



## SCHOOLS FUNDING FORUM AGENDA

8.30 am to 11.00 am

Thursday  
7 March 2019

CEME, Room 234

Members 18: Quorum: 7

### MEMBERSHIP:

#### Representative Groups

##### Head Teachers:

Emma Allen, Special Maintained  
Denise Broom, Secondary Academy  
Margy Bushell, Primary Maintained  
Kirsten Cooper, Primary Maintained  
Georgina Delmonte, Primary Maintained  
David Denchfield, Primary Academy  
Nigel Emes, Primary Academy  
Ray Lawrence, AP Academy  
Simon London, Secondary Academy  
Gary Pocock, Special Academy  
Kate Ridley-Moy, Primary Academy  
David Unwin-Bailey, Primary Maintained  
Keith Williams, Secondary Academy

##### Governors:

Bernard Gilley, Primary Maintained  
Dave Waters, Primary Maintained

##### Non-School Representatives:

Vacancy, Post 16  
Mark Halls, Early Years/PVI Sector  
Vacancy, Diocesan Board

##### Trade Unions:

John Delaney, NEU / John McGill, NASUWT  
Peter Liddle, UNISON

For information about the meeting please contact:  
David Allen [david.allen@havering.gov.uk](mailto: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 WELCOME TO NEW MEMBERS, APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS**

Following requests for nominations to fill vacancies, Kate Ridley-Moy has been appointed as academy representative for primary schools.

Following a review of its representatives on various groups, the Early Years Provider Reference Group has appointed Mark Halls as the Schools Funding Forum representative in place of Joanna Wilkinson.

### **2 TO AGREE THE MINUTES OF THE MEETING HELD ON THE 17TH JANUARY 2019 (Pages 1 - 6)**

### **3 MATTERS ARISING**

### **4 SCHOOLS FORUM MEMBERSHIP (Pages 7 - 9)**

### **5 SCHOOLS FUNDING 2019-20 (Pages 10 - 12)**

### **6 EARLY YEARS FUNDING (Pages 13 - 16)**

### **7 HIGH NEEDS FUNDING (Pages 17 - 21)**

### **8 TEACHERS' PAY AWARD 2019**

### **9 NEXT MEETINGS**

Future meetings have been arranged as follows:

13th June

All meetings to start at 8.30 a.m. at CEME

### **10 ANY OTHER BUSINESS**

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

# Public Document Pack Agenda Item 2

## MINUTES OF A MEETING OF THE SCHOOLS FUNDING FORUM CEME

17 January 2019 (8.30 - 9.45 am)

**Present:**

### **Representative Groups**

**Teachers:** Emma Allen, Special Maintained  
Denise Broom, Secondary Academy  
Margy Bushell, Primary Maintained  
Kirsten Cooper, Primary Maintained  
Georgina Delmonte, Primary Maintained  
David Denchfield, Primary Academy  
Nigel Emes, Primary Academy  
Vicki Fackler, Special Academy  
Ray Lawrence, AP Academy  
Simon London, Secondary Academy  
David Unwin-Bailey, Primary Maintained  
Keith Williams, Secondary Academy

**Governors:** Bernard Gilley, Primary Maintained

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

**Trade Unions:** John Delaney, NEU  
Peter Liddle, UNISON

### 24 **WELCOME TO NEW MEMBERS, APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS**

Members welcomed Denise Broom as the academy representative of secondary schools and noted the appointment of Dave Waters as the governor representative of Local Authority maintained schools.

Apologies for absence were received from Gary Pocock (Special Academy), and Dave Waters (Primary Maintained). Vicki Fackler substituted for Gary Pocock at the meeting.

### 25 **TO AGREE THE MINUTES OF THE MEETING HELD ON 8 NOVEMBER 2018**

The minutes of the meeting of the Forum held on the 8 November 2018 were agreed as a correct record and signed by the Chairman, with an amendment to the typographical error whereby 'challenged' to be replaced with 'channelled' on page 4.

**26 MATTERS ARISING**

The following matter arose from the minutes of the previous meeting:

- Minute No. 21 Teachers' Pension Increase refers: The Department for Education had launched a survey on which institutions would receive funding for the increase in employer contributions. The funding would only apply to the financial year 2019-20 and the situation in subsequent years would be dependent on the spending review.

**27 HIGH NEEDS FUNDING**

Members received a report on Havering's allocation of funding for High Needs within the Dedicated Schools Grant (DSG) including the additional high needs funding that had been allocated by the Government for financial years 2018-19 and 2019-20.

The additional funding to Havering was £611,278 for each year. It was insufficient to meet projected costs but would reduce the amount of the forecast overspend in both years.

High needs allocations to local authorities were announced on the 18 December 2018 and Havering's allocation is shown in the table below with a comparison to 2018-19 funding:

	Actual 2019/20 high needs NFF allocations, excluding basic entitlement factor and import/export adjustments (£m)	Mid – 2019 age 2-18 ONS population projection	2019-20 ACA – weighted basic entitlement factor unit rate (£)	Actual 2019-20 number of pupils in special schools/ academies (headcount)	2019-20 import / export adjustments (based on January 2018 census and February R06 2017/18 ILR.) (£m)	Additional high needs funding (£m)	2019-20 provisional total high needs block (£m)
2019-20	23.649	55,566	4,348.33	355.5	-0.516	0.611	25.290
2018-19	22.298	53,591	4,348.33	342	-0.516	0.611	23.885
Difference	1.351	1,975	0.00	12.5	0.000	0.000	1.405

**RESOLVED:**

**That the Schools Funding Forum noted the report.**

**28 SCHOOLS FUNDING 2019-20**

Members received a report which sought the approval of the Schools Funding Forum to the formula and funding values on which Havering's schools and academies would be funded in the financial year 2019/20.

On the 8 November 2018, the Forum received a report on the Local Authority's estimate of the Schools Block DSG funding that was to be received for financial year 2019-20 for distribution to schools and

academies. It was agreed at that meeting that the fairest option would be to ensure that every school received the 0.5% per pupil increase with the gains cap set at a level that was affordable at 2% per pupil. The proposal was duly consulted upon with schools and no responses were received for the Forum to take into consideration. Therefore the Local Authority was proposing to apply the formula that was agreed on the 8 November 2018.

