

**SCHOOLS FUNDING FORUM
AGENDA**

8.30 - 11.00 am	22 September 2016	CEME
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Members: 26 Quorum: 10

MEMBERSHIP:

Representative Groups

Head Teachers (12):

Emma Allen, Special
Margy Bushell, Primary
Kirsten Cooper, Primary
David Denchfield, Primary
Malcolm Drakes, Primary
Julian Dutnall, Academy
Bill Edgar, Secondary
Nigel Emes, Primary
Chris Hobson, Primary
Ian Hogg, Special School Academy (substitute member)
Simon London, Academy
Gary Pocock, Academy
Bryce Wilby, Academy
Keith Williams, Academy

Governors (7):

Sheila Clarke, Primary
Bernard Gilley, Primary
John McKernan, Academy
Derek Smith MBE, Secondary

**Non-School
Representatives (4):**

Maria Thompson, Post 16
Joanna Wilkinson, Early Years/PVI Sector

Trade Unions (3):

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

For information about the meeting please contact:
David Allen david.allen@havering.gov.uk 01708 433851

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

Apologies have been received from Maria Thompson, Keith Passingham and Chris Hobson.

2. ELECTION OF CHAIR AND VICE CHAIR

To elect a Chair and Vice Chair until the first meeting of the autumn term 2017.

3. TO AGREE THE NOTES OF THE MEETING HELD ON 7th JULY 2016 (Pages 1 - 7)

The notes are attached.

4. MATTERS ARISING

5. SCHOOL FUNDING FORUM CONSTITUTION (Pages 8 - 11)

Report attached.

6. DFE CONSULTATION - ADJUSTMENTS TO LOCAL AUTHORITY FUNDING RELATED TO FREE SCHOOLS (Pages 12 - 13)

Report attached.

7. NATIONAL FUNDING FORMULA (Pages 14 - 16)

Report attached.

8. SCHOOLS REVENUE FUNDING 2016/17 (Pages 17 - 18)

Report attached.

9. DSG CENTRALLY RETAINED FUNDING (Pages 19 - 21)

Report attached.

10. PUPIL GROWTH FUND (Pages 22 - 24)

Report attached.

11. DE-REGULATION OF FUNDING FOR CENTRAL SERVICES (Pages 25 - 31)

Report attached.

12. EXCEPTIONS TO MINIMUM FUNDING GUARANTEE (Pages 32 - 33)

Report attached.

13. DFE CONSULTATION: AN EARLY YEARS NATIONAL FUNDING FORMULA (Page 34)

Report attached.

14. ACADEMY CONVERSIONS AND SPONSORS

To note the following:

1. Concordia Academy opened in September 2016 sponsored by REAch2;
2. Brookside Infant School became an academy on 1st September, 2016 as part of the Drapers' Academy Trust;
3. The Manor Green College PRU closed 31st August 2016.
Olive AP Academy – Havering opened on 1st September, 2016 for KS3 and 4 students. Alternative provision for students with medical needs will be part of the LIFE Trust (Frances Bardsley Academy). Provision for primary age pupils will be through an enhanced programme of intervention involving in school and off site provision using under used Children's Centres;
4. The Chafford School has now become part of the Harris Academy Trust from 1st September, 2016 and has been renamed Harris Academy Rainham;
5. Bower Park and Brittons Academy joined with Hall Mead to be part of the Empower Trust on 1st September, 2016;
6. Pyrgo Priory Academy joined the Drapers Academy Trust on 1st September 2016; and
7. Abbs Cross Academy joined the Loxford School Trust on 1st February, 2016.

15. NEXT MEETINGS

Meeting dates for academic year 2016/17 to be arranged.

16. ANY OTHER BUSINESS

**MINUTES OF A MEETING OF THE
SCHOOLS FUNDING FORUM
CEME
7 July 2016 (8.30 - 11.25 am)**

Present:

Representative Groups

Teachers: Nigel Emes, Primary (Chair)
Emma Allen, Primary
Margy Bushell, Primary
Bill Edgar, Secondary
Chris Hobson, Primary
Tim Woodford, Academy

Governors: Sheila Clarke, Primary
Bernard Gilley, Primary
John McKernan, Academy

**Non-School
Representatives:** Maria Thompson, Post 16
Joanna Wilkinson, Early Years/PVI Sector

Trade Unions: John Giles, UNISON
Ray Waxler, NUT

Officers in attendance: Mary Phillips (MP)
David Allen (DA)
Paul Tinsley (PT)
Nick Carter (NC)
Caroline Penfold (CP)
Ian Gurman (IG)

1 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS

Apologies were received from Kirsten Cooper, David Denchfield, Malcolm Drakes, Julian Dutnall, Simon London, Gary Pocock, Keith Williams, Derek Smith, and Keith Passingham.

2 MEMBERSHIP

DA reported that Daren Jackson, Primary Schools Governor representative had resigned and that Wayne Chretien was no longer eligible to serve as the Maintained Special Schools representative. Maintained Special Schools and Academy Special Schools continued to be represented on the Forum.

