



Schools Forum

Wednesday 16 January 2019 at 6.00 pm
Room Q309, Queens Park Community School,
Aylestone Avenue, NW6 7BQ

Membership

Representing

SCHOOL MEMBERS

Nursery

Lesley Benson
Vacancy

Head
Governor

Primary

Martine Clark (Vice-Chair)
Michelle Ginty
Melissa Loosemore
Raphael Moss
Helga Gladbaum
Geraldine Chadwick
Michael Maurice
Narinder Nathan
Tim Jones

Head
Head
Head
Head
Governor
Governor
Governor
Governor
Governor

Secondary

Vacancy

Special Education Needs

Kay Charles

Head

Pupil Referral Unit

Vivien Dean

Head

ACADEMY MEMBERS

Primary

Vacancy
Jo Jhally

Head
Governor

Secondary

Andy Prindiville	Head
Gill Bal	Head
Gerard McKenna	Head
Martin Beard	Governor
Mike Heiser (Chair)	Governor
Titilola McDowell	Governor

Special Education Needs

Jayne Jardine	Head
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NON-SCHOOL MEMBERS**Early Years PVI**

Paul Russell
Sylvie Libson

Trade Union

John Roche

16-19 Provider Representative

Mark Stacey

For further information contact: Nikolay Manov, Governance Officer
Email: nikolay.manov@brent.gov.uk; Tel: 0208 937 1348

For electronic copies of minutes, reports and agendas, and to be alerted when the minutes of this meeting have been published visit:

www.brent.gov.uk/committees

The press and public are welcome to attend this meeting.

Notes for Members - Declarations of Interest:

If a Member is aware they have a Disclosable Pecuniary Interest* in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent and must leave the room without participating in discussion of the item.

If a Member is aware they have a Personal Interest** in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent.

If the Personal Interest is also significant enough to affect your judgement of a public interest and either it affects a financial position or relates to a regulatory matter then after disclosing the interest to the meeting the Member must leave the room without participating in discussion of the item, except that they may first make representations, answer questions or give evidence relating to the matter, provided that the public are allowed to attend the meeting for those purposes.

***Disclosable Pecuniary Interests:**

- (a) **Employment, etc.** - Any employment, office, trade, profession or vocation carried on for profit gain.
- (b) **Sponsorship** - Any payment or other financial benefit in respect of expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) **Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) **Land** - Any beneficial interest in land which is within the council's area.
- (e) **Licences** - Any licence to occupy land in the council's area for a month or longer.
- (f) **Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) **Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

****Personal Interests:**

The business relates to or affects:

- (a) Anybody of which you are a member or in a position of general control or management, and:
 - To which you are appointed by the council;
 - which exercises functions of a public nature;
 - which is directed is to charitable purposes;
 - whose principal purposes include the influence of public opinion or policy (including a political party or trade union).
- (b) The interests of a person from whom you have received gifts or hospitality of at least £50 as a member in the municipal year;

or

A decision in relation to that business might reasonably be regarded as affecting the well-being or financial position of:

- You yourself;
- a member of your family or your friend or any person with whom you have a close association or any person or body who is the subject of a registrable personal interest.

Agenda

Introductions, if appropriate.

Item	Page
1 Apologies for Absence and Membership	
2 Declarations of Interest	
3 Deputations (if Any)	
4 Minutes of the previous meeting To approve the minutes of the previous meeting as a correct record.	1 - 8
5 Actions arising To consider any actions arising from previous meetings.	9 - 10
6 Dedicated Schools Grant Schools Budget Forecast - 2018/19 This report provides Schools Forum Members with an update to the Q3 Forecast position of the DSG 'Schools Budget' for 2018/19. Contact Officer: Andrew Ward, Head of Finance Email: andrew.ward@brent.gov.uk Tel: 0208 937 6462	11 - 16
7 2019/20 Dedicated Schools Grant Schools Budget Setting The paper sets out the proposed Dedicated Schools Grant Schools Budget for consultation and decision by the Schools Forum ahead of the Council budget being set and approved by Full Council. Contact Officer: Andrew Ward, Head of Finance Email: andrew.ward@brent.gov.uk Tel: 0208 937 6462	17 - 28
8 Early Years National Funding Formula – Year 3, 2019/20 The paper presents Brent's Early Years Funding Formula for 2019/20 for approval by the Schools Forum. Contact Officer: Andrew Ward, Head of Finance Email: andrew.ward@brent.gov.uk Tel: 0208 937 6462	29 - 34

9 Growth Funding for Schools– 2019/20

35 - 40

The report explains and clarifies the mechanisms for funding growth in schools in 2019/20.

Contact Officer: Andrew Ward, Head of Finance

Email: andrew.ward@brent.gov.uk

Tel: 0208 937 6462

10 Proposed dates for Schools Forum meetings in 2019/2020

Members are asked to note the two options for scheduling Schools Forum meetings in the 2019/2020 Municipal Year.

Option 1

Date	Venue	Time
Thursday 13 June 2019	The Village School	6:00 pm
Thursday 31 October 2019	Queens Park Community School	6:00 pm
Thursday 23 January 2020	The Village School	6:00 pm
Thursday 27 February 2019	Queens Park Community School	6:00 pm

Date to hold: Thursday 12 December 2019, 6:00 pm

Option 2

Date	Venue	Time
Wednesday 12 June 2019	The Village School	6:00 pm
Wednesday 6 November 2019	Queens Park Community School	6:00 pm
Wednesday 15 January 2020	The Village School	6:00 pm
Wednesday 26 February 2019	Queens Park Community School	6:00 pm

Date to hold: Wednesday 11 December 2019, 6:00 pm

11 Any Other Urgent Business

Date of the next meeting: Wednesday 27 February 2019



Please remember to **SWITCH OFF** your mobile phone during the meeting.

- The meeting room is accessible by lift and seats will be provided for members of the public.

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LONDON BOROUGH OF BRENT

MINUTES OF THE SCHOOLS FORUM

held on Wednesday 12 December 2018 at 6.00 pm

PRESENT

Governors

Mike Heiser (Chair)
Helga Gladbaum
Geraldine Chadwick
Jo Jhally
Michael Maurice
Narinder Nathan
Martin Beard

Head Teachers

Lesley Benson
Martine Clark (Vice-Chair)
Michelle Ginty
Gill Bal
Kay Charles
Vivien Dean
Gerard McKenna
Raphael Moss

Early Years PVI

Sylvie Libson

Trade Union

John Roche

16-19 Partnership Representative

Mark Stacey

Officers

Brian Grady
Andrew Ward
Dena Aly (observer)
Nikolay Manov

Lead Member

Councillor Agha

1. **Apologies for Absence and Membership**

Governors

Tim Jones
Titilola McDowell

Head Teachers

Melissa Loosemore
Andy Prindiville
Jayne Jardine

Early Years PVI

Paul Russell

Members welcomed Raphael Moss who had been elected to sit on the Schools Forum as a Primary Maintained Head.

It was noted that there were three vacancies on the Forum - a Nursery Governor; an Academy Primary Head; and a Maintained Secondary Head.

2. **Declarations of Interest**

None.

3. **Deputations (if Any)**

None.

4. **Minutes of the previous meeting**

RESOLVED that the minutes of the previous meeting, held on 10 October 2018, be approved as an accurate record of the meeting.

Members of the Schools Forum requested that their views were reflected in more detail in the minutes.

5. **Actions arising**

The Forum examined the Action Log which had been included in the Agenda pack for the meeting.

It was noted that:

- Actions 28, 29 and 30 related to six-monthly updates on specific projects. Officers would consult with stakeholders, including the Brent Schools Partnership, in order to identify a suitable time to report back to the Schools Forum.
- Actions 32, 33, 34 and 37 would be considered at the Schools Forum meeting on 16 January 2019.
- In relation to Action 35, Members heard that there had not been any changes to the funding allocations so there had been a need to organise a meeting of the Early Years Task Group.

- Action 36 would be considered at the current meeting.
- An update on Action 38 would be provided at the Schools Forum meeting in January 2019.
- As far as Action 39 was concerned, Andrew Ward informed the Schools Forum that the Council was developing a Debt Recovery Strategy. He advised schools which had a significant single debtor to contact him and he would ask the Debt Recovery Team to work on the case. However, there were barriers to using the Council's resources to collect smaller sums from multiple debtors. Mr Ward had raised the issue with the Debt Recovery Team's manager. He reminded members that if schools intended to write off debts exceeding £1,000 for a single debtor, they had to notify the Council and the Chief Finance Officer could grant approval, while writing off debts exceeding £3,000 for a single debtor had to be agreed by Cabinet.

A Member enquired about underspends in previous years in the Early Years provision and Mr Ward clarified that all underspends were consolidated in the DSG reserve.

6. **Dedicated Schools Grant Support for Central Education Services 2019/20**

Brian Grady reminded members that the Local Authority had launched a consultation on the 2019/20 and 2020/21 budgets. It had been centred on the need to find savings from the revenue budget of £20 million across the two years. In addition, it had been forecasted that £40 million of savings would be needed to balance the budget by 2022/23. Mr Grady highlighted that the proposals affected the Children and Young People Department as well as the contribution from the Dedicated Schools Grant (DSG). He noted that if the Council did not achieve the savings outlined in the 'Recommended' and the 'Difficult' budget proposals, it might be necessary to consider measures included in the 'Most Difficult' category.

Mr Grady directed the Forum's attention to proposal CYP001 ([Appendix A to the Draft Budget Proposals 2019/20 and 2020/21 report presented to Cabinet on 15 October 2018](#)) which suggested using £250,000 from the DSG to fund statutory education functions. This would provide services with a greater degree of protection from future savings as they would no longer be funded by the Council's General Fund. If this recommendation was adopted, granting the funding would require annual approval by the Schools Forum.

