally funded areas such as School Improvement and Statutory and Regulatory duties reflecting reductions in Local Authorities (LAs') Education Support Grant.

Expenditure on Looked After Children (LAC, Fostering, Adoption etc.) had increased from £268 per pupil to £277. It was also noted that the total services for young people figure (youth services) had dropped from £55 per pupil to £48. Expenditure on Sure Start Children's Centres and Early Years had reduced from £88 per pupil to £78.

The planned expenditure by Authority was also shown and Havering was ranked 22nd highest of the 32 London Boroughs with a gross figure of £194,333,000. This was slightly better than in previous years, when Havering was second to last, but with further changes in 2015-16 this may have been a temporary position. Havering was 27th of 32 in net core spend for Education, and 29th for Children and Young People. It was noted that these were cash amounts, not per pupil.

The second set of tables showed benchmarking of all 'section 251' headings against the other 31 London Boroughs.

The DSG schools block funding showed Havering at £4,727 per pupil, 24th highest of 32. Havering was 20th in the percentage of schools who received the minimum funding guarantee, which showed that the formulae worked better than 19 other Local Authorities. For Home to School transport, Havering ranked as 31st.

Havering was the 6th highest on money de-delegated but that included insurance which no other LA had de-delegated.

It was noted that Havering was 8th highest in its budgeting for pupil growth and 3rd for support for schools with falling rolls.

The expenditure budget held centrally from the DSG for Children under-5 was ranked 29th highest.

For the total High Needs expenditure budget which included top up funding, Alternative provision (AP) and Special Educational Needs (SEN) Support Services, Havering was 32/32. Newham appeared to have a lower High Needs budget than the Forum understood to be the case. David Allen agreed to check the figure. It was acknowledged that some authorities chose to account for their expenditure differently.

The rankings for the different areas of non-DSG budgets were also shown for core Education and Community and core Children and Young Peoples Services. For School Improvement, Havering was 25th highest, and for Statutory and Regulatory Services, 16th. Within Children and Young People Services Havering was ranked 16th of 32 for expenditure for Children's Centres and Early Years, 24th for Children Looked After (including Fostering, Adoption and Residential Care) 24th for Safeguarding and 23rd for Youth Services.

Generally Havering was in the lower quartile in its expenditure per pupil in the majority of the budget headings.

The Forum noted the benchmarking reports.

57 **SCHOOL CARRY FORWARD BALANCES**

At the last meeting the Forum considered schools' returns on the use of high balances. The Schools Financing Scheme stated that the LA would check the underspend of all schools and if not appropriately assigned above 5% (secondary) or 8% (primary and special) could have been clawed back. The 5% and 8% were the original figure recommended by the Department for Education (DfE) from 2005.

The Education Funding Agency (EFA) imposed no limit on new academies. There was a 12% limit on academies that had converted earlier and were subject to the original Funding Agreements. Balances above the 12% were challenged by the EFA and the assumption was that 10% would relate to premises improvements.

Since 2005, the Government had become less prescriptive on carry forward balances, giving boroughs flexibility to set their own limits.

The overriding principle of school funding was that it should be used for the benefit of children at the school in the year it was allocated. Havering would continue to monitor school expenditure and request returns on use of all balances. If 10% was carried over for a number of years, Havering would challenge that, as having scrutinised all use of balance submissions, the LA would seek assurances on the appropriateness of spend where it was considered that it should be part of a school strategy or improvement plan agreed by governors or on staffing that could over commit the school in future years. In addition, the LA would seek further information on all balances above 10% and claw back any amount it considered to be inappropriately assigned and any surplus above 10% to prevent any school from having a fifth year of carrying forward a balance of more than 15%. Any clawed back balances would be redistributed to the greatest benefit within the areas funded by the DSG.

The Forum voted in favour of the proposed action.

58 SCHOOLS WITH FALLING ROLLS- REVIEW OF CRITERIA FOR FINANCIAL SUPPORT

Bill Edgar declared an interest in this item.

The existing Falling Rolls support fund 2014-15 report was presented to the Forum with proposed changes for 2015-16. The DfE Funding Regulations allowed a small fund to support good or outstanding schools with falling rolls, where local planning indicated that surplus places would be required.

The existing arrangements for support were based on the difference between the number of roll at the October census and 85% of the schools published admission number (PAN) for each year group. A problem was identified in that as low year groups moved through the school they would continue to be supported by this Fund as well as new low year groups. This would overspend the budget of £500,000.

It was explained that this was a short-term measure as schools began to fill to avoid teacher redundancies when teachers would be needed again as pupil numbers increased again. There was a separate budget for pupil growth.

The proposed change was to allocate financial support where numbers were low in the normal year of admission only for primary and secondary school.

The arrangements would therefore be as follows:

Support was to be provided for Good or Outstanding schools only where surplus capacity exceeded 15% of PAN in the normal year of transfer and local planning data showed a requirement for at least 70% of the surplus places within the following 3 years. This would support schools where the

formula funding would not support provision of an appropriate curriculum and where schools would need to make redundancies in order to contain expenditure within its formula budget. This would not apply to schools that had surplus balances of 5% (secondary) and 8% (primary) in the previous funding period.

Schools that were unable to set their budgets in spite of receiving this financial support could receive a loan from the LA, dependent on their circumstances, having agreed a budget recovery plan with the LA.

From the date of the meeting, using the proposed method, two secondary schools and one primary school were in situations that could be applied to the formulae.

The Forum was advised that Havering had no control of the PAN of academies but schools were working well together.

The proposals were **agreed** unanimously.

59 **SCHOOL FUNDING 2015-16**

The Local Authority was required to submit the figures to the EFA by the 31st October.

This was the first stage of the EFA process and would be updated when data was received from the DfE from the October census. This item enabled the Forum to agree the principles for going forward.

The document pack provided showed the draft schools funding formula for 2015-16 which used data based on the October 2013 census.

The Forum was taken through a number of scenarios which showed that making no changes was not option as it would not meet the requirements of the DfE formula. It was, however, shown that current rates could remain the same but with any gains capped at 1.1% (an increase on the 0% cap for 2014-15).

Projections based on revised pupil numbers would allow a 2% gains cap and increases to deprivation factors of 1% and to age weighted pupil unit AWPUs of 0.5% respectively. The principle was agreed by the Forum but would need to be confirmed based on October 2014 data.

A confidential document was shared which showed the application of this model to all primary and secondary schools based on the 2013 Census (not using final data).

It was noted that the formulae did not apply to special schools or the child educational service, which was £10,000 per place.

The proposals submitted were approved.

Following the return of the October Census, reworked figures would be brought to the panel for agreement, ahead of the final distribution at the end of February.

60 **TRADE UNION FACILITY TIME**

Letters had been received from trade unions and from the National Employers' Association for School Teachers urging LAs and Schools Forums to consider delegation of budgets for Trade Union facility time. The letters recommended that academies continued to buy-in, pooled arrangements. This model prevented issues arising within schools and suggested that the central retention and distribution of the fund was the most effective and efficient arrangement.

The forum noted the reports as decisions had already been made for budgets to be de-delegated for maintained schools with pooled buy in for academies.

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

(i) Attendance, Behaviour and Traveller Service

At the previous meeting, primary school representatives voted in favour of de-delegation of a range of budgets but deferred their decision on the Attendance and Behaviour Service pending a survey of primary colleagues.

A paper was tabled that showed that from a 67% response rate, 80% of schools had voted in favour of de-delegation.

This Forum **agreed** to continue de-delegation for the 2015-16 year.

(ii) Schools Insurance

The benchmarking data considered earlier showed that within London Havering was the only Borough where schools had decided to de-delegate insurance budgets. This was to maintain a lower rate of insurance costs than could be achieved by schools individually. Academies, special schools and pupil referral units were not permitted to de-delegate and were invoiced directly.

Secondary school pupils showed as much lower costs than primary school pupils. Secondary school costs were artificially low, rather than the primary schools artificially high, as a quirk of the arrangements.

The forum **agreed** to continue the de-delegation of Schools Insurance.

62 **NEXT MEETINGS**

Dates for future meetings were agreed as follows, all to start at 8:30am at the CEME centre:

- 11th December 2014
- 15th January 2015
- 12th March 2015
- 23rd April 2015
- 18th June 2015

63 **ANY OTHER BUSINESS**

No items were raised for discussion.