DA would arrange for a replacement Primary Schools Governor representative to be appointed.

The report was noted.

3 TO AGREE THE NOTES OF THE MEETING HELD ON 28 APRIL 2016

The minutes of the meeting held on 28 April 2016 were agreed as a correct record and signed by the Chairman, subject to the following amendment: 'Minute 170 – Allocation of the DSG carried forward from 2015/16: para 6 to read "DA would take back that *most* (rather than *several*) schools were still writing their own EHCPs....."

4 MATTERS ARISING

There were no matters arising which were not covered elsewhere on the agenda.

5 HIGH NEEDS BUDGET OUTTURN 2015-16 AND FORECAST 2016-17

DA provided details of the outturn position for the 2015/16 expenditure from the High Needs Budget and a forecast of expenditure for 2016/17.

The provisional figures showed an overspend of £821,822 in 2015/16 and a budget of £18,891,678 for 2016/17. Given the current financial situation DA indicated expenditure would be closely monitored.

One of the main changes between financial years was the loss of the place led elements for pre-16 Special Schools following Dycorts and Ravensbourne becoming Academies.

NE raised concern at the lack of High Needs support for pupils coming into Reception classes from a PVI setting. Schools were being advised that pupils required 1 to 1 support late in the day and were struggling to find staff to cover in the time available.

JW advised that the EY sector was struggling to cope as they receive little funding to deal with High Needs children. What good work is done with 1 to 1 support is lost when the child transitions to Reception because of the delays in getting adequate support.

CP (Head of Children and Adults with Disabilities Service) stated that Early Years support for children with High Needs was a target for the service and was concerned that parts of the service appeared not to be working.

She asked whether these children had been referred for an EHCP.

JW responded by saying lots of children were referred but it could take 18/24 months for this to be finalised. As a result very few children with an EHCP would be transitioning in to Reception classes.

MB advised that the PVI sector was finding it difficult to access SENCO and reaffirmed that it could take 18/24 months to go through the process.

CP acknowledged that there were a number of children referred into the Special Education system, some would be eligible for EHC plans but some would not.

JW felt that it was difficult to challenge behaviour in the last term before transition.

CP advised that the Council did have a 0-5 team who were involved in transition meetings.

JW stressed that the EY sector needs more funding and the three area SENCO's could not cope with the existing demand.

NE felt that at the moment the Early Help system was not working, for various reasons. Even if a school had its own nursery, children were not getting plans until year 1 and therefore they were unable to provide 25 hours a week of extra support when needed.

CP stated that if there was a problem with the process we need to address that. If there is an issue with timing, outcomes and assessment where will the funding come from to address this?

MP explained that there was an increasing awareness of the High Needs Block and growing pressure. If more resources were to be allocated to EY the funding would have to come from other areas within the block.

DA acknowledged that EY was a priority but this was not the only area of pressure on the High Needs Block. There was also pressure to fund higher costs of placements, reviewing special school funding and for schools that take a disproportionate number of pupils with Special Needs.

Before we move forward we are awaiting the outcome of the High Needs review which was due for its second consultation. The Government had also promised more money for High Needs within the early years sector and that consultation was awaited.

MP advised that with the introduction of Additional Resources Provision in schools, the LA was moving to providing support in-borough rather than place children outside of the borough.

The report was noted.

6 REPORT ON EXPENDITURE OF CENTRALLY RETAINED DSG BUDGETS 2015-16

DA provided a report detailing expenditure against the budgets retained centrally in 2015/16.

Early Years

The Forum was advised that the centrally retained budget for Early Years was £506,424 of which £497,985 had been spent. However, there had been an overspend in Early Years 2, 3 and 4 year old provision of £341,611 giving a total overspend of £333,172. DA was addressing this mismatch in the DSG.

School Admissions

There was a minor overspend due to staff costs as reported at the previous meeting.

Servicing of Schools Forum

Nil variance against a budget of £43,250.

Capital Expenditure from Revenue

There was underspend of £30,665 due to a missed payment. The Forum had already agreed at the last meeting to earmark some of the overall underspend DSG carry forward to cover the additional costs that would fall in 2017-18 because of the missed payment.

Termination of employment costs

Only £6k had been spent from a budget of £39k. This budget was no longer required in 2017-18

Pupil Growth Fund

The £2.7m DSG budget had been increased to £2.8m from funding recouped from the EFA. From this total budget there was an underspend of £500k which had been included in the overall DSG underspend carried forward. The funding was allocated as follows:

	£
New permanent expansions - 2 schools	135,581
Previous year expansions (cohorts moving through) -12 schools, 11.5 forms of entry	497,129
Bulge classes -7 classes, 180 classes	380,917
Commitment to meet unfilled classes from prev. year bulges	1,031,962
Infant class size funding	78,256
Prev. yr growth in secondary	56,423
Funding for academy expansions	141,266
TOTAL	2,321,533

The report was noted.