The final School's Block Settlement was received on the 18 December 2018, which confirmed that the proposals for a 0.5% per pupil increase and a gains cap of 2% per pupil could be implemented. The Schools Block funding settlement for 2019-20 is set out below:

Schools block primary unit of funding £	Schools block secondary unit of funding £	Schools block primary pupils	Schools Block secondary pupils	Sub-total Schools Block £	Pupil Mobility	Rates	Growth funding £	Total school's block £
4,054.28	5,494.97	22,118	14,447	169,055,649	63,051	2,098,445	2,498,944	173,716,089

The funding available for distribution to schools through the formula was £171,217,145. To fund all schools and academies on the national funding formula values, applying a 0.5% mfg and a 2% gains cap would cost £171,404,334. An allocation of £187,189 was therefore required from the contingency set aside to implement the national funding formula for a second year.

In 2018-19, Havering set a budget of £2.7m for pupil growth and £0.4m for Good and Outstanding schools with falling rolls. Applying the same formula as in 2018-19, the estimated costs of growth arising in 2019-20 could be met from within the revised allocation. LA officers expressed concern that the DFE allocation would be insufficient in future years once the protection element of the formula dropped out.

**RESOLVED:**

**That the School Funding Forum agreed that the Local Authority adopted the national funding formula rates for the funding of schools and academies in financial year 2019-20 and also ensure that all schools receive a minimum funding guarantee of 0.5% per pupil with gains capped at 2%.**

**29 EARLY YEARS FUNDING 2019-20**

Members received a report which considered the Local Authority proposals for the funding of providers of early years education in financial year 2019-20 following notification by the Department for Education of indicative funding allocations and consultation with providers.

The DfE funding rate for Havering was £5.28 for 3 and 4 year olds and £5.66 for 2 year olds, the same as in 2018-19. On the basis of current participation and anticipated growth, the Local Authority estimated that £16,946,754 funding would be received for 3 and 4 year olds in the 2019-20 financial year, and £2,179,151 for 2 year olds.

In 2018-19 the amount of funding retained centrally was within the 5% permitted at £730,000. With an increase in participation in 2019-20 the financial value of the 5% had also increased. During 2019-20 it was intended that the software supporting the submission and management of data would be reviewed which would increase the central costs. Therefore an additional £70,000 was requested from the central retention. Early Years Providers expressed disappointment that the funding would not go back into early years provision and believed that the funding for new software should be budgeted for elsewhere.

As the DSG Early Years Block was allocated on the basis of a January census and estimates had to be made on the hours of provision to be funded that were not captured in the census. It was proposed that £572,057 be retained as contingency for 3 and 4 year olds and £100,100 for 2 year olds provision. In response to concerns, it was explained that any unspent contingency would be communicated at the various forums at the year end and that any underspend would be contained in early years.

Due to increasing pressures on the High Needs Block, it was proposed that the contribution to the Inclusion Fund be reduced from £100,000 to £50,000 and that the contribution from the Early Years Block be increased from £100,000 to £150,000.

Havering had only used deprivation as a supplementary factor to allocate funding to providers, other than through the basic rate. It was estimated that £500,000 of funding would be allocated through the deprivation factor, well within the 10% permitted through supplements.

It was proposed that the basic hourly rate of £4.65 for 3 and 4 year olds and £5.40 for 2 year olds be applied for 2019-20. It was estimated that 2 and 4 year olds would cost a total of £14,924,700 and £2,079,035 for 2 year olds. In response to some points made in the consultation it was explained that the Local Authority were restricted by the central government settlement in the amount they could fund providers but had ensured that any increases that were affordable and directed through the base rate funding for the 2 year old and 3/4 year old entitlement. The Local Authority was supportive of all providers, and were in continuous dialogue with central government on funding pressures across all educational establishments in the Local Authority. It was noted that early years providers would welcome any increase in the basic rate due to the difficulties in delivering quality provision on the current basic rate.

In response to questioning, it was explained that the majority of providers did not want to pay for special educational needs training but would prefer

the training to be funded by the Inclusion Fund. It was raised that some providers invested less than others in special educational needs and concern was raised regarding the negative impact that this had on primary schools and vulnerable children and the potential impact on secondary schools.

The Early Years Providers Reference Group would be meeting on the 13 February 2019 to discuss the consultation and it was agreed that their feedback would be considered at the next meeting of the Forum.

**RESOLVED:**

**That the Schools Funding Forum agreed the proposals as follows:**

- i) To increase the basic hourly rate to providers to £4.65 (from £4.53) for 3 and 4 year olds.**
- ii) To continue to use Deprivation as the only supplement to the basic rate**
- iii) To continue to set the hourly IDACI rates so they are in line with those used for the schools national funding formula.**
- iv) To retain contingencies of £572,057 (from £803k) and £100,100 (from £85k) for 3 & 4 and 2 year olds respectively to fund in-year provision.**
- v) To retain £800k (5%) for LA statutory and quality assurance functions**
- vi) To retain the Inclusion Fund at £200k but reduce the contribution from the DSG high needs block from £100k to £50k.**

**30 NEXT MEETINGS**

**Next meetings:**

Future meetings ad been arranged as follows:

- 7<sup>th</sup> March 2019
- 13<sup>th</sup> June 2019

All meetings to start at 8.30 a.m at CEME.

**31 ANY OTHER BUSINESS**

There was no other business.



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**Schools Funding Forum 7<sup>th</sup> March 2019**

**ITEM 4**

**Subject Heading:**

**Schools Funding Forum Membership**

**Report Author:**

**David Allen – Strategic Finance  
Manager**

**Eligibility to vote:**

**All members**

**SUMMARY**

This report updates members on school and academy representation on the Schools Funding Forum based on the October 2018 census.

**RECOMMENDATIONS**

That the Schools Funding Forum notes the updated membership.

