

**MINUTES OF A MEETING OF THE
SCHOOLS FUNDING FORUM
CEME
8 November 2018 (8.30 - 10.38 am)**

Present:

Representative Groups

Headteachers: Emma Allen, Special Maintained
Margy Bushell, Primary Maintained
Kirsten Cooper, Primary Maintained
Georgina Delmonte, Primary Maintained
David Unwin-Bailey, Primary Maintained
Nigel Emes, Primary Academy
Ray Lawrence, AP Academy
Simon London, Secondary Academy
Keith Williams, Secondary Academy

Governors: Bernard Gilley, Primary Maintained

Trade Unions: Peter Liddle, UNISON

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

Apologies for absence were received from John Delaney (NUT), David Denchfield (Primary Academy), Vicky Fackler (Special Academy), Gary Pocock (Special Academy) and Joanna Wilkinson (Early Years/PVI Sector).

Members welcomed David Unwin-Bailey as the representative for Primary Maintained schools on the Schools Funding Forum, who had replaced Jan Taylor from Cluster A.

Members noted that Maria Thompson, Post 16 representative, had retired and that Paul Wakeling would be invited to join the Forum.

**16 TO AGREE THE MINUTES OF THE MEETING HELD ON 20TH
SEPTEMBER 2018**

The minutes of the meeting of the Forum held on the 20 September 2018 were agreed as a correct record and signed by the Chairman, with an amendment to Minute No. 1 whereby apologies for absence had been received from Emma Allen, representative for Special Maintained schools rather than Special Academies.

17 MATTERS ARISING

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

- Minute No. 2, School Forum Membership refers: Nominations had been sought from Chairs of Academy trusts to be appointed to the Forum, however no interest had yet been received and a reminder would be circulated.
- Minute No. 12, Behaviour and Inclusion refers: Two responses had been received to the consultation on increased contributions from schools to the cost of a range of alternative provision to support pupils with challenging behaviour. An item had not been included on the agenda as the number of responses received was considered to be insufficient. The consultation would be sent out for a second time.

18 HIGH NEEDS FUNDING

Members received a draft report that sought to set out how Havering's allocation of funding from the Dedicated Schools Grant (DSG) High Needs Block was deployed to support and place, in appropriate provision, pupils and young people with special educational needs and/or disabilities and pupils with challenging behaviour requiring intervention or alternative provision.

The inadequacy of funding to local authorities through the DSG High Needs Block was a national issue, with an increasing number of local authorities reporting year end overspends of their High Needs funding and attempts of some to take remedial action having been the subject of judicial review.

There were a number of competing pressures on high needs funding, which included:

- An increasing number of pupils and students requiring Educational Health Care Plans within a growing pupil population;
- An increase in the complexity of need of children requiring placement in Havering schools;
- The revenue costs of funding a new special school for Social, Emotional and Mental Health and Autism Spectrum Disorder;
- The revenue costs of more additionally resourced provisions in mainstream schools;
- Funding that recognised the pressures on schools with high numbers of pupils with Educational Health Care Plans;
- The need for additional support within children's early years;
- An increase in post 16 provision up to the age of 25;
- Pupils with medical needs but no Educational Health Care Plan; and
- Additional training for school staff for children with Special Educational Needs and Disabilities.

In 2018-19, the Government introduced a National Funding Formula (NFF) to redistribute allocations to local authorities for high needs, with the aim to have a fair, transparent and predictable funding system. Based on the application, Havering received an increase in funding of 8.2%, however there was a cap of 3% which had limited the additional funding that Havering would receive. Although this additional funding eased some pressure on budgets, Havering continued to under-fund almost all areas of high needs provision.

The government also provided all local authorities with Special Provision Capital Funding over three years starting in 2018/19, to be used to improve facilities for children and young people with high needs and for increasing the number of places available.

The three special schools in Havering were currently funded £10,000 per place and an element 3 top up per pupil from the commissioning Local Authority. The new free school would be funded by the Education and Skills Funding Agency at £10,000 per place x 60 places and element 3 top up funding from the Havering's high needs block. 26 pupils were identified who could have attended this new school and these children and young people were currently attending a range of independent or non-maintained provision averaging at just over £63,000 per place per year.

The three secondary schools and three primary schools in Havering which had an Additional Resource Provision (ARP) were allocated £6,000 (element 2) per place with additional top up funding (element 3) of a further £6,000 per place. In addition, a further ARP was expected to open in September 2019. Members expressed concern that with the expanding primary provision, there was a lack of secondary places for transition and were advised that the Local Authority were in discussion with some secondary schools regarding additional provision.

Mainstream school funding was at £14 per hour for the number of hours above 11 in a pupil's Educational Health Care Plan x 39 weeks. The number of hours being agreed in plans was increasing due to the complexity of needs.