7 PROPOSED ALTERNATIVE PROVISION FUNDING FROM SEPTEMBER 2016

PT introduced the report which dealt with the need to academise Havering's Pupil Referral Service and the funding implications of the proposed new arrangements around support for vulnerable children at risk of exclusion, or who have been excluded from school.

Initial discussion focussed on primary provision. Under the new proposals the Primary PRU (based at The James Oglethorpe School site) would be replaced by a new model, which would focus on early intervention and building behaviour confidence in all of our primary schools. The LA would continue to provide outreach support and training for primary schools to this end. The current budget for the Primary PRU would be used to support an enhanced outreach service. Three children's centres would be made available for primary schools to refer pupils for part time intervention and support work off site. The current budget could be used to redeploy existing Primary PRU staff with experience in teaching pupils with challenging behaviour. Two early help officers could also be appointed to address any parenting/family issues in relation to these pupils.

Last year there had been just two permanent exclusions from primary schools, the new provision would focus on preventing the need for permanent exclusions but funding would be held centrally to allow for up to four primary exclusions to be commissioned out-of-borough.

NE informed the Forum that the model had changed over the past year and none of his primary colleagues were happy with this model which they did not believe would work.

In response PT accepted that the model had changed and that this had been necessary due to the fact that no primary schools had been willing to implement the original proposals. MP confirmed that we are where we are today because no one was prepared to take the original proposals forward.

NE added that we were putting a lot of resources in to the secondary sector but nothing had been said about early help and there were insufficient resources to support the primary sector. This model would lead to more permanent exclusions. This is not a model wanted by the Primary Heads; the cost of failure would have to come out of the High Needs block.

PT acknowledged the concerns but wanted to remind colleagues that the LA had been prepared to invest in a new primary assessment provision at Harold Court Primary School along with funding to support nurture groups based in some mainstream primary schools. In addition PT advised the Forum that Frances Bardsley Academy had agreed to take on responsibility for hosting the Medical Needs provision including the TUPE responsibilities for appropriate staff. A new build would be provided on site in due course and 18 places had been commissioned at a cost of £16k per place. They would assume responsibility from September at the current facility, subject

to agreement to fund a new build. Primary pupils would be included in the support provided by this newly commissioned provision.

PT advised that negotiations were nearing conclusion with Olive Academies Trust and the signing of an Academies Order was imminent. Under the proposals Olive Academy would take over the KS3 and KS4 provision. They would be offered a long lease on the Birnam Wood site for a facility for up to 35 pupils who were either excluded or at risk of exclusion and a separate KS3 intervention facility at the Petersfield Depot (subject to planning and a satisfactory refurbishment of the site). The Trust were willing to take over responsibility for running the PRS from September, provided they received 'a letter of comfort' from the Council to confirm that the above facilities would be available and that the LA would pay for the agreed number of places to be commissioned for KS3 and KS4 pupils.

Following negotiations with the Trust, the cost per pupil place had been agreed at a level suggested in discussions with secondary head teachers, and represented a saving as compared with current costs of commissioning places from the Havering PRS. The proposed costs ranged from £15k per place to £18k per place. The current cost of the Havering PRS service was £19K per place.

In addition to the KS3 and KS4 places commissioned from the Olive Academy it would be necessary to retain some of the current PRS budget as there might be a need to commission some places out-of-borough where pupils are permanently excluded and cannot be accommodated in borough.

PT informed the Forum that the proposals included the closure of the Albert Road site and the movement of KS4 provision to the Birnam Wood site. The intention was to fund at the current rate from September 2016 to March 2017, after which exclusion Places would be more expensive than intervention places.

NE sought clarity as to the Capital costs and the Forum was told that works to the Petersfield site were estimated at £600K/£700k with the works at Birnam Wood being costed at £400k. Beyond that there was a commitment from the Chief Executive to expand Birnam Wood. The cost would be met from the capital programme.

The Forum:

1. Approved the retention of £300k to support an enhanced LA Behaviour Support/Outreach team for primary provision, subject to annual review;
2. Approved the retention by the Local Authority of sufficient funding to allow for the commissioning of places out of borough for permanently excluded pupils;
3. In the light of the Education Excellence Everywhere White Paper, agreed to devolving funds to secondary schools to explore models for

supporting excluded/at risk pupils, thus reducing the need to purchase additional places out of borough.

8 NEXT MEETINGS

DA would liaise with the Chair regarding future meeting dates.

9 ANY OTHER BUSINESS

There was no urgent business raised.

Chairman

Agenda Item 5



Havering
LONDON BOROUGH

Schools Funding Forum 22nd September 2016 ITEM 5

Subject Heading:

Constitution and Terms of Office

Report Author:

**David Allen – Strategic Finance
Manager**

Eligibility to vote:

All members

SUMMARY

This item is to note the constitution and terms of office of the Schools Funding Forum.

RECOMMENDATIONS

To note the report.

REPORT DETAIL

The constitution and terms of office of the Schools Funding Forum is attached at Appendix A.