Chairman

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Minute Item 56

Table 8: Planned spend on early years education by local authority

Coverage: England

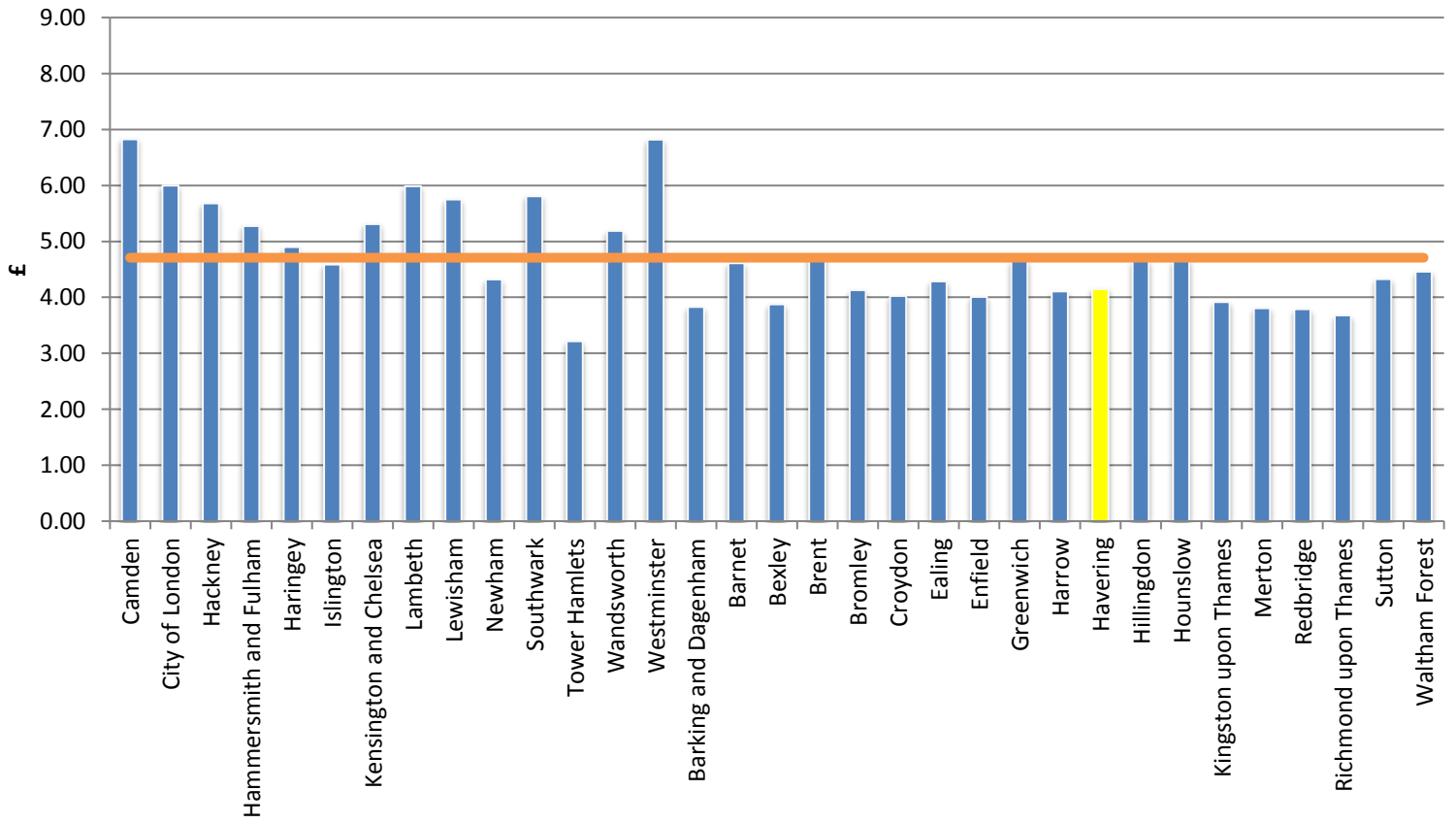
Year: 2014-15

LA Code	3 and 4 year olds				2 year olds (1)				Central spend (1)(2)	
	Total budget £000s	Number of hours	Average rate £/hour	Average basic rate £/hour	Total budget £000s	Number of hours	Average rate £/hour	Average basic rate £/hour	Total budget £000s	Percentage of total budget
ENGLAND	1,980,894	472,496,132	4.19	3.72	563,282	109,163,207	5.16	5.11	322,932	11%
LONDON	393,784	86,541,995	4.55	3.82	122,510	20,170,609	6.07	5.95	84,807	14%
202 Camden	11,149	1,632,195	6.83	4.78	3,348	376,200	8.90	8.90	1,490	9%
201 City of London	314	52,333	6.00	4.76	43	5,700	7.55	7.55	0	0%
204 Hackney	16,157	2,846,122	5.68	4.22	6,185	1,017,268	6.08	6.08	4,056	15%
205 Hammersmith and Fulham	9,933	1,879,841	5.28	4.72	2,515	364,493	6.90	6.90	650	5%
309 Haringey	11,909	2,429,172	4.90	3.63	4,460	743,280	6.00	6.00	2,788	15%
206 Islington	11,889	2,592,561	4.59	3.36	3,215	377,739	8.51	6.00	4,271	22%
207 Kensington and Chelsea	5,732	1,079,506	5.31	4.10	1,074	176,890	6.07	6.07	2,370	26%
208 Lambeth	16,742	2,796,163	5.99	4.49	6,134	1,009,554	6.08	6.08	4,822	17%
209 Lewisham	15,665	2,726,171	5.75	4.59	7,366	1,227,666	6.00	6.00	7,623	25%
316 Newham	16,181	3,748,095	4.32	4.11	1,566	296,595	5.28	5.28	8,364	32%
210 Southwark	14,929	2,569,907	5.81	4.80	6,466	963,070	6.71	6.00	0	0%
211 Tower Hamlets	19,561	6,065,835	3.22	3.22	3,688	590,080	6.25	6.25	8,993	28%
212 Wandsworth	15,985	3,079,874	5.19	4.32	4,639	718,095	6.46	6.46	2,059	9%
213 Westminster	9,695	1,421,990	6.82	3.09	1,679	276,628	6.07	6.07	0	0%
301 Barking and Dagenham	10,314	2,690,970	3.83	3.00	6,079	1,169,059	5.20	5.20	2,936	15%
302 Barnet	15,211	3,296,103	4.61	3.74	3,850	641,666	6.00	6.00	1,254	6%
303 Bexley	8,089	2,084,630	3.88	3.60	2,403	472,102	5.09	5.09	969	8%
304 Brent	15,020	3,169,961	4.74	3.58	5,832	972,000	6.00	6.00	4,287	17%
305 Bromley	13,322	3,225,325	4.13	3.65	3,416	569,350	6.00	6.00	85	1%
306 Croydon	16,188	4,015,894	4.03	3.58	5,555	925,789	6.00	5.13	2,288	10%
307 Ealing	15,518	3,614,191	4.29	3.44	3,242	540,300	6.00	6.00	7,673	29%
308 Enfield	12,314	3,071,044	4.01	3.85	5,000	833,333	6.00	6.00	1,411	8%
203 Greenwich	13,243	2,843,583	4.66	3.84	4,675	779,190	6.00	6.00	2,512	12%
310 Harrow	9,814	2,389,580	4.11	3.60	3,516	635,895	5.53	5.53	617	4%
311 Havering	8,184	1,972,173	4.15	3.64	3,305	550,781	6.00	6.00	631	5%
312 Hillingdon	13,935	2,987,618	4.66	4.02	4,737	789,500	6.00	6.00	1,997	10%
313 Hounslow	12,003	2,567,820	4.67	4.34	2,461	406,698	6.05	5.97	578	4%
314 Kingston upon Thames	5,927	1,510,573	3.92	3.78	1,443	234,169	6.16	6.16	2,664	27%
315 Merton	8,256	2,168,683	3.81	3.65	2,598	462,872	5.61	5.40	1,511	12%
317 Redbridge	12,375	3,266,478	3.79	3.16	5,384	897,409	6.00	6.00	1,593	8%
318 Richmond upon Thames	7,728	2,099,683	3.68	3.50	915	149,927	6.10	6.10	520	6%
319 Sutton	7,513	1,733,574	4.33	4.12	2,130	398,810	5.34	5.34	1,120	10%
320 Waltham Forest	12,986	2,914,347	4.46	3.94	3,591	598,500	6.00	6.00	2,676	14%