There were a number of pathways in the borough for post-16 placements depending on need, including Havering College, which caters for students with a range of additional needs across its mainstream curriculum; Ravensbourne Sixth Form; Corbets Tey @ The Avelon for those who had finished Key Stage 4; Routes for Life, delivering courses for 19-25 year olds; and Dycorts would be developing a post-16 provision.

There were also independent and non-maintained provisions out of borough placements used by Havering residents including Treehouse, East London Independent, Hopewell, Woodcroft and The Belsteads, with an average cost for each provision ranging between £53,500 - £99,000. Some of these provisions provided for residential placements with an education element. The cost to the local authority for out of borough placements was

£3,173,508 in 2017-18, which increased to £3,715,611 in 2018-19. The objective was to increase the local provision available, which would be the less expensive option.

In 2018-19, there were 385 children with additional needs and disabilities in early years across the borough.

The Olive AP Academy in Havering provided a facility for secondary aged pupils who had been permanently excluded and these placements were controlled through the secondary In Year Fair Access Panel. With regards to primary provision, there was no longer a primary Pupil Referral Unit and referrals for support would continue to be challenged through the Primary Inclusions Network.

In 2018-19 Havering's High Needs allocation was £20,923,000 (after recoupment) and the forecasted overspend was £2m. It was projected that by 2022/23, there would be an additional 94 children and young people with Educational Health Care Plans, an increase of 6.5%.

The Forum received data on when young people were assessed and the decision taken whether or not to issue an EHC plan. It was suggested that an analysis be undertaken to determine if there were a trigger point. It was further suggested that more recent data be used for the report and the projection data for 0-5 year olds, to include data showing the change in demographics of pupils with EHC plans moving into the borough.

There would be a significant review of Special Educational Needs by the local authority as a priority, with particular attention to the decision making process.

The High Needs report would continue to be updated and presented to Overview and Scrutiny Committee to raise the profile of Havering's position.

19 SCHOOLS FUNDING 2019-20

Members received a report that requested that the Havering's Schools Funding Formula followed the Department for Education National Funding Forum for a second year in 2019-20 and considered, based on current modelling, if this would be achievable within Havering's Schools Block allocation from the Dedicated Schools Grant.

The Forum was provided the indicative allocation of schools block funding to Havering for 2019-20 at its meeting on the 20 September 2018. There was an issue that the funding from the Department for Education was based on previous year estimates and would be insufficient to pay actual NNDR costs in 2019-20 and that the actual funding received would be calculated according to a new formula and would be significantly less than the £3.3m figure.

The Schools Funding Forum agreed to a consultation with schools on the allocation of funding for 2019-20 using the funding rates within the National Funding Formula, including a 0.5% minimum funding guarantee and a gains cap that was affordable up to a maximum of 3%.

A summary of APT formula – Cap, MFG and Funding Floor was circulated at the meeting. The summary was based on unverified data by the Department for Education, as local authorities would not be in receipt of the final DSG calculations until mid December.

The Forum considered the options presented and agreed that a minimum funding guarantee of 0.5% be applied, capped at 2%. The Forum agreed that an exemption to exclude the mobility factor be applied for to the Secretary of State.

The Forum was requested to consider transferring £800,000 from the Schools Block to the High Needs Block. After much consideration and debate, the Forum did not agree to the transfer request. It was considered that a per pupil contribution of £23 would place further pressures on schools budgets and could mask the real problem of the DFE's underfunding of high needs.

20 DE-DELEGATION OF EAL FUNDING FROM MAINTAINED SCHOOLS 2019-20

The Forum received a report which sought its approval for the de-delegation of funding to maintain the provision of a central EAL service in 2019-20 as permitted by the Department for Education Schools Funding Regulations.

The results of consultation with all maintained primary school head teachers were:

Number of responses:	22 (51%)
Agree to delegation:	16 (73%)
Disagree	6 (27%)

The Local Authority maintained school representatives agreed to the de-delegation of funding from the budgets of Local Authority maintained schools to support a central EAL service for the 2019-20 financial year.

21 TEACHERS' PENSION INCREASE

Members received a report which advised of the Government's announcement of the increase in employer contributions to the Teachers' Pension Scheme in 2019 and the allocation of grant.

Following advice from the HM Treasury, the Teachers' Pension Scheme had announced that the increase in employer contributions was likely to rise from 16.48% to 23.6%, compared to the 19% increase from April 2019 that schools had been advised to budget for. The increase had been delayed

until September 2019 and the Government had advised that the increase would be fully grant funded.

The Schools Funding Forum noted the arrangements for grant funding the increase in teachers' pension contributions from 2019.

22 NEXT MEETINGS

Future meetings had been arranged as follows:

13th December 2018

17th January 2019

7th March 2019

13th June 2019

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

23 ANY OTHER BUSINESS

The exempt minutes of the meeting of the Forum held on the 20 September 2018 were agreed as a correct record and signed by the Chairman. The Forum was advised that detailed reasons for any considerable under expenditure continued to be collected from schools.