A Head Teacher commented that they were not content with allowing funds allocated from the DSG to support services to be ring-fenced and accessed by third party organisations such as the Brent National Health Service (NHS) Clinical Commissioning Group and the health economy. Mr Grady said that the intention of this part of the report had been to demonstrate that the resources of the Local Authority had been used to secure funding from stakeholders to deliver services which provided wider support for children and families in Brent and confirmed that the proposal would not result in access to DSG resources by other parties.. A Primary Governor pointed out that local authorities in London had experienced a reduction of nearly 70% to their core funding from Government in the last decade. They spoke of alternative approaches, adopted by some other local authorities, which protected frontline services and reduced back officer support. However, this could lead to a situation where it might not be possible to provide sufficient support to practitioners. Therefore, it would be advisable to support the proposal outlined in

the report in order to prevent the need to implement measures outlined in the 'Very Difficult' and 'Most Difficult' budget proposals.

Members queried the back office reductions that had been made by the Local Authority and Mr Grady explained that the Children and Young People Department had been restructured four years ago to provide a child-focused and responsive service. The new structure relied on two Operational Directors (some local authorities had three) which allowed for joint integration of resources. Nevertheless, if the 'Recommended' and 'Difficult' budget savings were not achieved, there would be a need to consider measures in the 'Most Difficult' category and services for children and families could be effected.

A Primary Head Teacher referred to paragraph 7.5 of the report (page 18 of the Agenda pack) and said that the changes that had been introduced as a result of the restructure had had a positive impact on the achievement of schools. They acknowledged the role of the Brent Schools Partnership which had helped to drive the changes and had provided a strategic steer to the relationship between schools and the Local Authority.

A Secondary Academy Head referred to the discrepancy in the amount of funding other local authorities had allocated to their Central Services (Appendix 1 on page 19 of the Agenda pack) and said that it would be interesting to know how the funds were used, including the rationale behind allocations and spending in relation to education welfare service; asset management; and statutory and regulatory services. Mr Grady noted that it was important to ensure that the measures would be sustainable in the future and said that, in his view, the offer to schools in Brent had been effective and compared favourably to the level of support other local authorities were able to provide. A Head Teacher enquired why Appendix 1 showed that the DSG did not make a contribution to central costs in Camden and Hounslow. In response, Andrew Ward confirmed this was currently the case for these two authorities but that this could change and he was not familiar with their proposals for the next financial year.

The request to use £250,000 of Schools Block DSG funding to support central services in 2019/20 (as set out in paragraph 2.1 of the report (page 15 of the Agenda pack)) was then put to the vote by a show of hands and declared **CARRIED**.

RESOLVED that:

- (i) The contents of the Dedicated Schools Grant Support for Central Education Services 2019/20 report, be noted;
- (ii) The request to use £250,000 of Schools Block DSG funding to support central services in 2019/20 be approved; and
- (iii) Additional information on the way other local authorities used their DSG central support budgets, including the rationale behind allocations and spending in relation to categories outlined in Appendix 1, be provided to the Schools Forum.

7. **Dedicated Schools Grant Financial Forecast 2017/18**

Andrew Ward introduced the report which provided an update on the position of the Dedicated Schools Grant (DSG) Schools Budget for 2018/19. He highlighted that the forecast for Q3 showed that there were increased pressures in the High Needs Block, which along with other probable underspends indicated that the overall overspend could be limited to approximately £0.1 million. He directed members' attention to Appendix A (page 31 of the Agenda pack) which contained the full budget monitoring table. Mr Ward said that a slight overspend of £123,000 against the DSG budget had been forecast and provided detailed information about the financial position of the four blocks of the DSG:

- **High Needs block** – there had been a late 'Import / Export' adjustment to Brent's High Needs Formula which meant that the Block's funding was approximately £0.3 million less than budgeted for. The Forum heard that there were 2,200 children with Education, Health and Care Plan (EHCP), which represented an annual increase of 8% over the last four years. The current demand for support was expected to remain and officers would continue to monitor growth. It was noted that nearly half of the EHCPs were for children in mainstream education so additional funding would be allocated to schools according to need. Moreover, the High Needs post-16 budget of £1.8M had overspent by £0.6M in 2017/18 as approximately 180 young people had been supported (compared to 150 in the previous year) and the pressure was likely to continue in 2018/19.
- **Early Years block** – Mr Ward reminded members that 95% of the income of the Early Years block was passed to providers so little variance was expected on the remaining 5%. Expenditure in this block is forecast to underspend by approximately £0.3 million, but this remained in line with expected income and officers would continue to monitor its performance.
- **Schools block** – the funding formula for 2018/19 had already been set and it was likely that there would be a large underspend against the growth contingency budgets. Allocations would be known at the end of the autumn term, but indications based on the number of primary place offers made showed a likely underspend of £2.4m. Mr Ward said that officers did not expect to use all of the budget allocated to supporting schools in difficulty as the forecast showed that approximately half of it would be spent.
- **Central Schools Services block** – this block was expected to underspend due to the fact that the costs of running some services such as the Schools Forum had been lower.

Mr Ward said that information about the Council's General Fund had not been included in Appendix A. However, he noted that it was under pressure, particularly in relation to the Children and Young People Department. He reminded the Forum that the Achievement of Black Caribbean Boys project and the School Leadership project, which Schools Forum approved in June 2018, would be funded from the High Needs earmarked reserve for 2018/19. The funding pressures related to the High Needs block were not unique to Brent and the increase in expenditure was forecast to continue due to increased demand.

A letter to the Secretary of State for Education signed by the President of the Society of London Treasurers and the President of the County Treasurers (Appendix 2 (pages 33 and 34 of the Agenda pack)) argued that the reforms that had been made had created an increased demand for High Needs provision which had had financial consequences for DSG budgets.

Mr Ward directed members' attention to Appendix 4 (pages 37 – 48 of the Agenda pack) which contained slides of a presentation by the Society of London Treasurers and the Association of London Directors of Children's Services which had been provided for information. Data showed that Brent's expenditure had been close to the average and there were not any figures that could classify Brent as an outlier.

The Forum welcomed the report and the Chair summarised that the DSG had been balanced in the current year due to the fact that there had been an underspend on growth budgets which balanced the significant overspend in the High Needs block. If the situation remained the same, growth budgets would have to be re-allocated and there would be severe pressures on the high needs budget. However, there were limits to the amounts that could be transferred from mainstream DSG. Mr Ward said that Secondary Head Teachers in Barnet had signed a lobbying letter to the Secretary of State and a similar action could be considered by the Forum. Moreover, the Department for Education (DfE) had released a short consultation aimed at local authority finance officers about the creation of a negative DSG reserve to allow local authorities to have a deficit that could be carried forward from year to year. There were certain conditions associated with this proposal – for instance, local authorities and Schools Forums had to create three-year recovery plans outlining how balances could be returned to positive figures. However, if the deficit continued for too long, the Council's General Fund may have to cover it.

A Head Teacher addressed the Forum, stating that they had submitted a detailed response to the consultation on the EHCP proposals. It contained comments related to managing parental expectations; the discrepancy between private and maintained schools; and the fact that more money would be required for 19+ provision. They commented that in their view a system where parents could approach tribunals to request what they felt was required irrespective of the cost had been established. They welcomed the letter to the Secretary of State for Education and said that the issue was that if 19+ places continued to be created, this would inflate the amount of funding required and would lead to a situation where it had to be spent. A potential way forward would be to try to achieve savings by finding bespoke provision in the Borough for young people with high needs aged 0-25. For instance, four students, each costing up to £250,000 per year, could save up to £1 million annually. Such an approach would be in line with the Council's approach to explore ways of providing more placements in the Borough where possible.

A Nursery Head Teacher expressed a point of view that related to the consultation on the national funding formulae for the High Needs formula. They suggested that using proxy indicators had limited relation to the needs that had to be covered. Mr Ward clarified that 50% of the High Needs block formula was based on past spending, with the remaining 50% based on proxy indicators for 3-19 year old population. If adopted the National Funding Formula for High Needs did not give Brent as much funding as it received currently. Where funding had been increased,

this had not reflected demographic growth and demand on the High Needs block, e.g. the increase accounted for 0.5%, with other 0.5% expected next year. It was noted that the High Needs funding for Brent was £55 million and it had grown very little despite the fact that the number of children with EHCPs had increased in line with the national trend. In response to a question whether the formula which was based on the proxies would go up, Mr Ward said this would depend on weighting the proxies correctly.

A Head Teacher commented that the DfE used set categories to classify special needs which did not take into account multiple needs simultaneously. For example, the primary need for a child could be Autism but this could change the following year. A Primary Maintained Head Teacher added that there was a long delay between a child receiving a diagnosis and funding being allocated to the school. Therefore, it was necessary to consider not only the costs to the High Needs block, but the investment made by schools to support children with special needs as this could put pressure on their budgets.

A Primary Governor noted that the Special Education Needs and Disabilities (SEND) transport had not underspent which had been unusual and asked whether this could be considered a saving to the Council's General Fund.

RESOLVED that the contents of the Dedicated Schools Grant Budget Forecast - 2018/19 report, be noted.

8. **Any Other Urgent Business**

None.


The meeting closed at 6:59 pm.