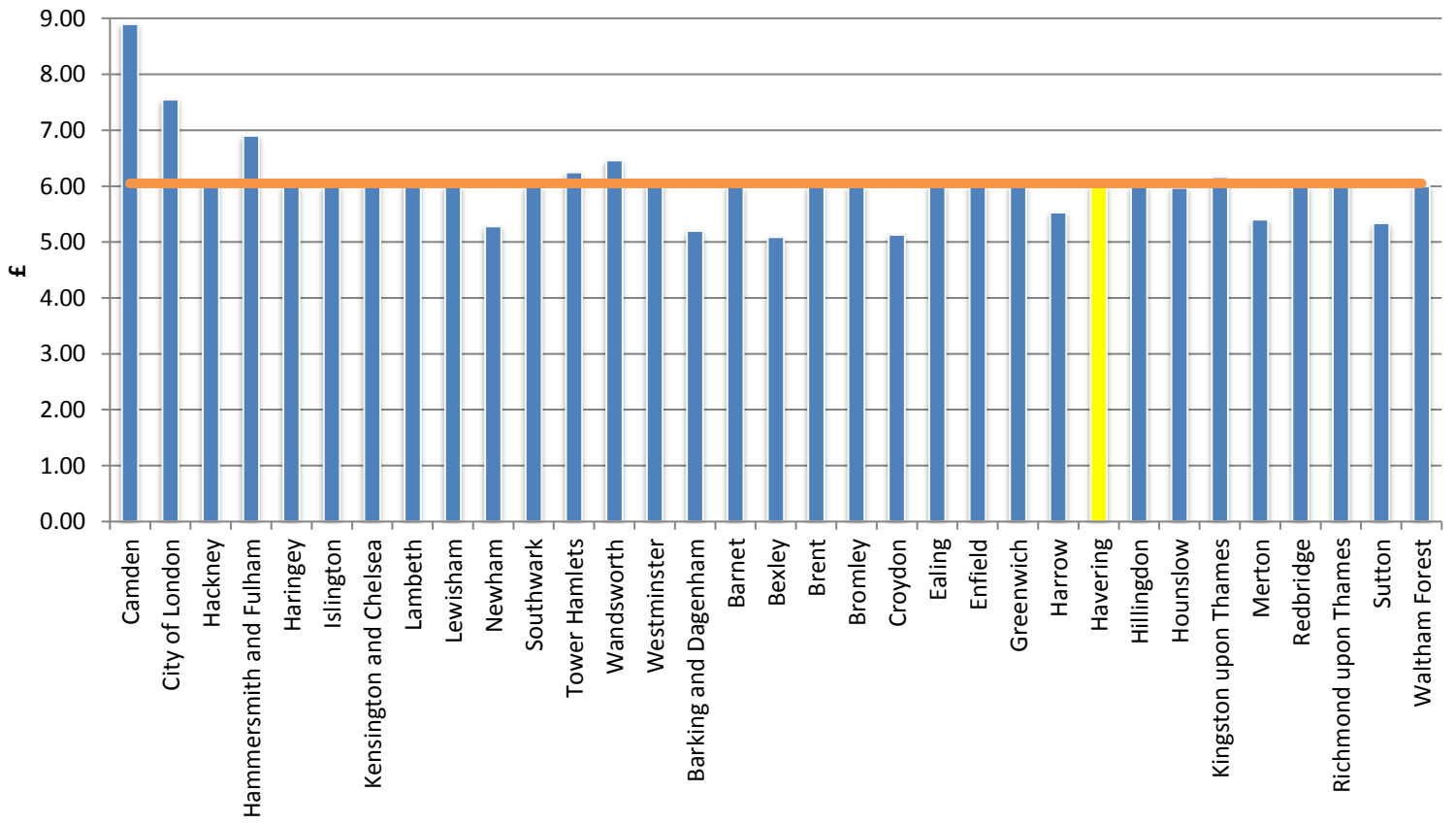
Source: Section 251 budget

311 Havering	27	26	22	21	20	19	15	12	26	26
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Average basic rate £/hour (3 & 4 year olds)



Average basic rate £/hour (2 year olds)

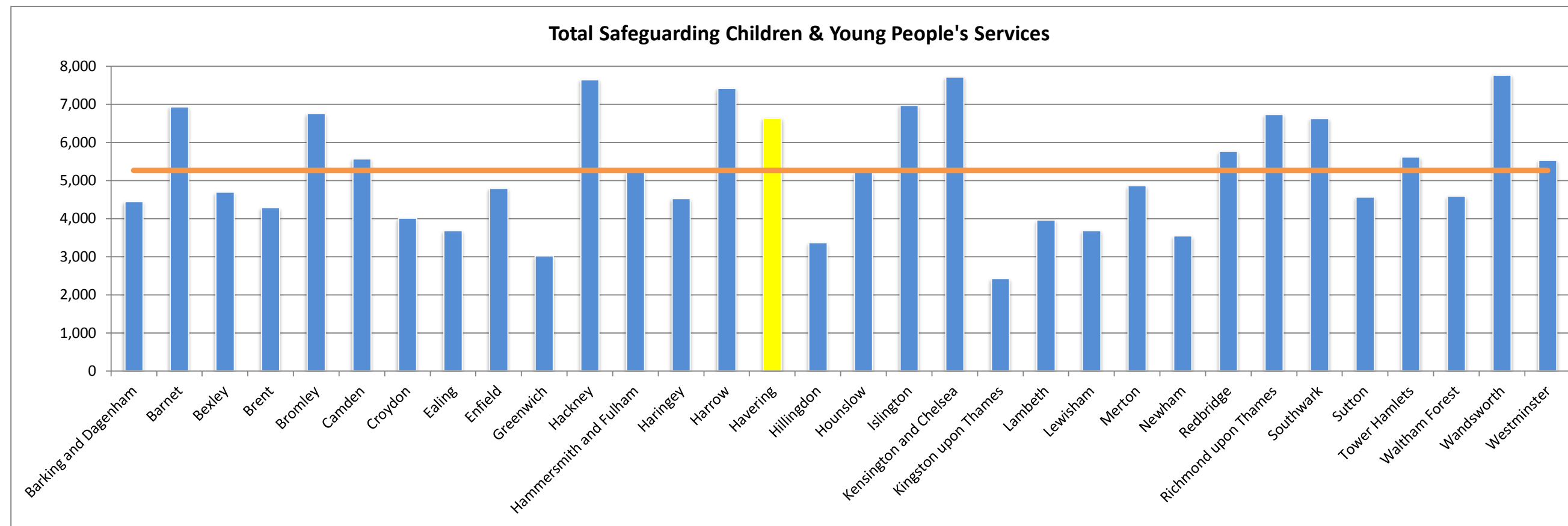
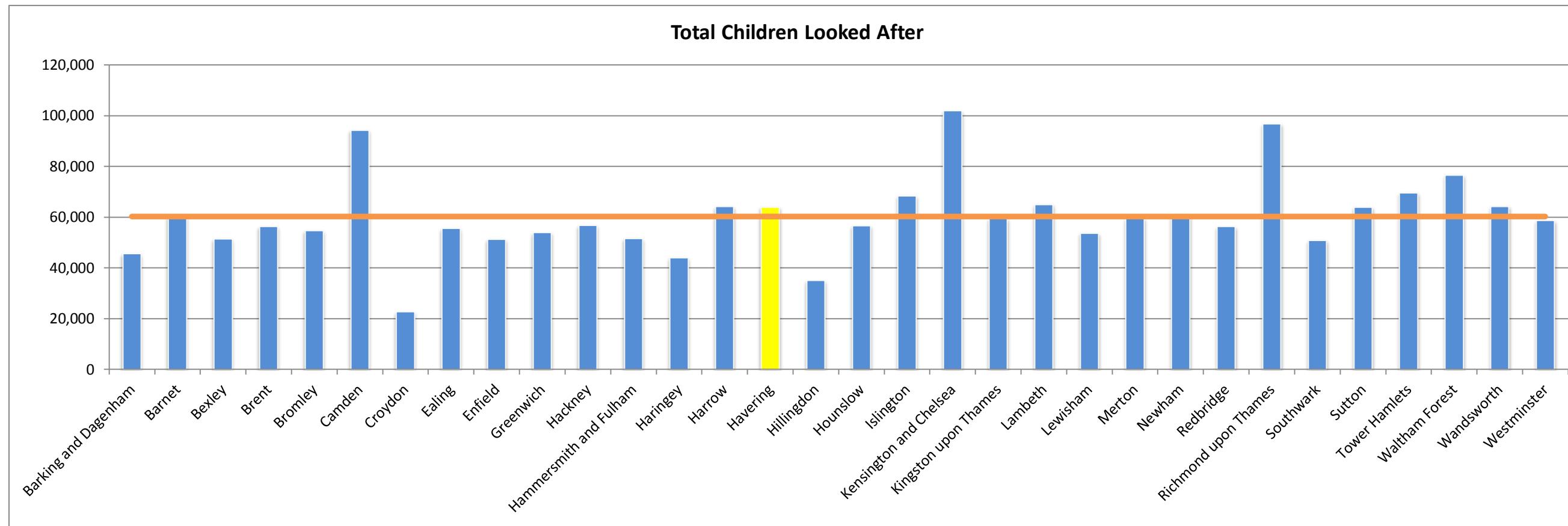
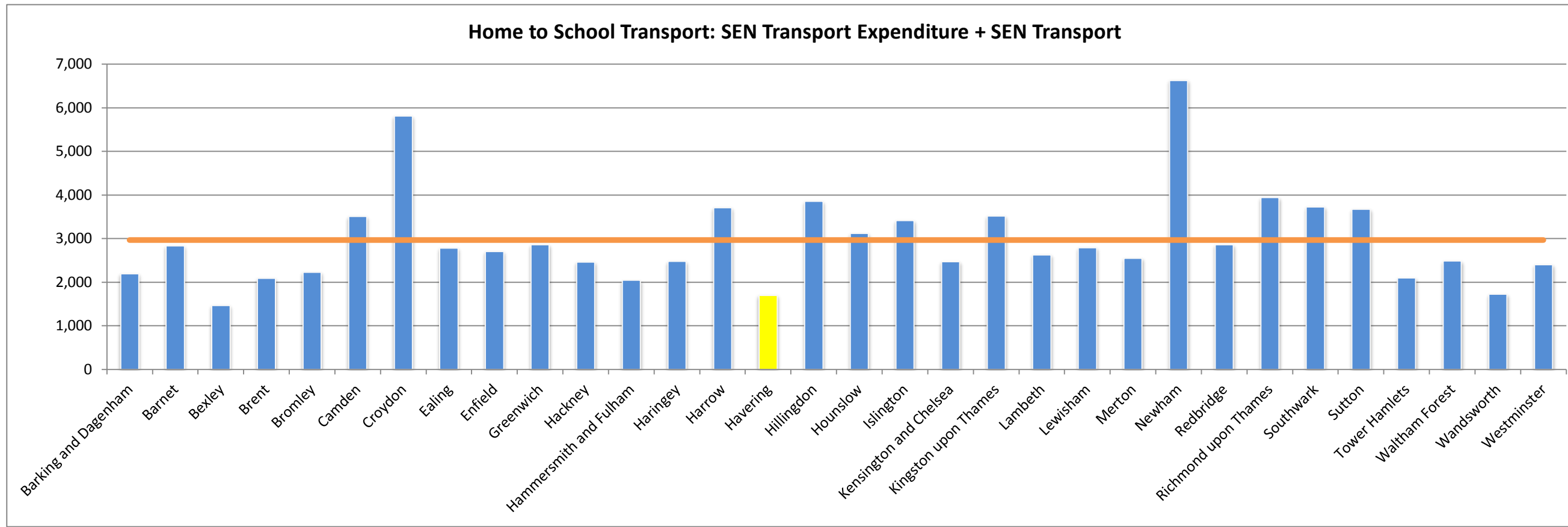