**REPORT DETAIL**

**1. Introduction**

DFE guidance on schools forums advises as follows:

There is no maximum or minimum size of a schools forum. Authorities may take various issues into account in deciding the actual size, including the need to have representation for various types of school, and the local authority's policy on representation of non-schools members. However, care should be taken to keep the schools forum to a reasonable size to ensure that it does not become too unwieldy.

Types of member: schools forums must have 'schools members', 'academies members and 'non-schools members'. Schools and academies members together must number at least two-thirds of the total membership and the balance between maintained primary, maintained secondary and academies members must be broadly proportionate to the pupil numbers in each category, so the structure of Forum should be regularly reviewed.

Academies members must represent mainstream academies, special academies and alternative provision academies. There is no requirement for academies members to represent specific primary and secondary phases, but it is encouraged

that representation remains broadly proportionate to pupil numbers. Academy members must be separately elected and designated from maintained school representatives.

The DfE operational guidance states that Schools Forum members will need the skills and competencies to manage Forum business and to take a strategic view across the whole education estate whilst acting as representative of the group that has elected them. Furthermore, they should be easily contactable and pro-active in raising the profile of issues and communicate decisions, and the reasons behind them, effectively.

## 2. The need for review

The membership was last reviewed in May 2018 with an amendment in September 2018 once all of the secondary schools in Havering had become academies. Since the current constitution was agreed there has been an increase in the number of maintained schools that have become academies. The implementation of a national funding formula will lead to a DfE review of the future of Schools Forums but in the meantime there continues to be statutory requirement for a Schools Forum in each local authority.

## 3. Review

The current membership and changes are as follows:

### School members

	Current	Change	Revised
Primary - Maintained			
Head Teachers	5		5
Governors	2		2
Primary - Academies	2	+1	3
Secondary - Academies	6		6
Special - Maintained			
Head Teachers	1		1
Special - Academies	1		1
AP - Academy	1		1
<b>Total School Members</b>	<b>18</b>		<b>19</b>

### Non School members

Post 16	1		1
Early Years – PVI	1		1
Diocese	1		1
Trade Unions			
Teaching Staff	1		1
Support Staff	1		1
<b>Total Non School Members</b>	<b>5</b>		<b>5</b>
<b>Total</b>	<b>23</b>	<b>1</b>	<b>24</b>

Appendix A details the balance of school and academy representation and the number of pupils in each sector.

**School and Academy Representation on the Schools Funding Forum**

School representatives as at February 2019			
	Head Teachers	Governors	Total
Primary Maintained	5	2	7
Primary Academies	2	1	3
Secondary Maintained	0	0	0
Secondary Academies	3	3	6
Total	10	6	16

October 18 census	
Primary Maintained	17,097
Primary Academies	5,947
Secondary Maintained	0
Secondary Academies	14,452
Total	37,496

Apportionment of pupils per representative			
Primary Maintained	17,097	7	2,442
Primary Academies	5,947	3	1,982
Secondary Maintained	0	0	0
Secondary Academies	14,452	6	2,409
Total	37,496	16	

1 : 0.81  
1 : 0.99

Apportionment between primary and secondary			
Primary	23,044	10	2,304
Secondary	14,452	6	2,409
Total	37,496	16	

1 : 1.05

Apportionment between maintained and academy			
Maintained	17,097	7	2,442
Academy	20,399	9	2,267
Total	37,496	16	

1 : 0.93

# Agenda Item 5



**Havering**  
LONDON BOROUGH

## Schools Funding Forum 7<sup>th</sup> March 2019    **ITEM 5**

**Subject Heading:**

**Schools Funding 2019-20**

**Report Author:**

**David Allen – Strategic Finance  
Manager**

**Eligibility to vote:**

**All members**

### **SUMMARY**

This item is to provide confirmation that final allocations of funding for financial year 2019-20 were issued to LA maintained primary schools on 28<sup>th</sup> February 2019.

### **RECOMMENDATIONS**

To note the report.

### **REPORT DETAIL**

The issuing to schools of their final funding allocations for financial year 2019-20 is the final stage of several months' work with the Schools Funding Forum in agreeing formula allocations, de-delegation etc.

The same funding formula applies to academies as it does to LA maintained schools with academies receiving notification of their funding for the financial year commencing September 2019 from the ESFA.

Havering applies the schools national funding formula with a 0.5% per pupil minimum funding guarantee and a 2% per pupil cap on schools that would otherwise receive a higher amount.

Anonymised allocations to each school and academy is provided at Appendix A.