MIKE HEISER
Chair

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No	Meeting Date	Agenda Item	Lead Officer	Action Arising	Due date (if applicable)	To be brought to a future meeting	RAG
28	20/06/18	Agenda Item 6 - Raising the Achievement of Black Caribbean Boys in Brent Schools	Brian Grady	Provide six-monthly updates on the progress in the use and the deployment of the allocated spend, and the resulting impact on securing improvement of this group of pupils	Feb-19	YES	Outstanding
29	20/06/18	Agenda Item 6 - Raising the Achievement of Black Caribbean Boys in Brent Schools	Brian Grady	Provide an update on potential solutions to address information sharing barriers	TBC		Outstanding
30	20/06/18	Agenda Item 7 - Strengthening Leadership Development and Succession Planning in Brent Schools	Brian Grady	Provide six-monthly updates on the progress in the use and the deployment of the allocated spend, and the resulting impact on strengthening leadership and succession planning in Brent Schools	Feb-19	YES	Outstanding
32	20/06/18	Agenda Item 10 - Dedicated Schools Grant Financial Outlook Report	High Needs Task Group	Recommend a balanced High Needs block budget for 2019/20	Jan-19	YES	Outstanding
33	20/06/18	Agenda Item 10 - Dedicated Schools Grant Financial Outlook Report	Early Years Task Group	Recommend a balanced Early Years block budget for 2019/20	Jan-19	YES	Outstanding
34	10/10/18	Agenda Item 7 - Council Budget Proposals	Brian Grady	Present a detailed report on the budget proposals affecting the Children and Young People Department	Feb-19		Ongoing
36	10/10/18	Agenda Item 8 - Dedicated Schools Grant Budget Forecast 2018/19	Andrew Ward	Provide updates on the Dedicated Schools Grant budget forecast 2018/19		YES	Ongoing
37	10/10/18	Agenda Item 9 - 2019/20 Funding Announcements and Schools' Budget Position	Andrew Ward	Present the mainstream funding formula for final approval	Jan-19	YES	Outstanding
38	10/10/18	Agenda Item 11 - Options for Financially Supporting Schools with Falling Rolls	Dena Aly	Present a paper examining options and providing specific costs to deploy resources to schools in risk of experiencing a fall in standards due to falling rolls	Jan-19		Completed
39	10/10/18	Agenda Item 12 - Updated Scheme for Financing Schools and Schools Financial Regulations	Brian Grady / Andrew Ward	Follow up the issue related to debt passed for collection to the Council's Debt Recovery Team and provide updates to affected schools			Outstanding
40	12/12/18	Agenda Item 5 - Actions arising	Brian Grady	Provide an written update on Early Years funding for nursery places (to include information on the Early Years grant)	Jan-19	YES	Outstanding
41	12/12/18	Agenda Item 6 - DSG Support for Central Education Services 2019/20	Andrew Ward	Provide additional information on the way other local authorities used their DSG central support budgets, including the rationale behind allocations and spending in relation to categories outlined in Appendix 1.		YES	Outstanding

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	Schools Forum 16 January 2019
	Report from the Strategic Director of Children and Young People
DSG Schools Budget Forecast – 2018/19	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	N/A
No. of Appendices:	1
Background Papers:	Prior Financial reports to Schools Forum.
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Andrew Ward, Head of Finance – CYP 0208 937 6462 Dena Aly, Senior Finance Analyst – CYP 0208 937 2179

1. Purpose of the Report

1.1. The purpose of this report is to provide School Forum Members with an update to the Q3 Forecast position of the DSG 'Schools Budget' for 2018/19.

2. Recommendation(s)

2.1. Schools Forum is asked to note this report.

3. Summary

3.1. The Q3 budget monitoring position has changed due to an updated forecast on pupil growth funding and on the cost of therapies in the High Needs block. It has also been updated to include the additional High Needs funding announced by the Secretary of State for Education on 17 December 2018. Appendix A is the updated budget monitoring.

4. Background

4.1. The Q3 budget monitoring presented in December 2018 reported an overall slight overspend of £0.1m. This is the net position of the High Needs block overspend pressures of £3m, mitigated by underspends mainly against the growth budgets.

4.2. It was also reported that the forecast meant that DSG reserves at year end should be slightly in excess of £3m, which would be carried forward into the 2019/20 financial year.

5. Pupil Growth Forecast

5.1. Following confirmation of the October 2018 pupil census it was possible to calculate the complete Rising Rolls funding to be allocated to those growing schools that meet the threshold. Total Rising Rolls funding will be £0.9m in 2018/19, which added to the £0.4m CAFAl allocations bring total growth spending to £1.3m, which is £0.5m more than forecast previously. This is an underspend against the budget of £1.9m.

6. High Needs Forecast

6.1. In completing the Q3 budget monitoring officers have confirmed that there were unpaid invoices relating to the previous year for Speech and Language Therapies (SaLT) provision. The forecast for the amount to be paid in 2018/19 has increased by £0.5m. This relates to the late receipting of invoices which won't be repeated and so this is not an ongoing budget issue. Improved commissioning will mean a reduction in the cost of the main SLT contract in 2019/20.

6.2. On Monday 17 December 2018 the Secretary of State for Education announced additional in-year funding for the High Needs block of the DSG. Brent's High Needs Block allocation has increased by £0.8m in 2018/19. The income forecast has been adjusted to account for this additional income. It is shown as £0.5m more than that budgeted for due to the previously reported £0.3m reduction on the import and export adjustment.

7. DSG Reserve

7.1. Appendix A shows that the current forecast is for DSG reserves to be reduced by around £250K, down to £3.2m going into 2019/20. However the main risk to this is that High Needs pressures will continue to rise and further deplete the reserve.

7.2. Given the growing High Needs pressures it is clear that it would be prudent for reserves to be held against these in 2019/20. Beyond that it remains clear that greater real increases in government funding than those already announced will be needed to maintain the current levels of provision for High Needs pupils.

8. Financial Implications

8.1. The financial implications have been detailed in the body of this paper.

9. Legal Implications

9.1. There are no legal implications for this report.

10. Equality Implications

10.1. Not applicable.

11. Consultation with Ward Members and Stakeholders

11.1. Not applicable.

12. Human Resources/Property Implications (if appropriate)

12.1. Not applicable.

Report sign off:


Gail Tolley

Strategic Director of Children and Young People

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S251 Line	Budget Heading	Description	Budget £'000	Actual as at 31/10/2018 £'000	Forecast £'000	Variance £'000	Commentary
Income							
	Early Years Block		24,022	14,028	23,744	(278)	Early years adjustment - clawback of 2017/18 EY funding due to lower actual participation numbers in Jan 2017
	Schools Block		230,585	70,677	230,621	37	Minor budgeting error
	Schools Block Recoupment		(112,543)	0	(112,543)	0	Recoupment Adjustment
	Central School Services Block		2,325	1,417	2,367	43	Minor increase
	High Needs Block		54,817	29,757	54,520	(297)	Late Import/ Export adjustment - Increased HN students in Other LA's
	High Needs Recoupment		(4,316)	0	(4,806)	(490)	Post 16 recoupment adjustment
	Sixth Form Funding		3,581	2,487	4,219	638	Post 16 recoupment adjustment / minor 6th form variations
	Use of Reserves - Mainstream Funding Formula		2,500		2,500	0	
	Use of Reserves - EY Block		1,000		1,000	0	Drawdown required for EY development grant and planned £310 support
	Use of Reserves - HN Block		1,000		1,000	0	Drawdown required to match 'Other Expenditure' below
	Total Income		202,970	118,366	202,622	(348)	£350K total income shortfall
Expenditure: Early Years Block							
1.0.1	Early Years Block	2 year old Nursery Education Grant	3,843	2,503	3,743	(100)	Based on lower participation numbers than budget at per previous year
1.0.1		3 and 4 year old Nursery Education Grant	18,692	11,843	18,492	(200)	Based on lower participation numbers than budget at per previous year
1.0.1		EY Pupil premium	149	41	129	(20)	Indicative underspend
1.0.1		Early Years Panel Funding	498	129	478	(20)	Includes £98k disability access fund
1.3.1		Early Years Central Expenditure	1,149	524	1,124	(25)	
	Total Expenditure: Early Years Block		24,332	15,039	23,966	(365)	If participation numbers are lower than budgeted, EY block will underspend
Expenditure: Schools Block							
1.0.1	Schools Block	Primary Schools	126,521	72,582	126,521	0	Sch Block exp forecast includes £2.5M allocated from reserves
1.0.1		Secondary Schools	78,697	10,919	78,697	0	
1.0.1		All Through Schools	23,411	98	23,411	0	
	Schools Block Recoupment		(112,543)	0	(112,543)	0	
	DSG CONTR	Central Support	362	22	362	0	
1.1.1	De-delegated Items	Contingencies - Schools in Difficulty	200	50	100	(100)	
1.1.4		Free school meals eligibility	28	0	28	0	
1.1.8		Staff costs – supply cover excluding cover for facility	350	84	330	(20)	Indicative underspend
1.4.10	Pupil Growth and Infant Class Sizes	Expansion and rising rolls funding	3,130	273	750	(2,380)	Significantly underspent as demand for expansion funding decreased
	Total Expenditure: Schools Block		120,156	84,028	117,656	(2,500)	
Expenditure: Central School Services Block							
1.4.1	Central School Services Block	Contribution to combined budgets - Schools Effectiv	804	412	763	(40)	
1.4.13		Licences/subscriptions	195	214	195	0	
1.4.2		School Admissions	689	299	689	0	One off staffing restructure costs

S251 Line	Budget Heading	Description	Budget £'000	Actual as at 31/10/2018 £'000	Forecast £'000	Variance £'000	Commentary
1.4.3		Servicing of schools forums	34	0	10	(24)	More realistic budget
1.4.4		Termination of employment costs	604	0	604	0	
Total Expenditure: Central School Services Block			2,325	926	2,261	(64)	
<u>Expenditure: High Needs Block</u>							
1.0.1/1.2.1	School/HN Block	Maintained Special School Funding	9,747	6,743	9,747	0	Planned budget share
		Academy place funding	4,316	0	4,806	490	Academy places and post 16 recoupment
	HN/ Block Recoupment	Academy places and post 16 place funding	(4,316)	0	(4,806)	(490)	Academy places and post 16 recoupment
1.0.1/1.2.1	School/HN Block	Maintained ARPs	1,125	0	1,125	0	Planned budget share
1.0.1/1.2.1	School/HN Block	Maintained Pupil Referral Units	2,997	2,048	2,982	(16)	Planned budget share
1.2.1	HN Block	Planned top-up in mainstream schools	3,890	(211)	3,890	0	Planned budget share
1.2.1	Top up funding	Targeted Funding	30	0	120	90	Low Cost High Incidence Targeted Funding
1.2.1	HN Block	In year top up funding - Maintained & Academies	17,239	11,494	19,755	2,516	All in -year placements to maintained schools and academies including out of borough
1.2.1	HN Block	Early Years Inclusion Fund	1,128	1,128	1,128	0	
1.2.3	Top up funding	Residential and independent settings	8,205	5,039	9,000	795	Increased unit costs
1.2.5	SEN Support	Outreach, Ed Pysch, SEN advisory, SEN Transport	3,180	2,211	3,180	0	high spend to date - to be managed to budget
1.2.6	Hospital Education Services		253	95	253	0	
1.2.7	Other alternative provision services EOTAS - Commissioned Services		235	75	215	(20)	Indicative underspend
1.2.8	Support for Inclusion		1,080	176	1,041	(40)	
1.2.10	PFI / BSF costs	Capital Expenditure from Revenue - Village School	944	729	729	(216)	Lower capital charges than originally budgeted for
1.2.11	Direct Payments		11	0	11	0	
1.2.13	Therapies and other health related	Speech and Language Therapy & TAMHS	512	814	508	(4)	
Total Expenditure: High Needs Block			50,577	30,341	53,683	3,106	Rising financial pressure in High Needs Block
<u>Other Expenditure:</u>							
1.0.1	6th Forms	Secondary Schools	3,581	2,387	3,581	0	
	EY Earmarked Reserves	Balance of £1M approved	1,000	943	943	(57)	£310K reserves to support EY as planned, plus £633K EY Provider Development Grant
	HN Block Earmarked Reserves	£1M approved	1,000	0	200	(800)	Inclusion Support Fund
			0	0	199	199	Leadership Schools Forum Project
			0	0	256	256	BCA Schools Forum Project
Total Other Expenditure			5,581	3,330	5,179	(402)	
Total Expenditure			202,970	133,664	202,745	(225)	Large variances in HN and Growth Budgets largely compensate for each other
Balance			0	15,297	123	123	Forecast minor overspend