LA Code	3 and 4 year olds				2 year olds (1)				Central spend (1)(2)	
	Total budget £000s	Number of hours	Average rate £/hour	Average basic rate £/hour	Total budget £000s	Number of hours	Average rate £/hour	Average basic rate £/hour	Total budget £000s	Percentage of total budget
RANK /33 (LONDON)										
Average (median) RANK	17	17	17	17	17	17	15	12	17	16
311 Havering	27	26	22	21	20	19	15	12	26	26
202 Camden	21	29	1	2	19	26	1	1	20	19
201 City of London	33	33	3	3	33	33	3	2	31	31
204 Hackney	5	13	7	9	3	3	10	8	8	10
205 Hammersmith and Fulham	23	27	9	4	24	27	4	3	25	26
309 Haringey	19	21	11	22	13	12	15	12	10	10
206 Islington	20	18	17	29	22	25	2	12	7	7
207 Kensington and Chelsea	32	32	8	12	31	31	12	10	14	5
208 Lambeth	2	15	4	6	4	4	10	8	5	8
209 Lewisham	7	16	6	5	1	1	15	12	4	6
316 Newham	4	3	20	11	29	28	31	30	2	1
210 Southwark	11	19	5	1	2	6	5	12	31	31
211 Tower Hamlets	1	1	33	30	15	17	7	5	1	3
212 Wandsworth	6	9	10	8	12	13	6	4	16	19
213 Westminster	25	31	2	32	28	29	12	10	31	31
301 Barking and Dagenham	22	17	29	33	5	2	32	31	9	10
302 Barnet	9	5	16	18	14	14	15	12	22	24
303 Bexley	28	25	28	23	26	21	33	33	24	21
304 Brent	10	8	12	25	6	5	15	12	6	8
305 Bromley	13	7	23	19	18	18	15	12	30	30
306 Croydon	3	2	25	25	7	7	15	32	15	16
307 Ealing	8	4	21	28	21	20	15	12	3	2
308 Enfield	17	10	26	15	9	9	15	12	21	21
203 Greenwich	14	14	14	16	11	11	15	12	13	14
310 Harrow	24	22	24	23	17	15	29	27	27	28
312 Hillingdon	12	11	14	13	10	10	15	12	17	16
313 Hounslow	18	20	13	7	25	23	14	26	28	28
314 Kingston upon Thames	31	30	27	17	30	30	8	6	12	4
315 Merton	26	23	30	19	23	22	28	28	19	14
317 Redbridge	16	6	31	31	8	8	15	12	18	21
318 Richmond upon Thames	29	24	32	27	32	32	9	7	29	24
319 Sutton	30	28	19	10	27	24	30	29	23	16
320 Waltham Forest	15	12	18	14	16	16	15	12	11	13

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14-15 Additional Information Table
London

	Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10
					Further gross per capita breakdown (Seleted lines from LA Table divided by relevant pupils/ population)			Further net per capita breakdown (Seleted lines from LA Table divided by relevant pupils/ population)		
	2014-15 DSG Schools Block Unit of Funding £ / pupil	1.7.5 Local Authority additional contribution	Percentage of primary schools receiving Minimum Funding Guarantee for 2014-15 (1)	Percentage of secondary schools receiving Minimum Funding Guarantee for 2014-15 (1)	2.1.4 Home to school transport: SEN expenditure(0 - 25)+1.4.11 SEN transport (2)	3.1.11 Total children looked after (3)	3.3.4 Total Safeguarding Children and Young People's Services (3,4,5)	2.1.4 Home to school transport: SEN expenditure(0 - 25)+1.4.11 SEN transport (2)	3.1.11 Total children looked after (3)	3.3.4 Total Safeguarding Children and Young People's Services (3,4,5)
ENGLAND - Average (mean)	4,555	156,551	32%	29%	2,598	49,496	4,425	2,548	46,879	4,278
ENGLAND - Average (median)	4,490	0	31%	25%	2,547	50,655	4,307	2,484	47,421	4,220
ENGLAND - Minimum	3,950	0	4%	0%	0	21,865	1,532	0	21,865	1,394
ENGLAND - Maximum	7,014	8,104,531	100%	100%	9,658	108,859	10,426	6,630	101,957	9,914
Average (median)	5,254	0	30%	33%	2,748	60,935	5,120	2,745	57,814	5,031
Minimum	4,082	0	4%	0%	1,468	43,454	2,451	1,468	22,783	2,429
Maximum	7,014	3,818,000	98%	100%	9,658	108,859	8,174	6,630	101,957	7,765
301 Barking and Dagenham	5,583	0	10%	89%	2,197	48,417	4,552	2,197	45,720	4,447
302 Barnet	4,988	0	29%	43%	2,836	60,708	6,962	2,836	60,708	6,933
303 Bexley	4,613	0	28%	0%	1,468	51,996	4,693	1,468	51,518	4,693
304 Brent	5,066	0	40%	75%	2,092	58,728	4,378	2,092	56,421	4,285
305 Bromley	4,082	0	30%	100%	2,288	57,596	6,749	2,232	54,733	6,749
202 Camden	6,205	550,000	46%	22%	3,508	96,489	5,569	3,508	94,335	5,569
306 Croydon	4,559	0	14%	25%	5,811	43,454	4,960	5,811	22,783	4,014
307 Ealing	5,296	0	37%	33%	2,791	58,339	3,912	2,783	55,599	3,687
308 Enfield	5,194	0	25%	8%	2,706	54,985	4,803	2,706	51,332	4,798
203 Greenwich	6,006	0	41%	33%	2,861	54,280	3,075	2,861	53,984	3,021
204 Hackney	6,680	0	4%	57%	2,466	58,545	7,705	2,466	56,835	7,644
205 Hammersmith and Fulham	6,248	0	16%	0%	2,045	55,121	5,265	2,045	51,710	5,237
309 Haringey	5,878	0	49%	67%	2,480	46,370	4,576	2,480	44,125	4,531
310 Harrow	4,927	0	40%	0%	3,923	67,729	7,653	3,707	64,232	7,416
311 Havering	4,727	0	27%	25%	1,698	65,481	6,752	1,698	63,982	6,629
312 Hillingdon	4,820	0	13%	67%	3,881	56,250	3,716	3,853	35,073	3,366
313 Hounslow	5,211	266,418	37%	0%	3,166	60,423	5,230	3,117	56,748	5,204
206 Islington	6,229	2,120,740	12%	50%	3,415	78,980	7,099	3,415	68,463	6,974
207 Kensington and Chelsea	5,874	178,100	8%	33%	2,472	108,859	8,174	2,472	101,957	7,712
314 Kingston upon Thames	4,602	129,121	48%	100%	3,523	65,064	2,451	3,523	59,612	2,429
208 Lambeth	6,384	0	64%	0%	2,631	67,273	4,274	2,631	65,076	3,959
209 Lewisham	5,950	0	48%	36%	2,792	56,534	3,818	2,792	53,784	3,688
315 Merton	4,534	0	52%	0%	2,553	64,893	5,010	2,553	59,776	4,858
316 Newham	6,132	88,000	11%	17%	9,658	61,162	3,835	6,630	60,840	3,544
317 Redbridge	4,668	24,114	28%	0%	2,859	63,651	5,913	2,859	56,365	5,764
318 Richmond upon Thames	4,507	0	30%	100%	3,940	103,976	6,845	3,940	96,780	6,732
210 Southwark	6,124	0	9%	33%	3,746	55,908	6,707	3,731	50,958	6,626
319 Sutton	4,360	0	27%	33%	3,674	67,695	4,977	3,674	64,012	4,569
211 Tower Hamlets	7,014	3,818,000	98%	100%	2,215	71,173	5,689	2,098	69,590	5,616
320 Waltham Forest	5,205	0	16%	36%	2,572	78,756	4,608	2,487	76,625	4,586
212 Wandsworth	5,581	0	40%	0%	1,724	64,576	7,936	1,724	64,308	7,765
213 Westminster	5,663	1	56%	0%	2,427	61,513	6,171	2,402	58,794	5,529
311 Havering	24	12	20	19	31	10	8	31	11	9