Schools funding allocations 2019-20

Item 5 Appendix A

School	2018-19			Lump sum				2019-20			Lump sum			Adj to			MFG cost £	Cap £	
	formula alloc £	Rates £	Mobility £	MFG £	Oct '17 formula	Oct '17 pupils	per pupil	formula alloc £	Rates £	Mobility £	MFG £	MFG formula	Oct '18 pupils	per pupil	% change	0.5% or 2%			final %
Primary A	1,071,236	25,907	0	119,024	926,305	269	3,443.51	1,081,431	26,462	0	119,024	935,945	270	3,466.46	0.67%	0.00%	0.67%	0	0
Primary B	1,373,388	25,907	0	119,024	1,228,457	361	3,402.93	1,391,785	26,462	0	119,024	1,246,299	360	3,461.94	1.73%	0.00%	1.73%	0	0
Primary C	1,594,521	7,695	2,261	119,024	1,465,540	416	3,522.93	1,604,669	9,060	0	119,024	1,476,584	407	3,627.97	2.98%	-0.98%	2.00%	0	-14,074
Primary D	898,113	16,460	313	119,024	762,316	207	3,682.68	892,350	19,763	0	119,024	753,563	206	3,658.07	-0.67%	1.17%	0.50%	8,863	0
Primary E	1,996,210	75,822	0	119,024	1,801,364	543	3,317.43	2,133,371	77,449	96	119,024	1,936,802	576	3,362.50	1.36%	0.00%	1.36%	0	0
Primary F	2,319,897	56,943	0	119,024	2,143,930	506	4,237.02	2,412,958	58,164	0	119,024	2,235,770	532	4,202.58	-0.81%	1.31%	0.50%	29,593	0
Primary G	903,093	3,267	0	119,024	780,802	178	4,386.53	903,298	4,075	0	119,024	780,199	180	4,334.44	-1.19%	1.69%	0.50%	13,324	0
Primary H	2,555,801	58,482	0	119,024	2,378,294	623	3,817.49	2,641,141	62,880	0	119,024	2,459,237	626	3,928.49	2.91%	-0.91%	2.00%	0	-21,695
Primary I	537,964	0	0	119,024	418,939	98.58	4,249.74	431,985	0	0	119,024	312,961	78.17	4,003.60	-5.79%	6.29%	0.50%	20,902	0
Primary J	2,471,407	39,758	3,199	119,024	2,309,426	607	3,804.65	2,587,692	40,610	3,825	119,024	2,424,233	601	4,033.67	6.02%	-4.02%	2.00%	0	-91,904
Primary K	1,208,126	32,336	0	119,024	1,056,766	282	3,747.40	1,309,527	32,878	0	119,024	1,157,625	300	3,858.75	2.97%	-0.97%	2.00%	0	-10,921
Primary L	1,369,310	26,420	0	119,024	1,223,867	338	3,620.91	1,411,292	26,986	0	119,024	1,265,282	336	3,765.72	4.00%	-2.00%	2.00%	0	-24,324
Primary M	479,275	912	0	119,024	359,339	96	3,743.11	480,538	933	0	119,024	360,581	101	3,570.11	-4.62%	5.12%	0.50%	19,364	0
Primary N	1,155,148	3,913	0	119,024	1,032,211	237	4,355.32	1,168,348	4,615	0	119,024	1,044,708	233	4,483.72	2.95%	-0.95%	2.00%	0	-9,622
Primary O	818,552	0	458	119,024	699,070	171.17	4,084.07	928,257	14,013	2,824	119,024	792,396	203.83	3,887.53	-4.81%	5.31%	0.50%	44,222	0
Primary P	1,624,516	79,909	8,251	119,024	1,417,331	377	3,759.50	1,697,097	69,168	5,725	119,024	1,503,179	392	3,834.64	2.00%	0.00%	2.00%	0	0
Primary Q	2,312,030	45,914	0	119,024	2,147,092	625	3,435.35	2,348,169	46,898	0	119,024	2,182,247	625	3,491.59	1.64%	0.00%	1.64%	0	0
Primary R	1,760,180	32,045	0	119,024	1,609,111	469	3,430.94	1,742,407	32,760	0	119,024	1,590,623	464	3,428.07	-0.08%	0.58%	0.50%	9,293	0
Primary S	1,650,712	33,500	0	119,024	1,498,187	422	3,550.21	1,737,331	8,818	0	119,024	1,609,489	455	3,537.34	-0.36%	0.86%	0.50%	13,932	0
Primary T	1,728,360	38,988	2,550	119,024	1,567,798	414	3,786.95	1,687,986	39,824	96	119,024	1,529,041	406	3,766.11	-0.55%	1.05%	0.50%	16,148	0
Primary U	2,153,756	48,735	0	119,024	1,985,996	556	3,571.94	2,199,143	49,780	0	119,024	2,030,339	564	3,599.89	0.78%	0.00%	0.78%	0	0
Primary V	1,878,370	40,862	3,729	119,024	1,714,756	465	3,687.65	1,731,934	10,812	0	119,024	1,602,098	423	3,787.47	2.71%	-0.71%	2.00%	0	-11,026
Primary W	2,712,631	77,404	0	119,024	2,516,202	622	4,045.34	2,743,778	79,285	0	119,024	2,545,469	614	4,145.71	2.48%	-0.48%	2.00%	0	-11,953
Primary X	1,931,978	73,743	0	119,024	1,739,210	475	3,661.50	2,087,622	68,120	0	119,024	1,900,478	499	3,808.57	4.02%	-2.02%	2.00%	0	-36,850
Primary Y	880,091	3,793	0	119,024	757,273	207	3,658.32	947,342	3,854	0	119,024	824,463	203	4,061.39	11.02%	-9.02%	2.00%	0	-66,970
Primary Z	870,124	18,000	0	119,024	733,099	207	3,541.54	717,698	18,413	0	119,024	580,261	158	3,672.54	3.70%	-1.70%	2.00%	0	-9,506
Primary AA	1,132,503	5,670	0	119,024	1,007,809	301	3,348.20	1,164,625	5,796	0	119,024	1,039,804	282	3,687.25	10.13%	-8.13%	2.00%	0	-76,727
Primary AB	2,712,150	51,813	9,069	119,024	2,532,244	603	4,199.41	2,768,635	52,924	6,664	119,024	2,590,024	613	4,225.16	0.61%	0.00%	0.61%	0	0
Primary AC	1,706,502	42,192	0	119,024	1,545,286	453	3,411.23	1,702,240	46,898	0	119,024	1,536,318	448	3,429.28	0.53%	0.00%	0.53%	0	0
Primary AD	1,713,602	24,805	6,110	119,024	1,563,662	376	4,158.68	1,623,511	44,959	3,368	119,024	1,456,160	340	4,282.82	2.99%	-0.99%	2.00%	0	-13,931
Primary AE	1,287,123	4,021	6,231	119,024	1,157,848	291	3,978.86	1,260,429	4,910	6,062	119,024	1,130,432	278	4,066.30	2.20%	-0.20%	2.00%	0	-2,187
Primary AF	1,482,284	20,056	0	119,024	1,343,203	367	3,659.95	1,415,888	19,388	0	119,024	1,277,476	346	3,692.13	0.88%	0.00%	0.88%	0	0
Primary AG	1,846,247	20,056	0	119,024	1,707,166	477	3,578.97	1,965,310	19,388	0	119,024	1,826,898	484	3,774.58	5.47%	-3.47%	2.00%	0	-60,034
Primary AH	2,312,527	37,489	0	119,024	2,156,013	597	3,611.41	2,329,745	42,968	0	119,024	2,167,753	595	3,643.28	0.88%	0.00%	0.88%	0	0
Primary AI	2,114,075	9,807	7,145	119,024	1,978,099	493	4,012.37	2,116,663	11,577	8,949	119,024	1,977,113	468	4,224.60	5.29%	-3.29%	2.00%	0	-61,768
Primary AJ	1,811,903	34,475	7,963	119,024	1,650,441	419	3,939.00	1,912,747	51,090	9,382	119,024	1,733,251	420	4,126.79	4.77%	-2.77%	2.00%	0	-45,783
Primary AK	1,077,787	3,057	0	119,024	955,706	265	3,606.44	1,056,733	5,580	0	119,024	932,129	259	3,598.95	-0.21%	0.71%	0.50%	6,609	0
Primary AL	1,196,605	3,057	0	119,024	1,074,524	298	3,605.79	1,303,081	5,580	0	119,024	1,178,477	325	3,626.08	0.56%	0.00%	0.56%	0	0
Primary AM	1,065,518	5,181	0	119,024	941,313	249	3,780.37	1,060,575	6,704	0	119,024	934,846	245	3,815.70	0.93%	0.00%	0.93%	0	0
Primary AN	1,297,128	5,181	0	119,024	1,172,923	332	3,532.90	1,355,875	6,704	0	119,024	1,230,146	317	3,880.59	9.84%	-7.84%	2.00%	0	-87,819
Primary AO	1,264,621	23,141	0	119,024	1,122,456	328	3,422.12	1,379,117	32,357	0	119,024	1,227,735	361	3,400.93	-0.62%	1.12%	0.50%	13,827	0
Primary AP	1,082,067	17,009	0	119,024	946,034	261	3,624.65	1,039,244	17,388	0	119,024	902,831	249	3,625.83	0.03%	0.47%	0.50%	4,219	0