	Schools Forum 16 January 2019
	Report from the Strategic Director of Children and Young People
2019/20 DSG Schools Budget Setting	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	N/A
No. of Appendices:	3
Background Papers:	Prior Financial reports to Schools Forum.
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Andrew Ward, Head of Finance – CYP 0208 937 6462 Dena Aly, Senior Finance Analyst – CYP 0208 937 2179

1. Purpose of the Report

- 1.1. This report sets out the proposed DSG Schools Budget for consultation and decision by Schools Forum ahead of the Council budget being set and approved by full Council.

2. Recommendations

- 2.1. Maintained school members of the Schools Forum are requested to approve the proposed de-delegation arrangements set out within this report.
- 2.2. Schools Forum is asked to approve the transfer of £1.1M (0.5%) from the Schools Block to support the High Needs Block. The regulations permit up to 0.5% of the Schools Block to be transferred with Forum approval.
- 2.3. Schools Forum is asked to recommend the DSG Schools Budget, including the mainstream funding formula, to the Council.

3. Summary

- 3.1. There have been limited increases to some of the DSG funding blocks for 2019/20, and these are allocated in full. Demand led pressures mean that the High Needs Block expenditure will exceed income by £2.5m, so a request is made to cover this shortfall partly from the Schools Block and partly from DSG reserves. It is not proposed to continue to use reserves to support the Schools Block; this was a one off action designed to support schools and to precede eventual increases in funding. This has now come in the form of the Teachers' Pay Grant (TPG) which was announced in September 2018, and although this grant sits outside of the DSG it is considered relevant to this report.
- 3.2. The recommendation to use DSG reserves and Schools Block funding to support the High Needs Block should be considered alongside both the need to identify and make further

savings to the High Needs Block, and the recent proposals on DSG deficits. The DfE consultation on DSG deficits set out proposals for 3 year recovery plans which they would need to agree with School Forums and Local Authorities, and then monitor. The budget set out in this report is intended to help Brent Schools Forum avoid this scenario at year end 2019/20, and maintain some reserves as a contingency.

- 3.3. This report summarises the budgets for the blocks of the DSG (appendix A), and presents the results of the proposed mainstream local funding formula for schools. Although the formula and Teachers' Pay Grant result in a net increase in the overall allocations made to schools, it is recognised that the financial position will remain difficult due to rising cost pressures.

4. School Funding Announcements – 2019/20 DSG Income

- 4.1. In late July 2018 there was a ministerial statement on the teacher pay rise for 2018/19, the details of which were presented at the October Schools Forum. For information the rates of funding are given below. In addition the October 2018 budget also announced a one off additional funding allocation for schools for smaller capital spending. This is yet to be received, and is estimated to be worth £1.5m for Brent schools.

4.2. Table 1 – Teachers' Pay grant – Inner London scale per pupil rates

School	Rate in 2018 to 2019 (£)	Rate in 2019 to 2020 (£)
Primary Schools	19.51	33.65
Secondary Schools*	31.57	54.2
Special Schools**	78.1	134.97

- 4.3. The Early Years Block funding rates as per the Early Years National Funding Formula for 2019/20 were announced at the end of November 2018. The funding rates for 2 year old and 3 and 4 year old provision in Brent remain unchanged from 2018/19 and are not increasing to meet cost inflation. The number of hours of provision counted in January 2018 is the basis for the provisional allocation of £23.4m which is £0.6m less than the budget for 2018/19. A separate paper on the Early Years Block provides more detail on the updated expenditure plans which are set in line with income.
- 4.4. The High Needs Block, Schools Block and Central School Services Block were announced on 17 December 2018. Appendix A sets out the income and expenditure budgets by block and compares them to the budgets set for 2018/19.
- 4.5. Schools Block income is £0.4M more than in 2018/19, but this masks a funding reduction of £1m which has been top-sliced from the growth fund. Overall mainstream pupil numbers fell slightly by 230, but within this secondary pupil numbers rose by approximately 140 and primary pupil numbers fell by 370. Despite the top slice and the slight reduction in pupil numbers the allocation rose due to the planned 0.5% funding increase and the greater numbers of secondary pupils who are funded at a higher rate in the National Funding Formula.
- 4.6. The Central School Services Block income was confirmed at £2.4m, an increase of £50k on 2018/19.
- 4.7. The High Needs Block income has been provisionally announced at £56.1m. This is £1.6m more than in 2018/19, made up of the £0.8m planned 0.5% funding increase, and an additional £0.8m announced on the 17 December 2018 in response to the lobbying for additional High Needs Block funds from the Local Government and Education sectors.

This only shows as a £1.3m increase compared to the previous year budget due to the late import-export adjustment of -£0.3m in 2018/19. This adjustment figure is not yet known for 2019/20 and so this allocation remains provisional for the time being.

5. Early Years Block Expenditure

5.1. The Early Years budget presented in appendix A is indicative and balances against the provisional income of £23.4m. Included in the other expenditure section is the £0.2m estimated as a place holder representing the difference in 2 year old expenditure compared to income. Brent funds 2 year olds at £6 per hour, but receives only £5.92 of funding per hour, and the balance has previously been funded from DSG reserves. Further details are available in the Early Years School Forum paper.

6. Schools Block Expenditure – Mainstream Funding Formula

6.1. The mainstream funding formula for 2019/20 totals £227.497m including £460k for de-delegated items and another £360k for the maintained schools education services contribution. This leaves £226.887m with schools, which as expected is less than in 2018/19 when DSG reserves were allocated through the funding formula and when there were a greater number of pupils.

6.2. The DSG contribution to central services was agreed at previous forums. The £0.6m shown in appendix A is made up of the £250k contribution from all schools and the £360k from maintained schools. The forum paper presented in December 2018 contained comparative information with central service costs in other Local Authorities.

6.3. The £460k proposed to be de-delegated from maintained schools has been calculated at the previous per pupil rates as in 2018/19. Most maintained schools are in the primary phase where pupil numbers have decreased so the total amount to be de-delegated is lower than in the previous year. No new de-delegations are proposed for 2019/20, with arrangements continuing as set out in previous reports for 2017/18 and 2018/9. As in previous years, approval to de-delegate is sought on the basis that centralised budgets provide better value, and that maintained schools have open access to the services listed in the table below.

6.4. Table 2 – De-delegated items

	Rate per pupil £	2018/19	2019/20
Primary Pupil Numbers		21,805	20,768
Secondary Pupil Numbers		1,997	1,978
Total Maintained pupils		23,802	22,746
Contingencies - Schools in Financial Difficulty	8.29	197,319	188,564
Free School Meals eligibility service	1.15	27,372	26,158
Licenses / Subscriptions	0.25	5,951	5,687
Staff costs - Maternity and Paternity cover scheme	7.99	190,178	181,741
Staff costs - Union Duties	2.75	65,456	62,552
Total De-delegated items		486,275	464,701

6.5. Appendix B provides information on the funding factor rates used in the proposed funding formula. There have been no structural changes to the funding formula so the rates have been adjusted proportionately to fit the available funding for 2019/20. In order to do this the funding rates have been reduced by 0.8%, but as appendix B shows are still at least 1.7% higher than the rates used in the 2017/18 funding formula. The context to this is the

use of £2.5M reserve funding in 2018/19, and the £2M of Teachers Pay Grant allocated in 2019/20. The TPG is worth £33 and £54 per pupil respectively. The rates presented are subject to forum approval to support the transfer to the High Needs Block.

6.6. Appendix C contains an analysis of the funding formula by individual school, giving both the total formula funding and per pupil funding against the previous 2 years. It should be noted that changes in individual school funding are also caused by changes to the pupil cohort data for that school, e.g. the number of pupils attracting the low prior attainment funding factor will change from year to year, so changes in funding are not solely driven by changes to pupil numbers and to the funding factor rates in appendix B.

6.7. The funding formula is subject to a Minimum Funding Guarantee which ensures that per pupil funding does not drop by more than 1.5% for any school. Under these proposals 17 of the 75 schools will qualify for the minimum funding guarantee, which totals £0.9m.

7. Schools Block Expenditure - Growth Fund

7.1. Overall pupil numbers have dropped slightly, but growth is expected in the Secondary phase and the growth budget has been set in line with the growth experienced in 2018/19. It makes sense to reduce the growth budget in 2019/20 in order to avoid any further top slicing in future years. It should also be noted that the CAFAI provision for children new to the country is funded from Brent's growth budget, and this is included in the £1.4m set. The £1.4m budget is a £1.7m reduction to the growth budget set for 2018/19 of £3m.

7.2. A separate paper explaining the workings of the growth fund is being presented to the January 2019 Schools Forum.

8. Schools Block Expenditure – School Forum approved projects

8.1. Given the financial pressures on the DSG it is prudent to effectively fund the Raising Achievement for Black Caribbean Boys and the School Leadership projects from the Schools Block income, in order to maintain enough reserves to cover High Needs spending and provide a contingency against an overall overspend on the 2019/20 DSG. The planned costs for the second year of this project are detailed in appendix A.