2014-15 DSG Schools Block Unit of Funding £ / pupil	1.7.5 Local Authority additional contribution	Percentage of primary schools receiving Minimum Funding Guarantee for 2014-15 (1)	Percentage of secondary schools receiving Minimum Funding Guarantee for 2014-15 (1)	2.1.4 Home to school transport: SEN expenditure(0 - 25)+1.4.11 SEN transport (2)	3.1.11 Total children looked after (3)	3.3.4 Total Safeguarding Children and Young People's Services (3,4,5)	2.1.4 Home to school transport: SEN transport expenditure(0 - 25)+1.4.11 SEN transport (2)	3.1.11 Total children looked after (3)	3.3.4 Total Safeguarding Children and Young People's Services (3,4,5)
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RANK /32 (LONDON)

Average (median) RANK	17	12	17	14	17	17	17	17	17
311 Havering	24	12	20	19	31	10	8	31	11
301 Barking and Dagenham	14	10	29	5	27	30	24	26	29
302 Barnet	21	12	17	11	14	17	6	14	13
303 Bexley	26	12	19	24	32	29	21	32	26
304 Brent	20	12	10	6	28	19	25	28	19
305 Bromley	32	12	15	1	25	22	9	25	22
202 Camden	6	3	8	21	9	3	14	9	3
306 Croydon	28	12	25	19	2	32	19	2	32
307 Ealing	16	12	14	14	16	21	27	16	21
308 Enfield	19	12	22	23	17	27	20	17	27
203 Greenwich	9	12	9	14	12	28	31	12	23
204 Hackney	2	12	32	9	23	20	3	23	17
205 Hammersmith and Fulham	4	12	24	24	29	26	15	29	25
309 Haringey	11	12	5	7	21	31	23	21	30
310 Harrow	22	12	12	24	4	7	4	6	9
312 Hillingdon	23	12	26	7	5	24	30	4	31
313 Hounslow	17	4	13	24	11	18	16	11	18
206 Islington	5	2	27	10	10	4	5	10	6
207 Kensington and Chelsea	12	5	31	14	22	1	1	22	1
314 Kingston upon Thames	27	6	6	1	8	11	32	8	15
208 Lambeth	3	12	2	24	18	9	26	18	7
209 Lewisham	10	12	7	12	15	23	29	15	24
315 Merton	29	12	4	24	20	12	17	19	14
316 Newham	7	7	28	22	1	16	28	1	12
317 Redbridge	25	8	18	24	13	14	12	13	20
318 Richmond upon Thames	30	10	16	1	3	2	7	3	2
210 Southwark	8	12	30	14	6	25	10	5	28
319 Sutton	31	12	21	14	7	8	18	7	10
211 Tower Hamlets	1	1	1	1	26	6	13	27	5
320 Waltham Forest	18	12	23	12	19	5	22	20	4
212 Wandsworth	15	12	11	24	30	13	2	30	8
213 Westminster	13	9	3	24	24	15	11	24	16

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SCHOOLS FUNDING FORMULA 2015-16

2013/14 – Final (OCT-12 Census)

Phase 13-14	Funding Increases	Funding Decreases	Affected Schools	Number of Affected Schools
Infant	10	2	75%	9
Junior	11	1	75%	9
Primary	23	12	69%	24
Secondary	10	8	78%	14
Total	54	23	73%	56

Capped at 2% + 12.5%	Increase below 2%	Protected	Reduction within -1.5%
8	2	1	1
8	3	1	0
16	7	8	4
9	1	5	3
41	13	15	8

Largest Cap	Smallest Cap	Average Cap	Largest mfg	Smallest mfg	Average mfg
89,811	7,633	43,236	16,801	16,801	16,801
102,355	39,461	76,171	21,616	21,616	21,616
54,164	903	21,761	103,659	3,726	46,668
236,576	59,606	120,736	273,517	78,704	163,475

2014/15 – Final (OCT-13 Census)

Phase 14-15	Funding Increases	Funding Decreases	Affected Schools	Number of Affected Schools
Infant	10	2	92%	11
Junior	8	4	92%	11
Primary	13	22	71%	25
Secondary	7	11	78%	14
Total	38	39	79%	61

Capped at 0% & 100% scaling factor	Increase below 0%	Protected	Reduction within -1.5%
10	0	1	1
8	0	3	1
13	0	12	10
7	0	7	4
38	0	23	16

Largest Cap	Smallest Cap	Average Cap	Largest mfg	Smallest mfg	Average mfg
58,175	12,498	34,675	12,346	12,346	12,346
93,136	32,149	65,622	22,839	2,071	15,322
43,349	2,015	21,758	124,054	2,900	38,445
120,667	28,361	63,594	483,767	5,048	155,427

2015/16 – INITIAL DRAFT (OCT-13 Census) Rates remain unchanged

Phase 15-16	Funding Increases	Funding Decreases	Affected Schools	Number of Affected Schools
Infant	10	2	92%	11
Junior	8	4	75%	9
Primary	16	19	60%	21
Secondary	7	11	61%	11
Total	41	36	68%	52

Capped at 0% & 100% scaling factor	Increase below 0%	Protected	Reduction within -1.5%
10	0	1	1
8	0	1	3
16	0	5	14
7	0	4	7
41	0	11	25

Largest Cap	Smallest Cap	Average Cap	Largest mfg	Smallest mfg	Average mfg
58,175	12,498	34,675	1,020	1,020	1,020
118,833	32,149	72,448	7,521	7,521	7,521
43,349	2,015	17,679	97,426	6,820	54,834
120,667	40,564	63,720	421,783	66,066	203,020

Issues:

A) The initial draft allocation would not be compliant with the DfE guidelines whereby the Total Amount Capped cannot exceed the Minimum Funding Guarantee Protection Total.

Minimum Funding Guarantee Protection	£1,094,793	Cap / Scaling of Gains	-£1,655,229	Net Total	-£560,436	Compliant	No
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B) The initial draft allocation based on last year's rates does leave the sum of £580,950 to be allocated through the formula, which could be through the increasing of the funding Factor Rate or/and permitting a cap/scaling factor gain from the Formula.

Formula Allocation	£158,620,632	Total Budget Available	£159,201,582	Unallocated Budget	£580,950
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C) The initial draft model is using October 2013 Census data, which does not take into account of additional classes which were required as part of the Growth programme post the finalisation of the final allocations for the financial year 2014/15. There is a significant increase in the numbers in Primary Phase with a decrease in the Secondary Phase, which will be confirmed following the October 2014 Census has been finalised.

	Primary NOR	Secondary NOR	Total NOR
October 2013 Census Numbers	19,737	14,775	34,512
Estimated September 2014 Numbers*	20,510	14,737	35,247
Estimated Change in NOR Numbers	773	-38	735

*Estimated September 2014 numbers are derived from September 2014 Admissions intake numbers and from May 2014 Census data.

Proposal 1:

- A) Based on the previous data of October 2013, the re-introduction of the Cap to allow schools that are above the MFG Unit Value of the previous year to gain from the formula. 1.1% Cap limit introduced.