Primary AQ	1,384,650	17,009	0	119,024	1,248,617	356	3,507.35	1,464,054	17,388	0	119,024	1,327,642	359	3,698.17	5.44%	-3.44%	2.00%	0	-43,320
Primary AR	1,506,150	6,163	0	119,024	1,380,963	383	3,605.65	1,496,131	8,939	0	119,024	1,368,168	374	3,658.20	1.46%	0.00%	1.46%	0	0
Primary AS	878,993	4,830	0	119,024	755,139	207	3,648.01	871,604	5,494	0	119,024	747,086	204	3,662.19	0.39%	0.11%	0.50%	830	0
Primary AT	2,291,886	11,081	0	119,024	2,161,781	612	3,532.32	2,305,595	13,046	0	119,024	2,173,524	593	3,665.30	3.76%	-1.76%	2.00%	0	-36,964
Primary AU	1,517,423	5,719	0	119,024	1,392,680	424	3,284.62	1,495,898	5,846	0	119,024	1,371,028	421	3,256.60	-0.85%	1.35%	0.50%	18,713	0
Primary AV	1,580,746	6,261	0	119,024	1,455,461	418	3,481.96	1,575,423	6,502	0	119,024	1,449,897	421	3,443.94	-1.09%	1.59%	0.50%	23,339	0
Primary AW	1,173,118	3,456	0	119,024	1,050,637	300	3,502.12	1,274,859	4,419	0	119,024	1,151,416	328	3,510.41	0.24%	0.26%	0.50%	3,024	0
Primary AX	829,118	4,437	0	119,024	705,656	177	3,986.76	795,538	5,225	0	119,024	671,289	173	3,880.28	-2.67%	3.17%	0.50%	21,869	0
Primary AY	1,048,461	4,437	0	119,024	924,999	243	3,806.58	1,058,382	5,225	0	119,024	934,133	239	3,908.51	2.68%	-0.68%	2.00%	0	-6,165
Primary AZ	1,257,066	55,142	4,378	119,024	1,078,521	298	3,619.20	1,321,958	46,898	1,900	119,024	1,154,135	321	3,595.44	-0.66%	1.16%	0.50%	13,437	0
Primary BA	1,310,879	52,839	842	119,024	1,138,174	325	3,502.07	1,384,080	53,972	4,065	119,024	1,207,018	341	3,539.64	1.07%	0.00%	1.07%	0	0
Primary BB	1,831,262	3,769	553	119,024	1,707,914	437	3,908.27	2,039,240	6,905	1,467	119,024	1,911,844	469	4,076.43	4.30%	-2.30%	2.00%	0	-42,205
Primary BC	1,315,242	44,065	0	119,024	1,152,154	304	3,789.98	1,409,844	45,055	0	119,024	1,245,766	323	3,856.86	1.76%	0.00%	1.76%	0	0
Primary BD	1,080,767	25,883	0	119,024	935,860	271	3,453.36	1,034,096	26,460	0	119,024	888,612	266	3,340.65	-3.26%	3.76%	0.50%	34,575	0
Primary BE	1,337,372	20,954	0	119,024	1,197,394	345	3,470.71	1,386,756	31,147	0	119,024	1,236,585	358	3,454.15	-0.48%	0.98%	0.50%	12,142	0
Primary BF	1,032,283	5,233	0	119,024	908,026	270	3,363.06	1,006,003	6,161	0	119,024	880,818	270	3,262.29	-3.00%	3.50%	0.50%	31,748	0
Primary BG	1,307,793	5,233	0	119,024	1,183,536	362	3,269.44	1,304,918	6,161	0	119,024	1,179,733	357	3,304.58	1.07%	0.00%	1.07%	0	0
Primary BH	915,172	14,299	0	119,024	781,849	210	3,723.09	949,319	15,958	0	119,024	814,337	218	3,735.49	0.33%	0.17%	0.50%	1,354	0
Primary BI	944,426	4,137	0	119,024	821,264	231	3,555.25	1,086,738	4,296	0	119,024	963,417	254	3,792.98	6.69%	-4.69%	2.00%	0	-42,322
	89,900,236	1,468,667	63,051	7,260,488	81,108,029	22,055		91,734,009	1,521,388	54,424	7,260,488	82,897,708	22,132					361,326	-828,071