For head teacher representatives it is assumed that representation is refreshed each year at the respective primary cluster meetings and at the Havering Learning Partnership for secondary.

Governor representation follows expressions of interest upon notification of a vacancy and voting by the governors they represent.

The appointment of Academy representatives follow nominations from Academy Trusts upon notification of a vacancy. Academies should decide between them who will be their representative.

The appointment of Non School representatives follows nomination from the groups they represent.

The balance between primary and secondary schools should be broadly in proportion to the numbers of schools attending each sector as should the balance between LA maintained schools and Academies. The balance of membership is reviewed on a regular basis following schools' conversion to Academies. Free schools are represented by Academy representatives.

ITEM 5 APPENDIX A

Schools Funding Forum 22nd September 2016

**Schools Funding Forum
Constitution and Terms of Office**

Maintained - Primary Head Teachers	Date of original appointment	Date of renewal	Expiry of term of office
Nigel Emes		Sept 2015	Sept 2019
Margy Bushell		Sept 2015	Sept 2019
David Denchfield		Sept 2015	Sept 2019
Malcolm Drakes		Sept 2015	Sept 2019
Chris Hobson		Sept 2015	Sept 2019
Kirsten Cooper		Sept 2015	Sept 2019
Maintained - Primary Governors			
Sheila Clarke	18 th June 2015		17 th June 2019
Bernard Gilley	18 th June 2015		17 th June 2019
Vacancy			
Maintained - Secondary Head Teacher			
Bill Edgar		Sept 2015	
Maintained - Secondary Governor			
Derek Smith	24 th Sept 2015		23 rd Sept 2019
Academy - Primary Head Teachers			
Vacancy			
Academy - Secondary Head Teachers			
Simon London		Sept 2015	Sept 2019
Julian Dutnall		Sept 2015	Sept 2019
Keith Williams		Sept 2015	Sept 2019

Academy - Secondary Governors			
John McKernan	15 th Sept 2011	15 th Sept 2015	14 th Sept 2019
Vacancy			
Maintained - Special			
Emma Allen	24 th Sept 2015		23 rd Sept 2019
Academy - Special			
Gary Pocock	24 th Sept 2015		23 rd Sept 2019
Academy - AP			
Bryce Wilby	22 nd Sept 2016		21 st Sept 2020
Diocese			
Vacancy			
Non school			
Post 16			
Maria Thompson			
Early Years PVI			
Joanna Wilkinson	17 th Mar 2016		16 th Mar 2020
Trade Unions			
Keith Passingham			
Ray Waxler			
John Giles	24 th Sept 2016		23 rd Sept 2020

Agenda Item 6



Havering
LONDON BOROUGH

Schools Funding Forum 22nd September 2016 ITEM 6

Subject Heading:

**Adjustments to Local Authority
Funding Related to Free Schools -
Consultation Response**

Report Author:

**David Allen – Strategic Finance
Manager**

Eligibility to vote:

All members

SUMMARY

This item provides an overview of a DfE consultation on proposed changes to free school funding and the LA's response.

RECOMMENDATIONS

To note the LA's response to the consultation (to be tabled).

REPORT DETAIL

On 21st July the DfE launched a consultation seeking views on proposals to change the local authority recoupment arrangements for mainstream free schools. The closing date for the consultation is 21st September.

At present there are two ways in which free schools can be established:

Where the local authority has identified the need for a new school in the local area (known as the presumption process)

Where an application to open a free school is made directly to the department by a proposer (known as the centrally delivered process)

Under the current arrangements where a free school is established through the presumption process, the funding allocated is recouped from the local authority's Dedicated Schools Grant from the point of opening. If it is established through the centrally delivered process, the DSG is charged from the second year that the school is open.

The DFE is proposing that the funding is recouped from the DSG from the first year of opening.

The DFE rationale for this is that a local authority's DSG is allocated for a financial year based on the number of pupils at the preceding October which would therefore include those at a newly opened free school. The EFA is also funding the free school for the first year so there is an issue of double funding.

e.g. October census (all other schools) 1,000 pupils
 October census (free school) 30 pupils

DSG funded on 1,030 pupils. However, for the first year the free school will be funded by the EFA so the 30 places are double funded.

Clarification is required regarding the funding period September to March, the estimation and funding of pupil numbers for newly opened free schools and the diseconomies of scale for new schools that are not full.

At the time of preparing this agenda item these issues have not been clarified but the LA will submit a response to this consultation by the deadline of 21st September which will be tabled at the meeting.

Agenda Item 7



Havering
LONDON BOROUGH

Schools Funding Forum 22nd September 2016 ITEM 7

Subject Heading:

National Funding Formula

Report Author:

**David Allen – Strategic Finance
Manager**

Eligibility to vote:

All members

SUMMARY

This item is to advise the Schools Funding Forum of the delay to the implementation of the National Funding Formula and High Needs Review.

RECOMMENDATIONS

To note the report.

REPORT DETAIL

On 21st July the Secretary of State for Education released a written statement to parliament on the proposals to introduce a National Funding Formula.