Phase 15-16	Funding Increases	Funding Decreases	Affected Schools	Number of Affected Schools
Infant	10	2	92%	11
Junior	8	4	75%	9
Primary	16	19	43%	15
Secondary	7	11	39%	7
Total	41	36	55%	42

Capped at 1.1% & 100% scaling factor	Increase below 1.1%	Protected	Reduction within -1.5%
10	0	1	1
8	0	1	3
10	6	5	14
3	4	4	7
31	10	11	25

Largest Cap	Smallest Cap	Average Cap	Largest mfg	Smallest mfg	Average mfg
49,607	4,060	1,020	1,020	1,020	1,020
107,063	23,726	7,521	7,521	7,521	7,521
31,172	1,174	97,426	97,426	6,820	54,834
74,827	40,530	421,783	421,783	66,066	203,020

Minimum Funding Guarantee Protection	£1,094,793	Cap / Scaling of Gains	-£1,074,293	Net Total	£20,500	Compliant	Yes
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Formula Allocation	£159,201,569	Total Budget Available	£159,201,582	Unallocated Budget	£13
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Issues:

- A) This is an interim measure to resolve the compliance issue of the MFG/Cap limits, which does not factor in the new data that will follow the finalisation of the October 2014 Census.

Estimated pupil numbers, based from locally held data, seems to show that an increase in Primary numbers will influence the distribution of funding and the amount of allocation per school

Minimum Funding Guarantee Protection	£1,206,678	Cap / Scaling of Gains	-£1,072,526	Net Total	£134,152	Compliant	Yes
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Formula Allocation	£161,840,639	Total Budget Available	£162,706,565	Unallocated Budget	£865,926
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Proposal 2:

- A) Based on the previous data of October 2013, the reversal of the 1% cut per factor has been sought. AWPU, FSM IDACI2, IDACI4, IDACI5, IDACI6, EAL3, Mobility are the factors that were reduced in 2014/15.

Phase 15-16	Funding Increases	Funding Decreases	Affected Schools	Number of Affected Schools
Infant	11	1	92%	11
Junior	10	2	83%	10
Primary	27	8	89%	31
Secondary	14	4	100%	18
Total	62	15	91%	70

Capped at 0% & 65% scaling factor	Increase below 0%	Protected	Reduction within -1.5%
11	0	0	1
10	0	0	2
27	0	4	4
14	0	4	0
62	0	8	7

Largest Cap	Smallest Cap	Average Cap	Largest mfg	Smallest mfg	Average mfg
66,293	7,125	39,725	0	0	0
130,575	5,956	67,744	0	0	0
56,827	2,194	21,960	79,730	3,414	52,943
164,945	11,923	71,421	387,329	32,010	169,259

Minimum Funding Guarantee Protection	£885,058	Cap / Scaling of Gains	-£2,718,543	Net Total	-£1,833,485	Compliant	No
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Formula Allocation	£158,765,592	Total Budget Available	£159,201,582	Unallocated Budget	£435,990
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Issues:

- A) This is not feasible as it is not compliant with the DfE guidelines. With the enabling of gains to a cap limit (2.65%) or scale factor on the MFG Unit Value, that will lead to the over-allocation based on the available budget for the formula, circa £1.4m in excess of the budget available.

Minimum Funding Guarantee Protection	£885,058	Cap / Scaling of Gains	-£874,203	Net Total	£10,855	Compliant	Yes
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Formula Allocation	£160,609,932	Total Budget Available	£159,201,582	Over-allocated Budget	-£1,408,350
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Estimated pupil numbers, based from locally held data, seems to show that an increase in Primary numbers will help reduce the over-allocation but this is proposal is not feasible at this moment in time, and we have to await the final data to confirm whether this proposal is discounted. This model had a cap of 2.36% applied.

Minimum Funding Guarantee Protection	£979,855	Cap / Scaling of Gains	-£978,380	Net Total	£1,475	Compliant	Yes
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Formula Allocation	£163,150,696	Total Budget Available	£162,706,565	Over-allocated Budget	-£444,131
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Proposal 3:

- A) Based on the previous data of October 2013, an increase in the Deprivation factor of FSM for Primary and Secondary is recommended to be introduced in the final submittal, in conjunction with a potential increase in the AWPU for Primary and Secondary Phase rates.

A 2% increase in the FSM Factor is applied with a 0.5% increase in the AWPU rates, with an increase of the cap to 2.0% with 100% scaling factor (no gains above 2.0%).

Phase 15-16	Funding Increases	Funding Decreases	Affected Schools	Number of Affected Schools
Infant	11	1	83%	10
Junior	10	2	75%	9
Primary	24	11	34%	12
Secondary	13	5	39%	7
Total	58	19	49%	38

Capped at 0% & 65% scaling factor	Increase below 0%	Protected	Reduction within -1.5%
10	1	0	1
8	2	1	1
8	16	4	7
3	10	4	1
29	29	9	10

Largest Cap	Smallest Cap	Average Cap	Largest MFG	Smallest MFG	Average MFG
47,264	656	22,542	0	0	0
103,532	20,926	58,144	2,453	2,453	2,453
28,723	5,181	13,751	85,536	4,899	57,534
62,913	28,970	49,847	398,221	46,557	181,641

Minimum Funding Guarantee Protection	£959,153	Cap / Scaling of Gains	-£950,113	Net Total	£9,040	Compliant	Yes
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Formula Allocation	£159,994,272	Total Budget Available	£159,201,582	Over-allocated Budget	-£792,690
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Estimated pupil numbers, based from locally held data, seems to show that an increase in Primary numbers will help reduce the over-allocation but the application of this proposal will be explored on the final dataset that we receive in December.

Phase 15-16	Funding Increases	Funding Decreases	Affected Schools	Number of Affected Schools
Infant	11	1	83%	10
Junior	10	2	75%	9
Primary	24	11	34%	12
Secondary	13	5	39%	7
Total	58	19	49%	38

Capped at 0% & 65% scaling factor	Increase below 0%	Protected	Reduction within -1.5%
10	1	0	1
8	2	1	1
8	16	4	7
3	10	4	1
29	29	9	10

Largest Cap	Smallest Cap	Average Cap	Largest MFG	Smallest MFG	Average MFG
44,452	755	22,544	0	0	0
105,602	21,371	59,786	2,587	2,587	2,587
29,231	2,644	13,361	97,210	4,994	64,984
58,213	22,944	46,256	455,211	49,588	199,122

Minimum Funding Guarantee Protection	£1,059,012	Cap / Scaling of Gains	-£949,378	Net Total	£109,634	Compliant	Yes
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Formula Allocation	£162,635,021	Total Budget Available	£162,706,565	Unallocated Budget	£71,544
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Schools Funding Forum 16th October 2014

De-Delegation of Attendance, Behaviour and Traveller Support Service

Responses to the consultation on whether services should be de-delegated (YES) or not (NO).

De-delegated means to maintain a centrally provided service.

	PRIMARY
RESPONSE RATE	35/52 = 67%
YES	28 = 80%
NO	7 = 20%

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Schools Funding Forum 11th December 2014

EARLY YEARS SINGLE FUNDING FORMULA - PROPOSED REVISIONS TO THE FUNDING BASE RATES FOR 2015/16

1. Introduction

The Early Years Single Funding Formula (EYSFF) is the statutory mechanism for funding the free Early Education Entitlement for 2, 3 and 4 year olds and applies to both Schools and the Private, Voluntary and Independent (PVI) sector, including Childminders.

The EYSFF for 3 and 4 year olds currently includes a Base Rate for 2, 3 and 4 year olds with Supplements for 3 and 4 year olds for Quality and Deprivation.

The current Base Rate for 2 year olds for all settings is £6.00 per child, per hour.

The current Base Rates for 3 and 4 year olds for Maintained Schools, Independent Schools, Academies and Free Schools is £4.03 per child, per hour. For Private and Voluntary settings and Childminders the Base Rate is £3.49 per child, per hour.

2. Proposed Changes to Base Rates for 2015/16

(a) Base Rate for 2 Year Olds

The current Havering Base Rate is £6.00 per child, per hour. This is the London funding rate received the previous Government when this was first piloted in Havering in 2009. A number of other London Local Authorities have maintained this rate.

The 2 Year Old Early Education Entitlement (EEE), for children meeting certain qualification criteria, became statutory with effect from 1 September 2013. The criteria was expanded from 1 September 2014 and nationally is expected that 40% of 2 year olds will qualify for this entitlement.

The current average England funding rate set by the Government is £5.09 per child per hour. It has been possible to maintain the funding rate to settings of £6.00 per hours, as the Government funding received has been comparatively generous. Whilst the received funding rate has been less than £6.00, it has been based on the estimated number of qualifying children taking up the full entitlement for a full year. In addition Trajectory Funding has also been given to support the development of the entitlement.