9. Schools Block Transfer to the High Needs Block

9.1. The proposed budget includes a 0.5% transfer of the Schools Block to the High Needs Block and this requires Schools Forum approval. The transfer has been achieved partly by limiting the mainstream funding formula and partly by reducing the previously underspending growth fund budget. Many other Local Authorities have already had to transfer funds, with £118m being transferred by 80 authorities in 2017/18. Across London the Society of London Treasurers survey (previously presented to Schools Forum) showed that in total £20m was transferred to the High Needs block in 2017/18. The comparative figures for 2018/19 were not readily available but are very likely to have increased.

9.2. Alternatively the £1.1m could be distributed through the funding formula, and would on average be worth £26 per pupil. However not allocating this funding to the High Needs Block increases the risk of the overall DSG going into deficit. Should this happen the authority would have to work with Schools Forum to recover the position over 3 years, this would be likely to involve a transfer of funding from mainstream schools to the High Needs block and a preventative rather than reactive stance is recommended. In addition a significant amount of the High Needs Block is to mainstream schools, with £9.6m allocated for mainstream pupils with EHCPs, so despite the relatively recent delineation

of the blocks over the last few years, it is advised that forum consider the total DSG position and take action now to avoid a future deficit.

10. Central School Services Block 2019/20

- 10.1. The Central School Services Block has not changed. It funds ongoing responsibilities and historic commitments, and will remain at £2.4M, with a slight reduction to the School Forum budget which is forecast to underspend in 18/19.

11. High Needs Block Expenditure

- 11.1. Overall the High Needs Block budgets presented have increased by £3.7M compared to last year's budgets. This is in line with anticipated expenditure pressures on the block but is £2.5m more than the High Needs Block funding.
- 11.2. There has been an increase in the number of places funded in-borough which should result in better value for money, and limit increases in external top ups paid to out of borough providers. Nonetheless the top up budget has been increased by nearly £3m to deal with demand. This should be sufficient if demand remains at 2018/19 levels. If however, demand continues to grow, (despite pupil numbers falling overall), there is a risk of a repeat overspend in 2019/20.
- 11.3. The funding pressure on High Needs Blocks is a well-publicised national issue. The increase in demand is not unique to Brent and unit costs in the borough have been shown not to be out of line with comparable authorities. Whilst some savings have been made to the budget for 19/20, e.g. to the therapies budget where commissioning has achieved a cost reduction, it is not possible to balance the High Needs budget in a short time frame. The High Needs block review will continue to identify and consult upon savings and efficiencies so that it can be balanced in future years.
- 11.4. In addition to the requested transfer of funds between the blocks the 2019/20 High Needs budget would require £1.5m of support from DSG reserves. This would halve the projected DSG reserve of £3m for 19/20, with the other £1.5m held as a contingency which could be carried forward into 2020/21.

12. Financial Implications

- 12.1. The financial implications have been detailed in the body of this paper.

13. Legal Implications

- 13.1. There are no legal implications for this report.

14. Equality Implications

- 14.1. Not applicable.

15. Consultation with Ward Members and Stakeholders

- 15.1. Not applicable.

16. Human Resources/Property Implications (if appropriate)

- 16.1. Not applicable.

Report sign off:

Gail Tolley

Strategic Director of Children and Young People

Budget planning for 2019/20										
S251 Line	Budget Heading	Description	Early Years Block	Schools Block	Central School Services Block	High Needs Block	Other Expenditure	Total	Budget Movement	Commentary
Income										
	Early Years Block		23,414					23,414	(608)	Provisional based on Jan 18
	Schools Block			231,026				231,026	441	
	Schools Block Recoupment							0		
	Central School Services Block				2,374			2,374	49	
	High Needs Block					56,121		56,121	1,304	Extra £1.6m less import export adjustment
	High Needs Recoupment							0		
	Sixth Form Funding						3,581	3,581	0	Indicative figure
	Total Income		23,414	231,026	2,374	56,121	3,581	316,516	1,187	
Expenditure: Early Years Block										
1.0.1	Early Years Block	2 year old Nursery Education Grant	3,625					3,625	(218)	Provisional - balancing to EY income
1.0.1		3 and 4 year old Nursery Education Grant	18,081					18,081	(611)	
1.0.1		EY Pupil premium	130					130	(19)	
1.0.1		Early Years Panel Funding	478					478	(20)	
1.3.1		Early Years Central Expenditure	1,100					1,100	(49)	
	Total Expenditure: Early Years Block		23,414	0	0	0	0	23,414	(918)	
Expenditure: Schools Block										
1.0.1	Schools Block	Primary Schools		125,799				125,799	(722)	
1.0.1		Secondary Schools		84,104				84,104	5,407	
1.0.1		All Through Schools		16,984				16,984	(6,427)	
	Schools Block Recoupment									
	DSG CONTR	Central Support		610				610	248	Previously Agreed
1.1.1	De-delegated Items	Contingencies - Schools in Difficulty		190				190	(10)	Lower pupil numbers in maintained schools
1.1.4		Free school meals eligibility		26				26	(2)	
1.1.8		Staff costs – supply cover excluding cover for facility time		245				245	(105)	
1.4.10	Pupil Growth and Infant Class Sizes	Expansion and rising rolls funding		1,400				1,400	(1,730)	Reduction in line with prior year underspend
	Total Expenditure: Schools Block		0	229,358	0	0	0	229,358	(3,341)	
Expenditure: Central School Services Block										
1.4.1	Central School Services Block	Contribution to combined budgets - Schools Effectiveness, Gordon Brown Activity Centre, Wembley Lea			804			804	0	
1.4.13		Licences/subscriptions			214			214	19	
1.4.2		School Admissions			689			689	0	
1.4.3		Servicing of schools forums			10			10	(24)	A consistently underspent budget.
1.4.4		Termination of employment costs			604			604	0	
	Total Expenditure: Central School Services Block		0	0	2,320	0	0	2,320	(5)	
Expenditure: High Needs Block										
1.0.1/1.2.1	School/HN Block	Maintained Special School Funding				10,386		10,386	639	Increased number of place in-borough.
		Academy place funding				4,436		4,436	120	
	HN/ Block Recoupment	Academy places and post 16 place funding								
1.0.1/1.2.1	School/HN Block	Maintained ARPs				898		898	(227)	Technical adjustment with mainstream funding formula
1.0.1/1.2.1	School/HN Block	Maintained Pupil Referral Units				2,997		2,997	(0)	
1.2.1	HN Block	Planned top-up in mainstream schools				3,611		3,611	(279)	
1.2.1	Top up funding	Targeted Funding				120		120	90	
1.2.1	HN Block	In year top up funding - Maintained & Academies				20,183		20,183	2,944	In year top ups the highest risk budget - more EHCPs and higher unit costs in 2018/19 caused a major overspend
1.2.1	HN Block	Early Years Inclusion Fund				1,128		1,128	0	
1.2.3	Top up funding	Residential and independent settings				9,090		9,090	885	In line with 18/19 Forecasts
1.2.5	SEN Support	Outreach, Ed Pysch, SEN advisory, SEN Transport				3,180		3,180	0	
1.2.6	Hospital Education Services					257		257	4	
1.2.7	Other alternative provision services	EOTAS - Commissioned Services				235		235	0	

Budget planning for 2019/20

S251 Line	Budget Heading	Description	Early Years Block	Schools Block	Central School Services Block	High Needs Block	Other Expenditure	Total	Budget Movement	Commentary
1.2.8	Support for Inclusion					1,000		1,000	(80)	
1.2.10	PFI / BSF costs	Capital Expenditure from Revenue - Village School				729		729	(215)	Cut in line with expected cost
1.2.11	Direct Payments					11		11	0	
1.2.13	Therapies and other health related	Speech and Language Therapy & TAMHS				406		406	(106)	Commissioning savings
	Total Expenditure: High Needs Block		0	0	0	58,667	0	58,667	3,774	
	Other Expenditure:									
1.0.1	6th Forms	Secondary Schools					3,581	3,581	0	
	EY Earmarked Reserves		160					160	(840)	
	HN Block Earmarked Reserves							0	(1,000)	
		Leadership Schools Forum Project		135				135	135	as per previous forum reports
		BCA Schools Forum Project		384				384	384	as per previous forum reports
	Total Other Expenditure		160	519	0	0	3,581	4,260	(1,321)	
	Total Expenditure		23,574	229,877	2,320	58,667	3,581	318,019	(1,810)	
	Balance		160	(1,149)	(54)	2,546	0	1,503	(2,997)	
	Analysis of Reserves Usage									
	Projected DSG Opening Balance		7921.578						3,173	
	Planned use of reserves:	Schools block funding		(1,155)	(54)	2,549		1,340		0.5% School Block transfer to support High Needs Block
		Early Years block reserve funding	160					160		£160K to support 2 year old shortfall
		HN Block earmarked reserve £1M						0		
			160	(1,155)	(54)	2,549	0	1,500		
	Forecast DSG Closing Balance								1,673	