A copy of the statement is attached at Appendix A.

Schools Funding Forum 22nd September 2016

National Funding Formula

Written statement to Parliament

Statement by Education Secretary Justine Greening about school funding.

The government is firmly committed to introducing fairer funding for schools, high needs and early years. This is an important reform, which will fairly and transparently allocate funding on the basis of schools' and children's actual needs, rather than simply on historic levels of funding tied to out of date local information.

Along with the record levels of funding for schools announced at the spending review, and our commitment to the pupil premium for pupils from disadvantaged backgrounds, a fairer funding system will set a common foundation that will enable schools - no longer held back by a funding system that is arbitrary, out of date and unfair - to maximise the potential of every child. It will provide a crucial underpinning for the education system to act as a motor for social mobility and social justice.

The first stage consultations on national funding formula for schools and high needs, which were published in March, have been met with an overwhelmingly positive response from headteachers, teachers, governors and parents.

There is also a strong sense in the response to the first stage of the consultation that this is a once in a generation opportunity for an historic change and that we must get our approach right. I will therefore publish the government's full response to the first stage of the schools and high needs consultations and set out my proposals for the second stage once Parliament returns in the autumn. We will run a full consultation, and make final decisions early in the new year. Given the importance of consulting widely and fully with the sector and getting implementation right, the new system will apply from 2018 to 2019. I will set out our full plans for a national funding formula for early years shortly.

In the meantime, I understand the need for local authorities to have sufficient information to begin to plan their schools and high needs funding arrangements for 2017 to 2018. Many of those who responded to the first stage national funding formula consultations emphasised that schools and local authorities need stability, and where there are changes need early notice, as well as a fair system.

In that context, I am confirming that in 2017 to 2018 no local authority will see a reduction from their 2016 to 2017 funding (adjusted to reflect authorities' most recent spending patterns) on the schools block of the dedicated schools grant (per

pupil funding) or the high needs block (cash amount). As usual, we will apply an uplift for high needs later in the year. I am also publishing today detailed funding tables so that authorities can see exactly how this funding has been calculated. Final allocations for schools and high needs blocks will follow in December on the basis of pupil numbers recorded in the October census.

I am setting this out now so that local authorities can begin the process of setting the budgets of schools in their area and that this can be concluded in time for the start of the coming financial year.

I am also confirming that, for 2017 to 2018, we will retain the current minimum funding guarantee for schools, so that no school can face a funding reduction of more than 1.5% per pupil next year in what it receives through the local authority funding formula. To ensure that local authorities can start planning their budgets for next year with certainty, I do not intend to proceed, for 2017 to 2018, with proposals to create a new central schools block, allow local flexibility on the minimum funding guarantee or to ring-fence the schools block within the dedicated schools grant. These will be covered, for 2018 to 2019 and beyond, in my response to the first stage consultation in the autumn.

I will shortly publish the Education Funding Agency's operational guide to schools funding in 2017 to 2018, and send the draft Authority Proforma Tool to authorities.

Schools Funding Forum 22nd September 2016 ITEM 8

Subject Heading:

Schools Revenue Funding 2017-18

Report Author:

**David Allen – Strategic Finance
Manager**

Eligibility to vote:

All members

SUMMARY

This item is to consider the process to be followed in the financial modelling of the DSG for financial 2017-18 and the allocation of funding to schools and the Local Authority.

RECOMMENDATIONS

To note the report.

REPORT DETAIL

In July the EFA issued the annual operational guide to local authorities on schools revenue funding for 2017-18. This report is to consider the changes from 2016-17 and the timescales leading to the issuing of schools funding statements.

The guidance can be found at:

<https://www.gov.uk/government/publications/schools-funding-arrangements-2017-to-2018> Hard copies will be provided at the meeting.

:

The main changes for 2017-18 are summarised in the document as follows:

- the DSG blocks have been re-baselined to reflect current spending patterns
- funding for ESG retained duties (£15 per pupil) will be transferred into the schools block for 2017 to 2018
- the removal of the post 16 funding factor, but with protection through the minimum funding guarantee (MFG)
- that local authorities will be able to retain funding from the DSG from maintained schools, including special schools and pupil referral units (PRUs), for statutory duties previously covered by the ESG
- using a national weighting for secondary low attainment figures
- using new bandings for the index of deprivation affecting children (IDACI)
- that local authorities are submitting one authority proforma tool (APT) in January 2017

Relevant areas of the guidance will be highlighted at the meeting and some of the decisions required are elsewhere on this agenda.

Schools Funding Forum 22nd September 2016 ITEM 9

Subject Heading:

Centrally retained DSG

Report Author:

**David Allen – Strategic Finance
Manager**

Eligibility to vote:

All members

SUMMARY

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

RECOMMENDATIONS

To agree the central retention of the budgets in 2017-18 as detailed below.

REPORT DETAIL

The operational guidelines on 2017-18 revenue funding set out the areas and activities for which DSG funding may be retained centrally.