However, from 2015/16 funding received by local authorities will be based on actual participation based on the Department for Education's January 2015 Annual Census, bringing this in line with the funding received for the EEE for 3 and 4 year olds, albeit

for 2015/16 only there will be a second voluntary 2 year old pupil count in October 2015.

The Department for Education has confirmed that the indicative England average funding rate for 2 year olds will remain at £5.09 for 2015/16. Indicative funding rates for individual local authorities have also been published. The indicative rate for Havering is £5.28. This is the same rate as for nearby authorities such as Barking and Dagenham, Newham, Redbridge, Waltham Forest and Thurrock.

The indicative funding rates for Havering's national comparator authorities are as follows:

Authority	Hourly Rate
Havering	£5.28
Bexley	£5.28
Bury	£4.95
Essex	£5.02
Kent	£4.93
Medway	£4.88
Solihull	£4.89
Staffordshire	£4.85
Stockport	£4.95
Swindon	£4.97
Thurrock	£5.28

The funding received for 2 year olds forms part of the Early Years Block of the Dedicated Schools Grant (DSG). The annual cost of maintaining the funding rate of £6.00 per hour would be approximately £463,000, assuming the full take-up of the entitlement by the estimated number of qualifying children. It is not expected that there will be any flexibility within the Early Years Block in 2015/16 to maintain the 2 year old funding rate of £6.00 hours or anything in excess of the funding rate expected to be received of £5.28 per hour. There is also no flexibility within the Schools and High Needs Blocks of the DSG to support this.

It is therefore recommended that the 2015/16 EYSFF Base Rate Funding for 2 Year Olds should be £5.28 per child, per hour.

Impact of the Reduction in this Funding Rate

This proposed 2015/16 funding rate will be a reduction of £0.72 per child, per hour. This equates to a reduction in funding of £410 per annum for each child taking-up the full entitlement of 570 hours.

In order to minimise the initial impact on settings, it is proposed that a payment be made to each setting of £205 per qualifying 2 year old child based on the verified 2015 Spring Term Census. The maximum cost of this is estimated to be £231,000, assuming that all the estimated number of qualifying children have

taken-up this entitlement on that day, and which can be met from the current budget funding for 2 year olds.

(b) Base Rate for 3 and 4 Year Olds

The current Base Rate for Schools is £4.03 per child, per hour and for Private and Voluntary settings, including Childminders £3.49. These Base Rates have remained at this level since the EYSFF was introduced for the PVI sector from 2010/11 and for Schools from 2011/12.

It is therefore proposed to increase these Base Rates by £0.07 for 2015/16. This will be £4.10 for Schools and Independent settings and £3.56 for Private and Voluntary settings, including Childminders.

Impact of the Increase in these Funding Rates

This proposed 2015/16 funding rates will be an increase of £0.07 per child, per hour. This equates to an increase in funding of £57 per annum for each child taking-up the full entitlement of 570 hours.

The estimated annual cost of this increase will be approximately £138,000, based on actual take-up in 2013/14. It will be possible to meet this increase from within the Early Years Block.

3. EYSFF Supplements for 3 and 4 Year Olds

The current supplements are:

- (i) Quality:
 - Ofsted Inspection Judgment “Good” - £0.29 per child, per hour
 - Ofsted Inspection Judgement “Outstanding” - £0.39 per child per hour

There are no proposals to amend these rates for 2015/16.

- (ii) Deprivation:

These supplements relate to individual children whose post codes fall into the following IDACI Bands:

- Band 2 - £0.37 per child, per hour
- Band 3 - £0.57 per child, per hour
- Band 4 - £0.97 per child, per hour
- Band 5 - £1.35 per child, per hour
- Band 6 - £1.75 per child, per hour

There are no proposals to amend these rates for 2015/16. However with the introduction of the Pupil Premium from 1 April 2015 (See section below), the Department for Education is encouraging local authorities to consider using their EYSFF deprivation supplement to increase the local rate of Early Years Pupil Premium.

It is not considered appropriate to consider this at this stage but will be reviewed once the implementation of the Early Years Pupil Premium has had an opportunity to be evaluated.

4. Early Years Pupil Premium

The Government has announced that an Early Years Pupil Premium (EYPP) for 3 and 4 year old will be introduced for 2015/16. The qualification for this will be as per the School Pupil Premium, i.e. free school meals. This will be available for children in all Early Years settings, including Childminders and as with the School Pupil Premium, emphasis will be placed on showing the impact of the use of this funding and it will be included in Ofsted Inspections.

The funding rate for the EYPP will be £300 per child accessing the full 570 hours EEE and will be allocated direct to Providers as an hourly rate. The DfE's estimate of qualifying children in Havering is 644 and the indicative funding allocation for 2015/16 is £194,696.

A number of pilots of the implementing of the EYPP early are taking place and these will lead to further guidance being given on the implementation and administration of the EYPP from April.

Recommendations

The Schools Funding Forum is Recommended to:

- (i) Agree the following Early Years Single Funding Base Rates for 2015/16:**
 - 2 Year Olds - £5.28**
 - Schools (including Maintained, Independent, Academies and Free Schools) - £4.10**
 - Private and Voluntary Settings and Childminders - £3.56**
- (ii) Agree that the Supplements for Quality and Deprivation should remain at the current rates for 2015/16**
- (iii) Agree a payment to settings of £205 per qualifying 2 year old child, based on the verified 2015 Spring Term Census**
- (iv) Note the introduction of an Early Years Pupil Premium for 3 and 4 year olds from April 2015**

Schools Funding Forum 11th December 2014

THE PROVISION OF SERVICES AND FACILITIES BY THE AUTHORITY

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

Current wording in Schools Financing Scheme

For those services charged on the basis of an annual subscription, agreements with the LA will be continuous unless schools advise the provider by 1st April that they no longer wish to purchase the service. To assist schools in making their decisions, by 31st 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 a provider that it no longer wishes to purchase the service, the service will continue at the previous year's price plus inflation until 31st August.

For other services, 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 provided for which expenditure is not retainable centrally by the LA under the Regulations made under section 46 of the Act, 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 must be met by the total income, even if schools are charged differentially.

Current notification clause on the portal

- A school must give notice by 30 March as to whether it wishes to continue or discontinue the service for the full financial year ending 31 March of the following year.
- If a school does not give notice by 31 March, then the contract is deemed to be extended for the financial year ending 31 March of the following year.
- If a school gives notice between 1 April and 30 September (inclusive) that it does not want to continue the service for the following financial year, the service will discontinue on the following 31 March.
- If a school gives notice between 1 October and 31 March (inclusive) that it does not want to continue the service for the following financial year, the service will discontinue on the following 31 August.

Proposed wording

For those services charged on the basis of an annual subscription, agreements with the LA will be need to be completed by 30th April. To assist schools in making their decisions, by 31st 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.

Service 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.

Proposed notification clause

- A school must complete the purchase of services offered through annual subscription by 30th April.
- 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.

DFE GUIDANCE

PROVISION OF SERVICES BOUGHT BACK FROM THE AUTHORITY USING DELEGATED BUDGETS

The scheme should contain a provision limiting the term of any arrangement with a school to buy services or facilities from the authority 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. However, schemes may contain an extension to five and seven years respectively for contracts for supply of catering services.

There is no minimum period, although arrangements lasting less than two years may well be uneconomic.

The scheme should contain a provision which requires that when a service is provided for which expenditure is not retainable centrally by the authority under the Regulations made under section 45A of the Act, it should 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 should be met by the total income, even if schools are charged differentially.

This provision complements the implied requirements of the regulations on central retention of funds. It is recognised that absolute break-even or profit is not always achievable over fixed financial years: it is for the authority to show during audit tests that the charging policy can reasonably be expected to avoid central subsidy of services.

8.2.1 Packaging

The scheme should contain a provision to the effect that any service which an authority is providing on a buyback basis must be offered 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 provision would not prevent authorities offering packages of services which offer a discount for schools taking up a wider range of services; but authorities are encouraged to offer services singly as well as in combination.

8.3 Service level agreements

The scheme should provide that service level agreements must be in place by a certain date to be effective for the following financial year, and that schools must have at least a month to consider the terms of agreements.

8.3.1 The scheme should contain a provision which stipulates that if services or facilities are provided under a service level agreement - 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.

8.3.2 The scheme should explicitly provide that services, if offered at all by the authority, will be available on a basis which is not related to an extended agreement, as well as on the basis of such agreements.

Where services are provided on an ad hoc basis they may be charged for at a different rate than if provided on the basis of an extended agreement.

The scheme should specifically exclude centrally arranged premises and liability insurance from these requirements as to service supply, as the limitations envisaged may be impracticable for insurance purposes.