Secondary A	4,264,896	29,754	0	119,024	4,116,118	817	5,038.09	4,315,952	35,032	0	119,024	4,161,895	822	5,063.13	0.50%	0.00%	0.50%	120	0
Secondary B	4,225,590	23,803	0	119,024	4,082,763	720	5,670.50	4,550,140	28,026	0	119,024	4,403,090	784	5,616.19	-0.96%	1.46%	0.50%	64,813	0
Secondary C	4,761,595	49,505	0	119,024	4,593,066	951	4,829.72	4,645,312	58,286	0	119,024	4,468,001	963	4,639.67	-3.94%	4.44%	0.50%	206,276	0
Secondary D	6,125,477	55,182	0	119,024	5,951,270	913	6,518.37	5,620,598	48,018	0	119,024	5,453,556	949	5,746.63	-11.84%	12.34%	0.50%	763,305	0
Secondary E	5,127,573	28,472	0	119,024	4,980,077	989	5,035.47	5,158,519	33,522	0	119,024	5,005,973	1009	4,961.32	-1.47%	1.97%	0.50%	100,218	0
Secondary F	2,430,263	104,884	0	119,024	2,206,355	422	5,228.33	1,967,854	23,194	0	119,024	1,825,636	347	5,261.20	0.63%	0.00%	0.63%	0	0
Secondary G	4,977,281	27,446	0	119,024	4,830,812	964	5,011.22	4,918,067	32,314	0	119,024	4,766,729	966	4,934.50	-1.53%	2.03%	0.50%	98,309	0
Secondary H	5,131,845	22,777	0	119,024	4,990,044	933	5,348.39	5,200,881	26,818	0	119,024	5,055,039	941	5,371.99	0.44%	0.06%	0.50%	2,956	0
Secondary I	4,397,859	22,675	0	119,024	4,256,160	780	5,456.62	4,203,575	26,697	0	119,024	4,057,854	742	5,468.81	0.22%	0.28%	0.50%	11,199	0
Secondary J	4,614,437	33,089	0	119,024	4,462,324	860	5,188.75	5,023,716	38,958	0	119,024	4,865,734	936	5,198.43	0.19%	0.31%	0.50%	15,218	0
Secondary K	4,383,704	26,648	0	119,024	4,238,032	774	5,475.49	4,203,015	29,646	0	119,024	4,054,345	806	5,030.20	-8.13%	8.63%	0.50%	380,969	0
Secondary L	3,166,239	29,565	0	119,024	3,017,650	609	4,955.09	3,108,116	30,079	0	119,024	2,959,013	610	4,850.84	-2.10%	2.60%	0.50%	78,705	0
Secondary M	4,481,892	32,582	0	119,024	4,330,286	805	5,379.24	3,877,305	38,052	0	119,024	3,720,229	681	5,462.89	1.56%	0.00%	1.56%	0	0
Secondary N	4,691,011	23,906	0	119,024	4,548,081	799	5,692.22	4,260,372	28,146	0	119,024	4,113,201	723	5,689.07	-0.06%	0.56%	0.50%	22,849	0
Secondary O	3,849,222	32,319	0	119,024	3,697,879	750	4,930.51	3,771,212	40,468	0	119,024	3,611,720	745	4,847.95	-1.67%	2.17%	0.50%	79,872	0
Secondary P	5,987,963	46,954	0	119,024	5,821,985	1114	5,226.20	6,130,735	47,716	0	119,024	5,963,995	1152	5,177.08	-0.94%	1.44%	0.50%	86,689	0
Secondary Q	3,278,564	17,647	0	119,024	3,141,892	557	5,640.74	3,337,066	20,778	0	119,024	3,197,264	599	5,337.67	-5.37%	5.87%	0.50%	198,434	0
Secondary R	3,527,908	22,572	0	119,024	3,386,312	631	5,366.58	3,676,883	26,576	0	119,024	3,531,282	672	5,254.88	-2.08%	2.58%	0.00%	93,044	0
	79,423,321	629,778	0	2,142,439	76,651,103	14,388		77,969,319	612,325	0	2,142,439	75,214,555	14,447					2,202,974	0

Total	169,323,556	2,098,445	63,051	9,402,928	157,759,133	36,443		169,703,328	2,133,713	54,424	9,402,928	158,112,263	36,579	0				2,564,301	-828,071
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Total cost in 2019-20	171,439,558
Less rates accrual	-35,268
Academy recoupment	-150,000
Revised costs	171,254,290
DSG Schools Block	171,217,145
Variance	37,145

**Schools Funding Forum 7<sup>th</sup> March 2019**

**ITEM 6**

**Subject Heading:**

**Early Years Funding 2019-20**

**Report Author:**

**David Allen – Strategic Finance  
Manager**

**Eligibility to vote:**

**All school and academy members and  
the PVI representative**

**SUMMARY**

This item is to provide an update on the funding of Havering’s providers of early years education in financial year 2019-20 following a review of the data projections and agreement of the Early Years Provider Reference Group to proposals for increased hourly rates. Funding from all providers is met from the Early Years Block of the Dedicated Schools Grant (DSG).

**RECOMMENDATIONS**

To agree the LA’s proposals to increase the hourly rates to be used for the funding of early years providers in financial year 2019-20 as follows:

- (i) To increase the basic hourly rate paid to providers for 2 year old provision to £5.60
- (ii) To increase the basic hourly rate to providers for 3 & 4 year old provision to £4.80

**REPORT DETAIL**

**Background**

At the meeting of the Schools Funding Forum held on 17<sup>th</sup> January 2019 the funding arrangements for financial year 2019-20 were agreed. These included



hourly rates for the funding of early years provision of £5.40 (increased from £5.35 in 2018-19) and £4.65 (increased from £4.53 in 2018-19).

The full agreement was as follows:

- i) to increase the basic hourly rate to providers to £4.65 (from £4.53) for 3 and 4 year olds
- ii) to continue to use Deprivation as the only supplement to the basic rate
- iii) to continue to set the hourly IDACI rates so they are in line with those used for the schools national funding formula
- iv) to increase the basic hourly rate to providers to £5.40 (from £5.35) for 2 year olds
- v) to retain contingencies of £572,057 (from £803k) and £100,100 (from £85k) for 3 & 4 and 2 year olds respectively to fund in-year provision
- vi) to retain £800k (5%) for LA statutory and quality assurance functions
- vii) to retain the Inclusion Fund at £200k but reduce the contribution from the DSG high needs block from £100k to £50k.