Those budget areas are listed below together with the funding requested for 2017-18 against the funding agreed by the Schools Funding Forum for 2016-17.

Services	Budget 2016-17	Budget 2017-18
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Schools forum approval is not required (although they should be consulted)		
• High needs block provision	£19.5m	£21.8m
• Central licences negotiated by the Secretary of State	£161,580	£161,580 (estimate)

Schools forum approval is required on a line-by-line basis.		
• Early years block provision	£506,424	£tba
• Funding to enable all schools to meet the infant class size requirement	£25,000	£25,000
• Back-pay for equal pay claims	£0	£0
• Remission of boarding fees at maintained schools and academies	£0	£0
• Places in independent schools for non-SEN pupils	£0	£0

Schools forum approval is required on a line-by-line basis. The budget cannot exceed the value agreed in the previous funding period.		
• Admissions	£499,734	£499,734
• Servicing of schools forum	£43,250	£43,250

Schools forum approval is required on a line-by-line basis. The budget cannot exceed the value agreed in the previous funding period and no new commitments can be entered into.		
• Capital expenditure funded from revenue (i.e. no new projects can be charged to the central schools budget)	£87,490	£87,490
• Contribution to combined budgets	£200,000	£200,000
• Existing termination of employment costs (i.e. no new redundancy costs can be charged to the central schools budget)	£0	£0
• Prudential borrowing costs	£0	£0
• SEN transport costs	£0	£0

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

<ul style="list-style-type: none"> Funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy 	£2,700,000	See separate agenda item
<ul style="list-style-type: none"> Funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years 	£500,000	£500,000

Agenda Item 10



Havering
LONDON BOROUGH

Schools Funding Forum 22nd September 2016 **ITEM 10**

Subject Heading:

Pupil Growth Fund

Report Author:

**David Allen – Strategic Finance
Manager**

Eligibility to vote:

All members

SUMMARY

This report is for the Schools Funding Forum to agree the funding to be held centrally for pupil growth for 2017-18 including the formula to allocate funding to support secondary schools.

RECOMMENDATIONS

That the Schools Funding Forum agrees to:

- i) an increase in the pupil growth fund in 2017-18 of an amount to be decided; and
- ii) an amendment to the current arrangements for funding growth in the secondary sector

REPORT DETAIL

1. Introduction

The increase in pupil numbers in Havering, other than temporary increases to secondary PANs, has so far been contained within the primary sector but from the academic year 2017/18 will require an increase in the capacity of some secondary schools starting from year 7.

The budget retained centrally in 2016-17 is £2.7m for growth in the primary sector and is likely to continue to be required in 2017-18. An additional amount therefore needs to be agreed for the secondary sector.

2. Proposals

The more funding that is allocated for pupil growth through the pupil growth contingency, the larger the top slice from the DSG needs to be. This could have a direct impact on the funding that is available for distribution to schools through the funding formula.

Additional funding should be allocated only when additional costs have to be incurred in a school to meet the needs of the extra pupil numbers. It could be argued that up to a limit, additional pupils can be absorbed into existing classes with no additional costs being incurred but where this impacts on recommended group sizes in subject areas such as science and technology it is likely that additional staff will need to be employed.

There are a number of options as set out below. These are based on a funding rate of KS3 AWPU x 85% reflecting the proportion of the AWPU that is relevant to class based costs. AWPU's increased significantly from 2013-14 when other factors and grants were absorbed into the AWPU value.

Option A

Allocate £3,861 (KS3 AWPU x 85%) per pupil for all increases in PAN

On the basis of the anticipated need for 76 additional places in Year 7 this would allocate £293,413 to 4 schools of which £122,267 would be recouped from the EFA. The increase to the DSG would therefore be £171,158.

Option B

Allocate £3,861 (KS3 AWPU x 85%) per pupil for all increases in PAN less 1 pupil for each form of entry. The rationale for this is that each teaching group could absorb 1 additional pupil without the need for additional resources.

On the basis of the anticipated need for 76 additional places in Year 7 this would allocate £189,174 to 4 schools of which £78,823 would be recouped from the EFA. The increase to the DSG would therefore be £110,352.

Option C

The above options could be applied only where increases to PAN are above 15 pupils.