Department
for Education

SEND funding: longer-term changes

Call for evidence

Launch date 13 November 2014

Respond by 27 February 2015

Longer term changes to funding for children and young people with special educational needs and disabilities (SEND) – Call for evidence

To	Local authorities; schools and colleges; any other interested organisations and individuals.
Issued	13 November 2014
Enquiries to	If your enquiry is related to the policy content of the consultation you can contact the Department on 0370 000 2288 or email: SEnfunding.CONULTATION@education.gsi.gov.uk

Contact details

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the Ministerial and Public Communications Division by email: consultation.unit@education.gsi.gov.uk or by telephone: 0370 000 2288 or via the GOV.UK '[Contact Us](#)' page.

1. Summary

1.1 We are inviting interested individuals and organisations to help us work out ways in which we can distribute special educational needs and disability (SEND) funding more fairly.

1.2 We have put together a pack of data about children and young people with SEND, and how they have been funded and are funded now. We are interested in any analysis of this data, and conclusions you may draw, that would contribute to this work.

1.3 We would also be interested in any local evidence that would inform the national debate.

2. About this call for evidence

2.1 In July, the Minister for Schools, David Laws, announced changes to the distribution of funding for mainstream schools within local authorities' dedicated schools grant for next year to address some of the unfairness in the current allocations. He acknowledged that we will not have a completely fair education funding system until we also reform the distribution of funding for pupils with high-cost SEND, and explained that this would be a priority for reform during the next parliament.

2.2 As well as making the funding fairer, any funding changes we introduce must support the reforms to the wider system of support for children and young people with SEN and disability that were contained in the Children and Families Act 2014 and are currently being implemented by local authorities, schools and colleges.

2.3 We have no specific funding changes in mind, although we are planning for a distribution that is more formulaic, and less based on past levels of allocation that have become outdated, and on local decisions on spending that have partly determined how much is allocated. To help us move to a better basis for distributing this element of local authority funding in future, we have commissioned some research, which is being undertaken by Isos Partnership.

2.4 They are reviewing the available literature and data, and will be conducting in depth fieldwork in 13 local authority areas: Bromley, Bury, Devon, East Riding of Yorkshire, Gateshead, Herefordshire, Lambeth, Leicestershire, Manchester, Newcastle, Somerset, Southend-on-Sea, and West Sussex. This research will focus on finding new and improved formula factors for distributing funds relating to SEND from national to local level and from local level to institutions.

2.5 We are now inviting other interested parties to help us with this work and to provide answers to some other questions about how we can distribute SEN funding more fairly.

3. What evidence we are looking for

3.1 As part of this call for a wider range of evidence we are publishing a pack of data about children and young people with SEND, by local authority, including data on attainment, funding and health. These data sets have already been published elsewhere, and some are included in the [local authority interactive tool \(LAIT\)](#) that we published in January 2014, and which is used for benchmarking and other purposes.

3.2 We will be working on these data sets over the next few months as part of our wider work on how we might make the distribution of SEND funding fairer. We are making the data available in this form so that others can look at the data that we think might be relevant to SEND funding policy, and can carry out analysis of the data if they wish. We would be interested in any reflections and conclusions they may draw from such analysis, and hope they will share these with us.

3.3 Early next year more data will become available – for example, from local authorities' expenditure outturn statements for 2013-14 – and we will update the data pack with this information.

3.4 We would also be interested in any local knowledge that would inform the national debate. In particular, we would be interested in finding out why the same pupils and students with SEND, or pupils and students with very similar needs, can be assessed very differently in different local authorities; and how this has made a difference to the allocation of funding. We would welcome responses from groups of two or more local authorities on how they would assess and allocate funding to secure appropriate provision for examples of children and young people with SEND. Such comparisons could use actual examples of children and young people with different types of SEND who have moved and been treated differently, or hypothetical examples. We have included, in a separate document, some profiles of children and young people with SEND that Isos Partnership is using in their fieldwork discussions with local authorities. These profiles could be used as a starting point for any comparisons, but detail would need to be added to make sure there was a common understanding of the examples.

3.5 We are also including below some questions that we are keen to have answers to. Those responding to this call for evidence may wish to provide specific answers to some or all of the questions, but can instead provide a general response, using the questions as prompts.

4. Questions

4.1 The distribution of revenue funding for SEND:
Analysis of the published data may help suggest answers to some of these questions. In providing answers, please set out the supporting analysis as appropriate.

National to local level funding distribution

Q1. In moving to a fairer distribution of funding for SEND, which proxy factors other than those already included in the School and Early Years Funding (England) Regulations (e.g. low prior attainment, children from families entitled to free school meals) offer the best way of distributing funds from the Education Funding Agency to local authorities, or would these factors be adequate at this level of distribution?

Q2. Apart from using a formula, is there anything else we could do to make the allocation of funding for SEND to local authorities fairer? For example, how far should we take into account the pattern of provision that has developed in the locality, and the cost of that?

Q3. Are there types of SEND that are best handled above the level of individual local authorities and, if so, how might that best be dealt with in the funding system? Should collaboration between local authorities be encouraged through the funding system?

Local to institution level funding distribution

Q4. Are there other funding formula factors that could provide a good proxy for institutions' need to spend on children and young people with SEND? Are different factors appropriate for funding provision of support for those with high incidence low cost SEN and for funding provision of support for those with high level SEN? For each factor, are any perverse incentives associated with it?

Q5. It is less resource intensive to allocate funding on the basis of proxy measures or using pre-determined bands of funding, particularly if the necessary data collection mechanisms are already in place, but such allocation methods can fail to take sufficient account of individual circumstances and the cost of meeting pupils' and students' needs in the setting, particularly where the cost is comparatively high. How can the right balance best be achieved in allocating funding to institutions?

Q6. In what circumstances would it make sense for local authorities to be able to distribute some SEND funding to a level above that of individual institutions: for example to geographical clusters of schools, or to multi-academy trusts, leaving them with more discretion on the further allocation of those funds to individual institutions?

Q7. In distributing funding to institutions, which methodologies are most efficient and offer the best prospect of reducing bureaucracy, whilst at the same time make sure that money gets to the institutions that need it to support their pupils and students with SEND?

Q8. How are local authorities securing appropriate contributions from their social care budgets, and from local NHS budgets, and how should such contributions be taken into account in the distribution of education funding?

Q9. How will the way funding is allocated to institutions impact on local authorities' ability to offer personal budgets for SEND provision?

Q10. How are local authorities allocating funding to early years providers (schools as well as the private, voluntary and independent sector) for both low cost and high level SEND? Are authorities using the early years block of funding within the dedicated schools grant (DSG) or the high needs block? How are they calculating the funding required (e.g. are they using formula factors, or assessing the cost of support required on an individual basis, or taking a different approach)?

4.2 Local authorities' approaches to capital investment:

The data we have published and research we have commissioned are primarily about revenue funding distribution, but we are interested in how we can improve the funding of specialist facilities for pupils and students with SEND, where there is demand for new places or expansion.

Q11. What are the different approaches that local authorities are taking towards capital investment to create specialist provision – in special schools, special units attached to mainstream schools, and similar types of provision in academies and colleges – and what are the drivers behind these?

Q12. What sources of capital funding do local authorities use to create specialist provision, and what factors affect this?

Q13. What factors drive local authorities' decisions to invest capital in additional specialist provision – as opposed to using revenue funding for placements in existing mainstream/specialist provision, or placements in another local authority or in the independent sector?

Q14. Do local authorities take into account the cost of transport for pupils and students with SEND when making decisions about capital investment, and compare this investment with the cost of residential provision out of the area?

Q15. What specific criteria do local authorities use in allocating capital funding for specialist provision?

Q16. What data do local authorities collect and hold on current capacity and forecast pupil numbers for different types of specialist provision?

Q17. Do local authorities pool capital funding to create shared specialist provision? If not, should this be considered and what are the barriers?

Q18. What approach should the Education Funding Agency take in allocating capital funds for specialist provision?

5. How to respond

5.1 We would be grateful for views of any kind, and in any format, on this topic in the period up to the end of February 2015. Please use the email address that we have set up for this purpose: SENFunding.consultation@education.gsi.gov.uk.

5.2 Or send your response to:

SEN Funding Call for Evidence
Department for Education,
Infrastructure and Funding Directorate,
Sanctuary Buildings (4th floor),
Great Smith Street,
Westminster,
London,
SW1P 3BT

5.3 We will make sure that responses are brought to the attention of the Isos Partnership research team so that they can be taken into account as they conduct their work. We will also be arranging some seminars in January 2015 for discussion of the data and analyses, and would like to know by the end of November of any individuals who would wish to contribute to those. Please use the email address above to let us know if you are interested in participating.

6. Deadline

6.1 The call for evidence closes on 27 February 2015.



Department
for Education

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