Since then, the LA has reviewed the data on which Early Years grant is estimated and is clearer on the likely outturn position for financial year 2018-19.

### **Revised hourly rates**

The process for a local authority to agree the funding arrangements for early years provision is not straightforward and relies on local estimates of the hours of provision that will require funding during the financial year. This is because the DfE's initial allocations of the DSG Early Years Block is based on the previous January census data e.g. for financial year 2019-20 the allocation is based on the January 2018 census. The funding is then updated in July based on the next January census e.g. January 2019 for 2019-20. That census is also used to adjust funding for the previous financial year with adjustments being made in the new financial year.

Local authority estimates therefore need to strike a balance between maximising the funding allocated to providers through the hourly rates and caution in not overcommitting the total funding received.

For this reason, some of the funding received for both 2 year olds and 3 and 4 year olds is set as a contingency. This is also used to fund provision that may not be picked up in either of the January censuses. The contingencies agreed for financial year 2019-20 are at (v) in the background section above.

As the end of the 2018-19 financial year draws closer, the forecast of the variance of expenditure against funding becomes clearer and it is estimated that there will be underspends of £136,900 from the funding for 2 year olds and £517,123 for 3 & 4 year olds.

LA officers have also reviewed the data on which the initial hourly rates were calculated and given the increases in population which will be reflected in January census data have increased the estimate of funding to be received through the Early Years Block.

At the meeting of the Early Years Prover Reference Group held on 13<sup>th</sup> February the following was agreed.

### Funding for 2 year olds

DfE hourly rate:	£5.66
Initial hourly rate to providers:	£5.40
Proposal:	£5.60

#### Basis of increase

- (i) A projected underspend from 2018-19 to be carried forward and used as a contingency in 2019-20 allowing for a higher proportion to be allocated through the hourly rate.
- (ii) Review of estimated grant to be received and provision to be funded as below

#### Estimated grant from DfE

£5.66 x 543.79 PTE (Jan-18 Census) = £1,754,375

#### LA Budget

LA hourly rate £5.60 x 543.79 PTE = £1,735,777  
Contingency = £18,598  
£1,754,375

### Funding for 3 & 4 year olds

DfE hourly rate:	£5.28
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Agreed hourly rate to providers:	£4.53
Proposal:	£4.80

**Basis of increase**

(i) A projected underspend from 2018-19 to be carried forward and used as a contingency in 2019-20 allowing for a higher proportion to be allocated through the hourly rate.

(ii) Review of estimated grant to be received and provision to be funded as below

**Estimated grant**

Universal/Additional	
£5.28 x 5,630.90 PTE	= £16,946,757

**LA Budget**

Universal/Additional	
LA hourly rate £4.80 x 5,660.41 PTE=	£15,486,890
Deprivation supplement (estimated)	£500,000
Contingency	£9,867
SEN Inclusion Fund	£150,000
Central retention	<u>£800,000</u>
	£16,946,757

**Schools Funding Forum 7<sup>th</sup> March 2019    ITEM 7**

<b>Subject Heading:</b>	<b>High Needs Funding 2018-19 and future years</b>
<b>Report Author:</b>	<b>David Allen – Strategic Finance Manager</b>
<b>Eligibility to vote:</b>	<b>All members</b>

**SUMMARY**

This report summarises the forecast expenditure for financial year 2018-19 from Havering’s allocation from the DSG (Dedicated Schools Grant) High Needs Block and considers the pressures for future years.

**RECOMMENDATIONS**

That the Schools Funding Forum notes the forecast position on High Needs expenditure for financial year 2018-19 and beyond.

**REPORT DETAIL**

**High Needs Funding Nationally**

Funding in support of high need provision is funded to local authorities through the High Needs Block of the Dedicated Schools Budget (DSG).

Shortfalls in high needs funding against increasing levels of expenditure has become an issue for the vast majority of local authorities and has been the subject of several reports in the national media.

In December 2018 the Secretary of State for Education announced additional funding of £125m for local authorities in both 2018-19 and 2019-20. The written statement to parliament was discussed at the last meeting of the Funding Forum. Havering’s allocation was £611k in each year and although welcome, will not meet the cost of existing or future pressures.

The DfE now requires local authorities with year end deficits in excess of 1% of their total DSG funding to produce recovery plans.

### **Havering’s position in past years**

This allocation is made for all provision for Havering pupils but an amount is then recouped for provision through special academies, non maintained special schools, 6<sup>th</sup> form colleges and AP academies.

Havering’s funding allocation and expenditure in the last four years is shown in the table below.

	2014-15 £m	2015-16 £m	2016-17 £m	2017-18 £m
Initial allocation	18.874	18.981	19.485	22.698
Recoupment	(0.716)	(1.075)	(2.581)	(3.581)
DSG transfers	0	0	1,400	0
Available funding	18.158	17.906	18.304	19.117
Spend	(17.910)	(18.728)	(18.225)	(19.413)
Spend vs Budget	0.248	(0.822)	0.079	(0.296)

In 2016-17 Havering increased its High Needs funding by £1.4m from transfers from other funding blocks which was built into the base allocation and in 2018-19 a one off £800k was allocated from the DSG underspend from previous years.

### **Financial year 2018-19**

2018-19 is the first year in which that Havering’s overspend in its high needs block is unlikely to be met in full by DSG contingencies. This will lead to the carry forward of a deficit into financial year 2019-20, a year in which expenditure is expected to increase further.

The current year end projection is summarised in the table below and Appendix A provides further detail.

	2018-19 £m
Initial allocation	23.273
Additional funding	0.611
Recoupment	(3.429)
DSG transfers	1.079
Available funding	21.534
Projected spend	(23.167)
Spend vs Budget	(1.633)
Use of contingencies	400
Projected deficit	(1.233)

The DSG transfers of £1.079m in the table above includes £800k that was agreed by the Schools Forum from a DSG contingency and a further £279k underspend from previous years that has been earmarked for High Needs .