Secondary Expansion Programme

AWPU £4,542 @ 85% £3,861

				OPTION 1		OPTION 2		
				Apply to full increase	Cost to DSG (7/12)	Reduced by 1 for each form of entry		Cost to DSG (7/12)
				£	£		£	£
2017-18								
School A	172	180	8	30,886	18,017	2	7,721	4,504
School B	192	210	18	69,493	40,537	11	42,468	24,773
School C	220	240	20	77,214	45,042	12	46,328	27,025
School D	180	210	30	115,821	67,562	24	92,657	54,050
			<u>76</u>	<u>293,413</u>	<u>171,158</u>		<u>189,174</u>	<u>110,352</u>
2018-19								
School A	172	180	8	30,886	18,017	2	7,721	4,504
School B	192	210	18	69,493	40,537	11	42,468	24,773
School C	220	240	20	77,214	45,042	12	46,328	27,025
School D	180	210	30	115,821	67,562	24	92,657	54,050
School D	210	240	30	115,821	67,562	23	88,796	51,798
School E	150	210	60	231,642	135,125	55	212,339	123,864
School F	120	150	30	115,821	67,562	26	100,378	58,554
			<u>196</u>	<u>756,697</u>	<u>441,407</u>		<u>590,687</u>	<u>344,567</u>
2019-20								
School A	172	180	8	30,886	18,017	2	7,721	4,504
School B	192	210	18	69,493	40,537	11	42,468	24,773
School C	220	240	20	77,214	45,042	12	46,328	27,025
School D	180	210	30	115,821	67,562	24	92,657	54,050
School D	210	240	30	115,821	67,562	23	88,796	51,798
School E	150	210	60	231,642	135,125	56	216,199	126,116
School F	120	150	30	115,821	67,562	26	100,378	58,554
School G	180	210	30	115,821	67,562	24	92,657	54,050
School A	180	240	60	231,642	135,125	54	208,478	121,612
School B	210	240	30	115,821	67,562	23	88,796	51,798
School H	192	210	18	69,493	40,537	11	42,468	24,773
			<u>334</u>	<u>1,289,474</u>	<u>752,193</u>		<u>1,026,946</u>	<u>599,052</u>

Schools Funding Forum 22nd September 2016 ITEM 11

Subject Heading:

De-delegation of funding for central services

Report Author:

David Allen – Strategic Finance Manager

Eligibility to vote:

LA maintained school representatives

SUMMARY

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

RECOMMENDATIONS

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

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

REPORT DETAIL

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

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

Any decisions made to de-delegate in 2016 to 2017 related to that year only, so new decisions will be required for any service to be de-delegated in 2017 to 2018.

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

The services which may be de-delegated are:

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

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

De-delegation arrangements for 2017 to 2018 schools converting to academy status are as follows:

Conversion date

On or before 1 April 2017
 1 May 2017 to 1 September 2017
 1 October 2017 to 31 March 2018

De-delegation arrangements

No de-delegation
 Local authority retains any de-delegated funding until 1 September 2017
 Local authority retains any de-delegated funding until 31 March 2018

Where there has been agreement that a school is entitled to receive an allocation from a de-delegated contingency fund, that agreement should be honoured if the school converts to an academy at any point in the year. Where a school converts to an academy in the period 2 April to 1 September 2017, local authorities will have an opportunity to present an evidence based case to the EFA to request a recoupment adjustment for the period 2 September 2017 to 31 March 2018.

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

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

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

Funding required through de-delegation

	Primary	Secondary	
Formula factor	AWPU	AWPU	
Amount	£13.54	£13.54	
Total	£242,325	£26,919	£269,244

2. Attendance & Behaviour

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

Funding required through de-delegation from maintained primary schools

Formula factor	AWPU	FSM	IDACI A	IDACI B	Low attainment	
Amount	£2.74	£23.63	£490	£47	£9.11	
Total	£49,038	£53,282	£1,964	£49,801	£44,768	£198,853

3. EAL Service

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

Funding required through de-delegation from maintained primary schools

Formula factor	EAL 3
Amount	£108.99
Total	£204,230

4. Free School Meals Eligibility

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

Funding required through de-delegation

	Primary	Secondary	
Formula factor	FSM	FSM	
Amount	£8.21	£8.21	
Total	£18,512	£1,947	£20,460

5. Insurance

Insurance for maintained schools is currently held centrally funded from de-delegation. The Borough's insurance contract expires on 31st December 2016 and consideration will need to be given if it is to include schools. Further information is to be sought from the Borough's insurers before a decision on whether to de-delegate is sought from schools.

6. Maternity Insurance

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

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

Funding required through de-delegation

	Primary	Secondary	
Formula factor	AWPU	AWPU	
Amount	£15.54	£15.54	
Total	£278,199	£30,987	£309,186

7. Trade Union Facility Time

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

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

The costs have reduced from an original £5.70 per pupil to £4.00 in 2015-16 and to £3.50 in 2016-17.

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

Funding required through de-delegation

	Primary	Secondary	
Formula factor	AWPU	AWPU	
Amount	£3.50	£3.50	
Total	£62,640	£6,979	£69,619

Ethnic Minority Achievement Service - Proposal to maintain a central EMA team**Part 1: Rationale for maintaining a central team with EAL and EMA expertise in Havering**