Appendix B - Funding Formula Rates

Phase	Funding Factor	2017/18 Funding Rate	2018/19 Funding Rate (Inclusive of Reserve Funding)	2019/20 Funding Rate	Change to 17/18 Baseline	% Change	Change to 18/19	% Change
		£	£	£	£	%	£	%
All	LAC	1,035.86	1,061.36	1,053.29	17.43	1.7%	8.07	-0.8%
Primary	EAL 1 Primary	1,268.29	1,309.50	1,299.54	31.25	2.5%	9.96	-0.8%
Primary	IDACI Band A	1,268.29	1,299.50	1,289.62	21.33	1.7%	9.88	-0.8%
Primary	IDACI Band B	898.88	921.01	914.01	15.13	1.7%	7.00	-0.8%
Primary	IDACI Band C	591.05	605.60	601.00	9.95	1.7%	4.60	-0.8%
Primary	IDACI Band D	358.01	366.82	364.03	6.02	1.7%	2.79	-0.8%
Primary	IDACI Band E	350.93	359.56	356.83	5.90	1.7%	2.73	-0.8%
Primary	IDACI Band F	346.01	354.52	351.82	5.81	1.7%	2.70	-0.8%
Primary	Primary	3,366.12	3,460.60	3,432.29	66.17	2.0%	28.31	-0.8%
Primary	Primary Low Attainment	1,231.34	1,261.65	1,250.56	19.22	1.6%	11.09	-0.9%
Secondary	EAL 1 Secondary	1,421.11	1,466.09	1,454.94	33.83	2.4%	11.15	-0.8%
Secondary	IDACI Band A	1,401.79	1,436.29	1,425.37	23.58	1.7%	10.92	-0.8%
Secondary	IDACI Band B	987.88	1,012.19	1,004.49	16.61	1.7%	7.70	-0.8%
Secondary	IDACI Band C	642.95	658.77	653.76	10.81	1.7%	5.01	-0.8%
Secondary	IDACI Band D	482.72	494.59	490.83	8.11	1.7%	3.76	-0.8%
Secondary	IDACI Band E	389.26	398.85	395.82	6.56	1.7%	3.03	-0.8%
Secondary	IDACI Band F	367.00	376.04	373.18	6.18	1.7%	2.86	-0.8%
Secondary	KS3	4,945.37	5,068.09	5,027.06	81.69	1.7%	41.03	-0.8%
Secondary	KS4	5,458.20	5,594.55	5,549.27	91.07	1.7%	45.28	-0.8%
Secondary	Secondary Low Attainment	1,524.59	1,628.69	1,614.81	90.22	5.9%	13.88	-0.9%


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APPENDIX C - YEAR ON YEAR CHANGE OF MAINSTREAM FUNDING FORMULA

SCHOOL	2017/18				2018/19				2019/20				
	NOR	Post De-delegation and Education functions budget	£ per Pupil	MFG Adjustment	NOR	Post De-delegation and Education functions budget	£ per Pupil	MFG Adjustment	NOR	Post De-delegation and Education functions budget	£ per Pupil	MFG Adjustment within post de-delegation figure	
Ark Academy	1,302	7,289,222	5,598	0	1,298	7,426,357	5,721	0	1,303	7,435,808	5,707	0	Ark Academy
Preston Manor School	1,659	9,200,961	5,546	6,197	1,680	9,641,398	5,739	0	1,678	9,548,682	5,691	0	Preston Manor School
SUB TOTAL - ALL THROUGH	2,961	16,490,183	5,569	6,197	2,978	17,067,755	5,731	0	2,981	16,984,490	5,698	0	SUB TOTAL - ALL THROUGH
Anson Primary School	363	1,774,263	4,888	0	354	1,784,575	5,041	0	352	1,760,324	5,001	0	Anson Primary School
Ark Franklin Primary Academy	569	2,694,243	4,735	111,239	560	2,616,537	4,672	55,198	574	2,640,887	4,601	94,592	Ark Franklin Primary Academy
Avigdor Hirsch Torah Temimah Primary School	190	879,173	4,627	0	191	900,116	4,713	0	193	901,098	4,669	0	Avigdor Hirsch Torah Temimah Primary School
Barham Primary School	822	3,780,472	4,602	117,862	838	3,799,939	4,535	0	845	3,840,204	4,545	0	Barham Primary School
Braintcroft Primary School	650	3,250,705	5,001	0	623	3,195,751	5,130	0	608	3,108,182	5,112	0	Braintcroft Primary School
Brentfield Primary School	599	3,073,284	5,131	0	583	3,057,026	5,244	0	500	2,649,696	5,299	0	Brentfield Primary School
Byron Court Primary School	766	3,387,989	4,423	22,492	777	3,534,612	4,549	0	764	3,434,547	4,495	19,895	Byron Court Primary School
Carlton Vale Infant School	146	914,530	6,264	0	131	852,881	6,511	0	110	747,528	6,796	18,989	Carlton Vale Infant School
Chalkhill Primary School	480	2,351,331	4,899	21,656	474	2,367,345	4,994	0	449	2,295,854	5,113	0	Chalkhill Primary School
Christ Church CoFE Primary School	187	983,005	5,257	0	185	993,081	5,368	0	174	937,131	5,386	2,652	Christ Church CoFE Primary School
Convent of Jesus and Mary RC Infant School	264	1,393,438	5,278	9,138	266	1,404,138	5,279	0	248	1,324,394	5,340	0	Convent of Jesus and Mary RC Infant School
Donnington Primary School	206	1,086,521	5,274	28,613	204	1,077,248	5,281	0	205	1,081,662	5,276	0	Donnington Primary School
East Lane Primary School					302	1,469,880	4,867	0	390	1,838,639	4,714	34,367	East Lane Primary School
Elsley Primary School	576	2,763,596	4,798	0	578	2,809,575	4,861	0	625	3,081,581	4,931	125,122	Elsley Primary School
Fryent Primary School	697	3,318,622	4,761	26,364	722	3,442,522	4,768	0	699	3,302,060	4,724	2,502	Fryent Primary School
Furness Primary School	498	2,463,120	4,946	12,484	451	2,278,107	5,051	0	398	2,025,774	5,090	0	Furness Primary School
Harlesden Primary School	406	2,157,554	5,314	0	418	2,294,601	5,489	0	394	2,182,182	5,539	84,452	Harlesden Primary School
Gladstone Park Primary School	612	2,877,937	4,703	0	619	2,989,979	4,830	0	623	2,997,393	4,811	0	Gladstone Park Primary School
Islamia Primary School	419	2,137,819	5,102	0	420	2,221,439	5,289	0	420	2,246,513	5,349	0	Islamia Primary School
John Keble CoFE Primary School	385	1,953,023	5,073	0	394	2,025,587	5,141	0	392	2,020,119	5,153	0	John Keble CoFE Primary School
Kilburn Grange	117	810,850	6,930	0	163	1,074,004	6,589	0	189	1,202,457	6,362	85,098	Kilburn Grange
Kingsbury Green Primary School	610	2,827,036	4,634	51,937	624	2,892,626	4,636	0	619	2,855,557	4,613	0	Kingsbury Green Primary School
Leopold Primary School	779	4,012,408	5,151	0	785	4,167,055	5,308	0	756	4,077,744	5,394	0	Leopold Primary School
Lyon Park Primary School	865	3,942,659	4,558	29,167	821	3,769,855	4,592	0	831	3,825,191	4,603	0	Lyon Park Primary School
Malorees Infant School	205	1,089,247	5,313	0	203	1,092,414	5,381	0	179	992,449	5,544	0	Malorees Infant School
Malorees Junior School	224	1,078,822	4,816	0	232	1,146,207	4,941	0	256	1,249,172	4,880	0	Malorees Junior School
Mitchell Brook Primary School	584	2,885,486	4,945	0	601	3,033,392	5,047	0	610	3,087,892	5,062	0	Mitchell Brook Primary School
Mora Primary School	407	2,031,140	4,991	54,002	402	1,993,278	4,958	0	408	2,020,424	4,952	0	Mora Primary School
Mount Stewart Infant School	270	1,312,478	4,861	0	266	1,291,307	4,855	0	259	1,308,208	5,051	0	Mount Stewart Infant School
Mount Stewart Junior School	388	1,644,959	4,240	0	381	1,671,611	4,387	0	380	1,672,714	4,402	0	Mount Stewart Junior School
Newfield Primary School	364	2,015,790	5,538	78,731	336	1,883,855	5,607	87,564	307	1,715,829	5,589	29,594	Newfield Primary School
North West London Jewish Day School	241	1,135,468	4,711	12,364	246	1,171,797	4,763	0	234	1,120,434	4,788	0	North West London Jewish Day School
Northview Junior and Infant School	208	1,138,855	5,475	0	209	1,154,266	5,523	0	203	1,116,088	5,498	0	Northview Junior and Infant School
Oakington Manor Primary School	645	3,022,650	4,686	59,123	677	3,184,837	4,704	0	674	3,143,298	4,664	0	Oakington Manor Primary School
Oliver Goldsmith Primary School	416	1,914,893	4,603	0	415	1,948,767	4,696	0	414	1,955,530	4,724	0	Oliver Goldsmith Primary School
Our Lady of Grace Catholic Junior School	235	1,169,261	4,976	0	238	1,222,486	5,136	0	240	1,224,593	5,102	0	Our Lady of Grace Catholic Junior School
Our Lady of Grace RC Infant and Nursery School	180	1,006,676	5,593	2,962	180	994,368	5,524	12,740	180	1,012,275	5,624	0	Our Lady of Grace RC Infant and Nursery School
Our Lady of Lourdes RC Primary School	206	1,115,551	5,415	0	202	1,129,459	5,591	0	204	1,140,106	5,589	0	Our Lady of Lourdes RC Primary School
Park Lane Primary School	419	2,000,240	4,774	0	412	2,014,658	4,890	0	419	2,047,310	4,886	0	Park Lane Primary School
Preston Park Primary School	798	3,555,469	4,458	0	762	3,500,791	4,597	0	722	3,283,130	4,547	35,723	Preston Park Primary School
Princess Frederica CoFE Primary School	402	1,749,493	4,352	0	405	1,833,114	4,526	0	401	1,810,968	4,516	0	Princess Frederica CoFE Primary School
Roe Green Infant School	498	2,757,050	5,536	169,892	493	2,703,814	5,484	72,066	447	2,458,147	5,499	45,984	Roe Green Infant School
Roe Green Junior School	474	2,074,023	4,376	0	474	2,160,777	4,559	0	470	2,130,310	4,533	0	Roe Green Junior School
Salusbury Primary School	615	2,805,850	4,562	0	606	2,812,466	4,641	0	614	2,866,442	4,668	0	Salusbury Primary School
Sinai Jewish Primary School	604	2,427,436	4,019	0	566	2,349,665	4,151	0	559	2,314,887	4,141	0	Sinai Jewish Primary School
St Andrew and St Francis CoFE Primary School	402	2,020,494	5,026	41,476	403	2,027,111	5,030	0	405	2,017,417	4,981	0	St Andrew and St Francis CoFE Primary School
St Joseph RC Junior School	279	1,285,486	4,607	0	278	1,299,748	4,675	0	279	1,317,699	4,723	0	St Joseph RC Junior School
St Joseph's RC Infant School	210	1,110,030	5,286	0	208	1,139,714	5,479	0	210	1,143,257	5,444	0	St Joseph's RC Infant School
St Joseph's Roman Catholic Primary School	477	2,267,645	4,754	46,574	473	2,246,213	4,749	0	454	2,163,490	4,765	0	St Joseph's Roman Catholic Primary School
St Margaret Clitherow RC Primary School	210	1,124,778	5,356	0	206	1,133,229	5,501	0	204	1,125,729	5,518	0	St Margaret Clitherow RC Primary School
St Mary Magdalen's Catholic Junior School	360	1,660,483	4,612	0	346	1,654,355	4,781	0	349	1,670,266	4,786	0	St Mary Magdalen's Catholic Junior School
St Mary's CoFE Primary School	286	1,500,777	5,247	0	265	1,444,505	5,451	0	256	1,392,196	5,438	0	St Mary's CoFE Primary School
St Mary's RC Primary School	289	1,461,000	5,055	0	270	1,407,200	5,212	0	252	1,326,795	5,265	0	St Mary's RC Primary School
St Robert Southwell RC Primary School	417	1,853,490	4,445	0	404	1,850,888	4,581	0	420	1,890,679	4,502	2,211	St Robert Southwell RC Primary School
Stonebridge JMI School	600	3,005,873	5,014	77,550	530	2,661,443	5,026	0	464	2,354,234	5,074	0	Stonebridge JMI School