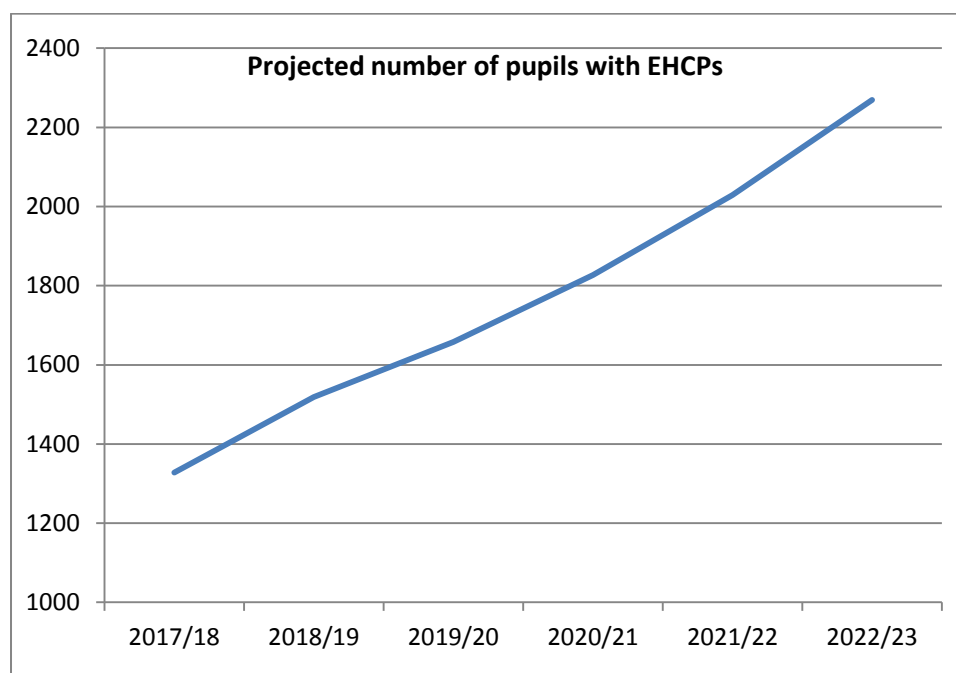
### Financial year 2019-20

Havering's allocation of High Needs DSG in 2019-20 is £25.29m (including the £611k additional funding) an increase of £1.4m.

The level of expenditure is, however, expected to increase for a number of reasons as follows:

#### 1. Increase in EHCPs

The number of EHCPs has already increased during the year and is projected to increase significantly over the next four years as demonstrated in the graph below.



## 2. Special Schools

Havering has three special schools which are funded on the basis of £10,000 per place plus a top up according to matrix of learning need. Both the matrix and the banded levels of funding are currently under review and are likely to increase the funding allocated through the High Needs Block.

## 3. Additional Provision

A fourth special school is to be provided in Havering in a future year which will require top up funding from Havering's High Needs Block.

There is likely to be an increase in the number of Additionally Resourced Provisions in mainstream schools.

Additional post 16 provision is to be provided at Forest Approach Academy.

Increased local capacity is a key part of Havering's 2017-2020 High Needs Strategy. It is intended to reduce the numbers of pupils with more moderate levels of need placed in special schools by supporting them in mainstream schools or in additionally resourced provisions. This will free up places in special schools for those with complex needs. Placing pupils in good quality local provision will also benefit the management of the High Needs Block overall in avoiding the costs of more expensive out of borough provision.

High Needs Funding 2018-19

Available funding after recoupment	2017-18			2018-19 September			2018-19 February		
	£000			£000			£000		
	19,117			20,923			21,534		
	Estimated Expenditure	No of Pupils/Places supported		Estimated Expenditure	No of Pupils/Places supported		Estimated Expenditure	No of Pupils/Places supported	
	£000	Pre 16	Post 16	£000	Pre 16	Post 16	£000	Pre 16	Post 16
Havering Special Schools	5,422	276	41	5,965	287	50	5,965	287	50
Expenditure on therapies etc	43			116			116		
Out of Borough Maintained Special Schools	368	24		246	19		275	20	
Revised In-Borough Primary Top-up	2,106	343		2,833	352		3,139	390	
Out of Borough Mainstream Primary	134	25		178	20		193	22	
Expenditure on alternative tuition + therapies	53			144			275		
In year EHC Plans	-			186	35				
<b>Total Primary High Needs funding</b>	<b>2,293</b>	<b>368</b>		<b>3,340</b>	<b>407</b>		<b>3,606</b>	<b>412</b>	
Revised In-Borough Secondary Top-up	1,124	270		1,390	352		1,496	238	
Out of Borough Mainstream Secondary	95	15		124	20		132	20	
Expenditure on alternative tuition + therapies	255			349			448		
In year EHC Plans	-			50	9				
<b>Total Secondary High Needs funding</b>	<b>1,475</b>	<b>285</b>		<b>1,913</b>	<b>381</b>		<b>2,076</b>	<b>258</b>	
Schools with high nos. of pupils with SEN	213			309			213		
Additionally Resourced Provision	1,493	87		1,673	99		1,578	95	
In-Borough Post-16 Top-up	430		100	579		99	524		94
In-Borough Post-19 Top-up				119		10	138		49
Out of Borough Post-16	795		94	831		92	788		92
Expenditure on Post-16 Tuition	23			22			19		
<b>Total Post-16</b>	<b>1,248</b>		<b>194</b>	<b>1,550</b>		<b>201</b>	<b>1,468</b>		<b>235</b>
Non-Maintained & Independent Special Schools Pre-16	2,202	37		2,846	48		2,968	50	
Non-Maintained & Independent Special Schools Post-16	972		16	869		12	893		14
Early Years Inclusion Fund	21			100			80		
Alternative Provision	2,303			2,462			2,540		
Central support teams	1,363			1,533			1,389		
<b>Total</b>	<b>19,414</b>	<b>1,077</b>	<b>268</b>	<b>22,923</b>	<b>1,241</b>	<b>280</b>	<b>23,167</b>	<b>1,122</b>	<b>316</b>
High Needs allocation	19,117			20,923			21,534		
Forecast overspend	297			2,000			1,633		
							21,934	Including DSG balances of £400k	
							1,233		