- The Havering EMA team is one of the few remaining services in London and the South East that is able to provide regular, direct consultancy support to ensure schools meet the needs of their changing populations. Other external providers are able to offer set CPD programmes but the Havering EMA team use local knowledge to provide tailored support to meet the precise needs of your school.
- With the on-going academisation of schools, there are now decreasing funds for de-delegation to maintain central services. If maintained primaries continue to agree to de-delegation to maintain EMA team services for the financial period April 2017 to March 2018, this will maintain a consultancy and CPD service for the coming financial year whilst allowing the team to develop a model to ensure that schools' needs can be met through a fully traded service in the future. This will allow us to safeguard this model of consultancy support.
- The central team has a crucial role to play in managing school-to-school support networks and ensuring the sharing of best practice. Our established networks of EMA co-ordinators and EAL TAs could be at risk if these functions were not managed centrally.
- The demographic of Havering is continuing to change rapidly with increasing numbers of children transferring directly from abroad with little or no English; nearly half of Havering primaries saw their EAL populations increase by at least 10 children from January 2015 to January 2016.
- Children with EAL and from certain minority ethnic backgrounds are potentially vulnerable groups who may underachieve if their on-going needs are not recognised or addressed. In addition to providing advice on the needs of newly-arrived pupils, the EMA team can help schools address the needs of more advanced learners of EAL in order to help address any barriers to their academic potential.
- There are still a small number of schools that have very little experience of meeting the needs of early-stage EAL learners. With the co-ordinated admissions policy, the demographic of such schools is likely to change and the central EMA team is able to provide support to such schools, protecting them from the inconvenience of sourcing support from external providers. In addition, staff turnover in schools can mean that, even where there has previously been strong practice in this area, support needs can arise at any time.
- In addition to the EAL support outlined above, the EMA team is also able to provide support to schools in preparing pupils for life in modern Britain through CPD and consultancy advice focusing on SMSC and British Values provision.

Part 2: Core provision**Training and consultancy advice for schools:**

- Provision of ethnic minority achievement health-check audits using your school's 'live' data to address issues (as identified by the HMI EAL lead) in order to support schools in identifying and addressing achievement gaps and strengthen their provision
- Unlimited access to a range of central CPD with a focus on EAL, provision for minority ethnic learners and Social, Moral, Spiritual and Cultural development/British Values

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

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

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

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

Agenda Item 12



Havering
LONDON BOROUGH

Schools Funding Forum 22nd September 2016 ITEM 12

Subject Heading:

Exceptions to Minimum Funding Guarantee

Report Author:

David Allen – Strategic Finance Manager

Eligibility to vote:

All members

SUMMARY

This item is to consider an application to the DFE of applying an exception to the operation of the minimum funding guarantee.

RECOMMENDATIONS

To approve an application to the DFE to disapply the minimum funding guarantee for the schools that previously benefitted from grants.

REPORT DETAIL

The pre-16 minimum funding guarantee (MFG) for mainstream schools will continue to be set at minus 1.5% per pupil in 2017 to 2018. The DFE will only exclude factors from the MFG where not doing so would result in excessive protection or be inconsistent with other policies.

The DFE asked in the first stage of the consultation whether local authorities should have the flexibility to set a local MFG for the schools in their area. This change will not be made in 2017 to 2018 but local authorities will continue to be able to use the usual disapplication process for exceptional circumstances as set out below.

The MFG applies to pupils in the age ranges 5-16; early years pupils and EFA funded post-16 pupils are excluded from the calculation. Some formula factors are automatically excluded from the MFG calculation such as the lump sum and business rates.

Exceptional requests to disapply the MFG will only be considered if there is a significant change in a school's circumstances or pupil numbers. EFA will only consider applications where the inclusion of a factor in the MFG will lead to significant inappropriate levels of protection. Local authorities should, therefore, provide detailed information on the financial effect of any request.

Examples of MFG disapplication requests which have been approved previously include:

- schools which previously qualified for a split site, PFI or exceptional factor, but are no longer eligible (or vice versa)
- where the normal operation of the MFG would produce perverse results for very small schools with falling or rising rolls
- secondary schools which are admitting primary age pupils who would otherwise be over-protected at the secondary age-weighted pupil unit of funding
- where over-protection would otherwise occur, for example where additional funding has been distributed in the previous year and the authority can demonstrate that the funding is genuinely one-off

In Havering, £1,220,125 is spent in 2016-17 on ensuring that schools do not have funding reductions per pupil of greater than 1.5%. £1,187,110 of this allocated to schools that previously benefitted from Excellence Cluster and Behaviour Improvement grants.

Application is made each to the DFE to disapply the MFG without success.

Agenda Item 13



Havering
LONDON BOROUGH

Schools Funding Forum 22nd September 2016 ITEM 13

Subject Heading:

Early Years National Funding Formula

Report Author:

**David Allen – Strategic Finance
Manager**

Eligibility to vote:

All members

SUMMARY

The DFE launched a consultation on a national funding formula for early years on 11th August with a deadline for responses of 22nd September. This item is for the Schools Funding Forum to agree a response to the consultation.

RECOMMENDATIONS

To approve a response to the DFE consultation.

REPORT DETAIL

The consultation documents can be found at:

<https://consult.education.gov.uk/early-years-funding/eynff>

A presentation of the proposals will be made at the meeting and a draft response prepared for consideration.

All early years providers have been advised of the consultation and encouraged to respond individually.