APPENDIX C - YEAR ON YEAR CHANGE OF MAINSTREAM FUNDING FORMULA

SCHOOL	2017/18				2018/19				2019/20				
	NOR	Post De-delegation and Education functions budget	£ per Pupil	MFG Adjustment	NOR	Post De-delegation and Education functions budget	£ per Pupil	MFG Adjustment	NOR	Post De-delegation and Education functions budget	£ per Pupil	MFG Adjustment within post de-delegation figure	
Sudbury Primary School	833	3,625,525	4,353	30,150	837	3,646,022	4,356	0	831	3,619,603	4,356	0	Sudbury Primary School
The Kilburn Park School Foundation	195	1,056,882	5,420	27,473	188	1,024,766	5,451	0	174	967,278	5,559	0	The Kilburn Park School Foundation
Uxendon Manor Primary School	566	2,557,699	4,519	0	584	2,692,538	4,611	0	592	2,689,664	4,543	31,668	Uxendon Manor Primary School
Wembley Primary School	836	3,743,347	4,478	0	811	3,746,353	4,619	0	818	3,822,376	4,673	0	Wembley Primary School
Wykeham Primary School	509	2,425,425	4,765	0	474	2,338,402	4,933	0	448	2,251,212	5,025	0	Wykeham Primary School
SUB TOTAL - PRIMARY	26,056	125,463,353	4,815	1,031,247	26,065	127,624,296	4,896	227,567	25,694	125,798,820	4,896	612,850	SUB TOTAL - PRIMARY
Alperton Community School	1,096	7,123,490	6,500	0	1,154	7,601,554	6,587	0	1,258	8,148,611	6,477	64,537	Alperton Community School
Ark Elvin Academy	849	5,584,266	6,577	28,168	832	5,568,019	6,692	0	918	6,142,259	6,691	0	Ark Elvin Academy
Capital City Academy	978	6,398,006	6,542	0	978	6,558,369	6,706	0	944	6,286,881	6,660	0	Capital City Academy
Claremont High School	1,280	7,312,585	5,713	0	1,298	7,601,827	5,857	0	1,326	7,718,782	5,821	0	Claremont High School
Convent of Jesus and Mary Language College	866	5,559,659	6,420	0	853	5,570,021	6,530	0	807	5,240,740	6,494	0	Convent of Jesus and Mary Language College
JFS	1,480	8,115,004	5,483	0	1,480	8,343,108	5,637	0	1,485	8,338,994	5,615	0	JFS
Kingsbury High School	1,622	9,988,158	6,158	0	1,663	10,499,525	6,314	0	1,661	10,392,407	6,257	0	Kingsbury High School
Michaela Community School	426	2,723,806	6,394	0	549	3,563,861	6,492	0	594	3,842,972	6,470	0	Michaela Community School
Newman Catholic College	500	3,719,932	7,440	292,343	517	3,785,785	7,323	157,393	493	3,567,309	7,236	183,325	Newman Catholic College
Queens Park Community School	1,037	6,345,265	6,119	0	1,060	6,656,992	6,280	0	1,060	6,576,019	6,204	0	Queens Park Community School
St Gregory's Catholic Science College	891	5,307,562	5,957	0	895	5,434,157	6,072	0	911	5,493,874	6,031	0	St Gregory's Catholic Science College
The Crest Academy	970	6,528,126	6,730	0	951	6,440,091	6,772	0	899	6,012,129	6,688	38,872	The Crest Academy
Wembley High Technology College	1,274	7,044,542	5,529	0	1,068	6,343,619	5,940	0	1,078	6,343,358	5,884	0	Wembley High Technology College
SUB TOTAL - SECONDARY	13,269	81,750,402	6,161	320,511	13,298	83,966,927	6,314	157,393	13,434	84,104,335	6,261	286,734	SUB TOTAL - SECONDARY
Grand Total	42,286	223,703,939	5,290	1,357,955	42,341	228,658,978	5,400	384,960	42,109	226,887,644	5,388	899,584	

	Schools Forum 16 January 2019
	Report from the Strategic Director of Children and Young People
Early Years National Funding Formula – Year 3, 2019/20	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	N/A
No. of Appendices:	None.
Background Papers:	Prior Financial reports to Schools Forum.
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Andrew Ward, Head of Finance – CYP 0208 937 6462 Dena Aly, Senior Finance Analyst – CYP 0208 937 2179

1. Purpose of the Report

1.1. Following the confirmation of funding for Brent from the National Early Years funding formula the local Single Early Years Funding Formula needs to be set for 2019/20. There have been no changes to the funding rates allocated to Brent for 2 year old, and 3 and 4 year old provision. The LA continues to retain 5% of the total allocate to Brent, with 95% allocated to providers. The base funding rate to providers previously agreed in January 2017 therefore continues to be £4.46, which makes up 90% of allocated funding. The deprivation factor allocates the remaining 10%.

2. Recommendation

2.1. The Schools Forum is asked to formally approve Brent's Early Years Funding Formula for 2019/20.

3. Summary

3.1. In January 2017 the Schools Forum agreed to implement a funding formula for 2 years taking into account the reduced funding Brent will receive for EY provision as a result of the new national funding formula. Revisions to this formula were made for the 2018/19 budget and approved by schools forum in January 2018.

3.2. It is recommended that for 2019/20 there are no changes to the following, which were approved by Schools Forum in January 2018:

- a) A universal base rate for Brent providers for 3 and 4 year old funding of £4.46 per hour
- b) An allocation for deprivation for 3 and 4 year funding of 10%
- c) A base rate for Brent providers for 2 year old funding
- d) A cap on centrally retained funding by the local authority to 5% (reduced from 7% in 2017/18)
- e) The funding previously allocated under a disapplication for the 2017/18 academic year for additional 15 hour places for some 3 and 4 year old based on local eligibility is allocated to the Under 5's Nursery Panel, and both PVI and maintained providers can apply for this, to ensure the funding continues to be targeted at vulnerable children.

4. Funding from central government to the local authority

4.1. The Early Years National Funding Formula hourly rate remains at £5.37 in 2019-20. Key figures are:

4.2. **Table 1** EYNFF funding rates

3 and 4 year olds	2017-18	2018-19	2019-20
Universal 15 hours allocation	£16.9m	£16.4m	£15.5m
Additional 15 hours allocation	£1.82m	£3.14m	£3.42m
Hourly rate before central spend	£5.54	£5.37	£5.37
Maximum percentage for central spend	7%	5%	5%
Hourly rate after central spend removed	£5.15	£5.10	£5.10
Maximum percentage for deprivation	10%	10%	10%
Maintained Nursery Schools Supplementary Funding	£808k	£797k	£778k
2 year olds			
Hourly rate for 15 hours allocation	£5.92	£5.92	£5.92

5. A universal base rate for Brent providers for 3 and 4 year old funding

5.1. After the 5% reduction for central resources, this funding will be distributed to providers as a universal base hourly rate plus the additional allocation for deprivation. The universal base rate to providers in 2019-20 remains at £4.46.

- a) Overall hourly rate received from DfE £5.37
- b) Remove central spend (5% of £18.17m) £5.10
- c) Reduce by allocation for deprivation (£5.10 x 90%) £4.59
- d) Reduce by F/T free school meals criteria (0.13p) £4.46

5.2. The 30 hour take up in Brent continues to rise and following the Autumn 2018 headcount, we are placed 11th out of 33 London LA's. 1009 eligibility codes were issued to Brent families and 1009 children took up a place in Brent.

6. Specialist nursery panel

6.1. This is a multi-agency panel allocating funds for children with SEND or CIN based on eligibility criteria to assist with their successful inclusion in their setting.

6.2. A disapplication to the single national funding formula regarding funding for additional 15 hour places for some 3 and 4 year olds based on local eligibility criteria was allowed by the DfE in January 2017 and applied until the summer term of 2018. This equated to 13p from the 3 & 4 year old funding rate. In January 2018, Schools Forum agreed to release this funding (approximately £400k in 2018/19) to this panel for allocation in order to ensure the most vulnerable children receive some additional support. The principle remains that children with the most complex needs will be supported to attend one of the specialist nurseries where appropriate. For 2019/20, the value of this funding is £458k.

6.3. Table 2 Specialist Nursery Panel Budget

Proposed income 2019/20	
DSG High Needs Block	£ 1,128,085
Early Years Block	£458,000
Disability Access Fund	£ 84,000
Total	£ 1,670,085
Expenditure	
Early Years Inclusion Fund for specialist nurseries	£724,988
CIN for specialist nurseries	£288,000
Inclusion fund for 3 & 4 year olds in non-specialist early years provision	£294,172
Transport	£20,172
Staff member for EY Inclusion team	£56,000
Disability Access Fund	£98,000
CIN/2 year olds in non-specialist early years provision	£100,000
Additional one off funding	£88, 753
Total	£ 1,670,085

6.4. Table 3

Allocation from the EY Inclusion Fund for pre-booked spaces	SEND	CIN
Fawood / Curzon	10 (FTE)	12 (FTE)
Willow	15 (FTE)	14 (FTE)
Granville	6 (FTE)	6 (FTE)
Total	31 (FTE)	32 (FTE)

7. Additional resources for maintained nursery schools

7.1. The provisional allocation for maintained nursery school supplementary funding in 2019/20 is £778k, compared to £797k in 2018/19 is £797k.

7.2. This funding is split between the council's four maintained nursery schools on an agreed local formula.

8. A base rate for Brent providers for 2 year old funding

8.1. It is recommended that this continues to be funded at £6 per hour. The DfE allocation is £5.92 per hour. For 2019/20 this represents a funding gap of £48,000.

- 8.2. Funding at £6 per hour does not take into account the use of a proportion of 2 year old funding for central spend. Allocating 5% of this budget for central spend would be the equivalent of reducing funding to £5.70 per hour.
- 8.3. To pay providers £6 per hour while also allocating 5% for central spend, results in another funding gap of £177k. For 2019/20, reserve funding has been identified to cover this gap.

9. Centrally retained funding by the local authority

- 9.1. The DfE mandated that 95% of the early years funding for 3 and 4 years olds is passed through to providers.
- 9.2. The central spend budget is based upon the DfE estimates for the take-up of provision and is then fixed for the year. The actual income received in year is dependent upon the number of 3 and 4 year olds who take up places in Brent and are counted in the January census.
- 9.3. The central spend will support early years services that are provided for and support Brent settings:
- 9.4. **The Early Years Quality Improvement team** – Early Years Quality Improvement provides specialist early years advice and guidance to nursery schools, early years' settings and children's centres to improve the quality of early learning.
- 9.5. **The Early Years Inclusion Support team** - works with early years settings including supporting the inclusion of young children who have a range of special educational needs and disabilities (SEND) that may be affecting their learning and progress
- 9.6. **The Early Years Sufficiency and Funding team** - leads our efforts to secure expanded supply and take-up of good quality early learning and childcare opportunities for all 3 and 4 year olds and increasing numbers of 2 year olds. The funding team administers NEG and related projects for the whole Early Years sector across Brent.
- 9.7. **The Early Years Learning and Development service** - Learning and development opportunities are provided for practitioners from all parts of the sector including single and multi-day courses, projects and annual conferences. This support is designed to complement in-setting support provided by the Quality Improvement team.
- 9.8. It is recommended that the maximum 5% of early years funding is retained in 2019/20.

10. Early years funding based on DfE provisional allocations

- 10.1. The following table outlines a draft early years budget based on draft allocations from the DfE and the recommendations from this paper.
- 10.2. **Table 4** Proposed Early Years block budget

Expenditure		£(000)	Part of high pass through requirement
Distribute to providers for 3-4 year old universal offer		14,358	Yes
Distribute to providers for 3-4 year old children with working parents (additional 15 hours)		3,169	Yes
Supplementary funding distributed to maintained nursery schools		778	No
Early Years Pupil Premium		74	No
Disability Access Fund		84	No
Distribute to providers for 2 year olds		3,593	No
Central Spend		1,124	No
Additional Panel Funding		458	Yes
Total Expenditure		23,639	
Income			
Universal allocation for 3-4 year olds		15,509	Yes
Additional hours for 3-4 years from September 2017		3,423	Yes
Supplementary funding for maintained nursery schools		778	No
Disability Access Fund		84	No
Early Years Pupil Premium		74	No
Allocation for 2 year olds		3,545	No
Total Income		23,414	
Balance to be funded from reserves		225	
Breakdown of balance:			
Funding gap for 2 year olds		48	
Central spend for 2 year olds		177	
Balance		225	

11. Financial Implications

11.1. The financial implications have been detailed in the body of this paper.

12. Legal Implications

12.1. There are no legal implications for this report.

13. Equality Implications

13.1. Not applicable.

14. Consultation with Ward Members and Stakeholders

14.1. Not applicable.

15. Human Resources/Property Implications (if appropriate)


15.1. Not applicable.

Report sign off:

Gail Tolley

Strategic Director of Children and Young People

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	Schools Forum 16 January 2019
	Report from the Strategic Director of Children and Young People
Growth Funding for Schools– 2019/20	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	N/A
No. of Appendices:	1
Background Papers:	Prior Financial reports to Schools Forum.
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Andrew Ward, Head of Finance – CYP 0208 937 6462 Dena Aly, Senior Finance Analyst – CYP 0208 937 2179

1. Purpose of the Report

1.1. The purpose of this report is to explain and clarify the mechanisms for funding growth in schools in 2019/20.

2. Recommendation(s)

2.1. Schools Forum is asked to note this report.

3. Summary

3.1. In February 2018 Schools Forum approved a new methodology for funding growth in secondary schools, and voted to retain the existing funding methodology for growth in the primary sector.

3.2. The current Pupil Growth Fund Budget is £2m, and Rising Rolls Contingency is £1.13m.

4. Background

4.1. In the primary sector, pre-existing arrangements to fund growth are still in place, and any previous agreements on growth funding will be honoured. Other increases in pupil numbers during the year will be funded from the rising rolls contingency, providing the threshold of 1.75% year on year pupil growth has been met.

4.2. The following mechanism for funding growth in secondary schools, approved by schools forum, is now in place:

4.2.1. For secondary schools that expand in response to the basic need to accommodate pupils, by 30 places or more, a pupil number variation will be applied in the first year of growth, based on the number of planned places.

4.2.2. Increases in actual pupil numbers in subsequent years will then be funded by the rising rolls mechanism.

4.2.3. The threshold for triggering rising rolls will change from 1.75% to an absolute value of 15 pupils per secondary school.

5. Primary Growth

5.1. The 2018/19 schools budgets included pupil number variations to 9 expanding primary schools:

Table 1: Pupil Number Variations to 2018/19 Schools Funding Formula

School	Year Group to apply pupil number variation	Planned Growth In Class Numbers 2018/19	Planned Growth In Pupil Numbers 2018/19 (A)	AWPU (B)	Growth Funding 2018/19 (A x B x 7/12)
1	2	2	60	3,366	117,814
2	5	2	60	3,366	117,814
3	3,4	2	60	3,366	117,814
4	4	1	30	3,366	58,907
5	3	2	60	3,366	117,814
6	3	1	30	3,366	58,907
7	3	2	60	3,366	117,814
8	2	2	60	3,366	117,814
9	6	2	60	3,366	117,814

5.2. In order to honour previous agreements, growth in these schools will continue to be funded through pupil number variations to the funding formula, providing the schools have achieved the agreed levels of growth in the specified year groups.

5.3. Growth in 2019/20 has been estimated using October 2018 census data. For example, if School 5 increased by two classes in year 2 in 2018/19, it will be assumed that the school will increase by two classes in year 3 in 2019/20, and

will therefore continue to receive growth funding for these 60 pupils. For the purpose of these calculations, it is assumed that a class contains 30 pupils.

5.4. However, if School 2 actually only increased by one class in year 2 in 2018/19 (despite being funded for growth of 60 pupils), the pupil number variation will be for 30 pupils in 2019/20.

5.5. Appendix A illustrates the planned Pupil Number Variations to 2019/20 Schools Funding Formula. The number of primary schools supported to honour the pre-existing agreements is 8 in 2019/20 down from 9 in 2018/19. To avoid double funding these schools will not also receive a 'rising rolls' allocation.

6. Secondary Growth

6.1. Below is an illustrative example of a Secondary School which has been requested to expand by two forms of entry in September 2019. The school will receive a pupil number variation in the first year of growth, and will be funded for actual growth in subsequent years via rising rolls:

Table 1: Allocation in Year 1:

	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Total	
October 18 Census	180	180	180	180	180	900	
Pupil number variation to 2019/20 budget	35						60 pupils x 7/12 months
Total funded pupils for 2019/20	215	180	180	180	180	935	

Table 2: Allocation in Year 2:

	Year 7	Year 8	Year 9	Year 10	Year 11	Total	
October 2019 Census	235	180	180	180	180	955	Actual growth in year 7 by 55 pupils
Pupil number variation	0	0	0	0	0	0	No pupil number variation- first year only
Funded via funding formula 2020/21 (A)	235	180	180	180	180	955	

October 2020 Census	240	230	180	180	180	1010	
Increase in pupil numbers between October 2019 and October 2020	5	50	0	0	0	55	Funding in year 2 is for actual growth (50 pupils) not planned growth (60 pupils)
Funded via rising rolls 2020/21 (B)	0	29	0	0	0	29	50 pupils x 7/12 months

Total funded pupils for 2020/21 (A + B)	235	209	180	180	180	984	
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7. Financial Implications

7.1. The financial implications have been detailed in the body of this paper.

8. Legal Implications

8.1. There are no legal implications for this report.

9. Equality Implications

9.1. Not applicable.

10. Consultation with Ward Members and Stakeholders

10.1. Not applicable.

11. Human Resources/Property Implications (if appropriate)

11.1. Not applicable.

Report sign off:

Gail Tolley

Strategic Director of Children and Young People

Appendix A: Primary School Pupil Number Variations to 2019/20 Schools Funding Formula

			Estimated Growth in 2019/20 based on October 2018 Census								
School	Planned Growth In Class Numbers 2018/19	Year to apply variation to in 2019/20	R	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Total	
1	2	3	0	0	0	1	-1	1	-1	0	Pupil variation by 1 class in year 3
2	2	6	0	0	0	0	0	0	1	1	Pupil variation by 1 class in year 6
3	2	4,5	0	0	-1	0	0	1	0	0	Pupil variation by 1 class in year 5
4	1	5	0	0	-1	0	0	1	-2	-2	Pupil variation by 1 class in year 5
5	2	4	0	0	-1	0	2	0	0	1	Pupil variation by 2 classes in year 4
6	1	4	0	0	-1	-1	1	0	-2	-3	Pupil variation by 1 class in year 4
7	2	4	0	0	1	0	1	0	0	2	Pupil variation by 1 class in year 4
8	2	3	0	0	0	1	1	1	-1	2	Pupil variation by 1 class in year 3
9	2	6	0	0	0	-1	0	0	0	-1	No pupil number variation- 2018/19 variation was in the final year (6)

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