



SCHOOLS FORUM

15 June 2016

Report from the Strategic Director of Children
and Young People

For Decision

8. REVIEW OF CRITERIA FOR SPLIT-SITE FACTOR, FALLING ROLLS AND GROWTH FUND

1.0 SUMMARY

- 1.1 The DfE requires LAs and their Schools Forums to set clear and objective criteria for allocating central funding to schools, or for particular factors within the funding formula. These must be used for the equal benefit of maintained schools and academies within the area.
- 1.2 This report reviews the split-site factor, falling rolls and growth fund (split between rising rolls and additional classes funding).

2.0 RECOMMENDATIONS

- 2.1 The Schools Forum is requested to:
- a. approve the revised split-site factor criteria (as shown in Appendix 3);
voting is open to all Schools Forum Members
 - b. select an option for implementation of the revised split-site factor to existing schools;
voting is open to all Schools Forum Members
 - c. approve the introduction of a falling rolls fund and the proposed criteria and allocations (as shown in Appendix 3);
voting is open to all Schools Forum Members
 - d. approve the revised falling rolls fund criteria (as shown in Appendix 3);
voting is open to all Schools Forum Members
 - e. approve the revised additional classes funding criteria (as shown in Appendix 3);
voting is open to all Schools Forum Members

3.0 SPLIT-SITE FACTOR

- 3.1 Each LA can include a factor to provide additional funding to schools which operate on, and own more than one site.
- 3.2 Brent has used this factor for several years, however the current criteria applied has not been reviewed for some years. In addition, a benchmark across other local authorities shows that Brent is very generous in this funding allocation, and this should therefore be reviewed.
- 1) A benchmark of the split-site funding across England (shown in Appendix 1) shows that Brent is the 2nd highest in terms of allocation of schools funding that goes through this factor, and the 4th highest in terms of the percent of schools funding paid through this factor.
 - 2) Additionally, the split-site allocations (both lump sum and amount per pupil) is higher in comparison to other boroughs. An example of the allocations used across London is attached as Appendix 2, and demonstrates this.
- 3.3 The DfE guidance is clear that there should be criteria for receiving this extra funding. The criteria should:
- be clear and transparent;
 - incorporate clear and objective trigger points;
 - have a clear formula for allocating additional funding.
- 3.4 Where schools and academies meet the criteria, the funding must be allocated. Schools sharing facilities, federated schools and schools with remote sixth forms are not eligible to receive split-site funding.
- 3.5 The criteria previously approved by the Schools Forum is as follows:
- The sites are more than half a mile apart, separated by public roads.
 - It is necessary for staff to move between the sites in order to teach on both sites in support of the principle of a whole school policy and to maintain the integrity of the delivery of the National Curriculum.
 - Each site is occupied by a large proportion of the school (more than one year group).
- 3.6 The current allocation is made up of a lump sum of £151,847, plus £113.70 per pupil. Where schools partially meet the criteria, this is considered by the Schools Forum, and may attract a reduced lump sum of £50,000. These allocations were initially based on the estimated costs of travelling between sites, and the estimated additional teaching costs incurred. However the table in 3.11 demonstrates that the incremental cost of running a school on a split-site is mainly covered by the school funding received.
- 3.7 Following a review of the criteria and allocations, the following changes are recommended to be implemented in the 2017-18 financial year:
- a) No change to be applied to the criteria. *The current criteria is clear and fair, and is in line with the DfE recommendations. Any change to the criteria could make the process more complicated and onerous.*

- b) An application period for a maximum of 5 years. *It is necessary to support schools that are going through an expansion on two or more sites, until the school is fully occupied. This will fund additional running costs, e.g. cost for utilities, caretaking, cleaning and maintenance up to the point that the building is fully utilised. At this point the funding received through the funding formula will fully cover these costs (AWPU, pupil-led funding and premises factors). A split-site factor should therefore not be an indefinite funding stream. Three of the five schools that currently receive this funding have received this for a number years, and would therefore no longer be eligible.*
- c) The application of different lump sums for primary and secondary schools. *It is less likely for teaching staff to regularly move between sites in a primary school setting, and thus the additional costs of a split-site is lower for a primary school. Furthermore, the cost of travel between sites for secondary teachers is estimated to be £30k per year at the most, and should be built into the school's timetabling arrangements.*

3.8 An analysis of the average costs of a Primary and Secondary school for 2014/15 are shown below. This assumes that the cost of running the split-site adds an additional 50% of running costs to the combined school, and includes a 4% increase for inflation.

Type of Costs	Average		Calculation at 50 %	
	Primary	Secondary	Primary	Secondary
Premises Staff	55,929	111,187	29,083	57,817
Building Maintenance	83,349	89,959	43,341	46,779
Utility Costs	33,570	123,819	17,456	64,386
Cleaning/Caretaking				
Materials	21,949	18,985	11,413	9,872
	194,797	343,950	101,294	178,854

3.9 In addition there will be the cost of teaching staff and other staffing, estimated at over £100k per class.

Additional Staffing Costs	Primary	Secondary
Teacher (M6)	52,000	104,000
Teaching Assistant (S01)	35,600	
Admin Costs (50% of S01)	17,800	17,800
	105,400	121,800

3.10 The actual additional cost to a growing split-site school will be a fraction of these estimated costs, due to funding provided by AWPU and pupil-led factors. The funding per pupil averages at £6.8k per primary pupil, and £9.3k per secondary pupil.

3.11 The table below shows the estimated incremental cost per class, and demonstrates that that the additional pupil funding covers the additional costs, if there is more than one class on the split-site.

Additional Incremental Cost	1 Class		2 Classes	
	Primary	Secondary	Primary	Secondary
Funding (Pupil-Led Factors only)	204,953	280,356	409,905	560,711
Additional Premises Costs	-101,294	-178,854	-101,294	-178,854
Additional Staffing Costs	-105,400	-121,800	-210,800	-243,600
	-1,742	-20,298	97,811	138,257

3.12 It is therefore recommended to change the funding allocation for this factor to a lump sum of £30k for Primary schools and £50k for Secondary schools, with no additional per pupil amount applied.

3.13 In 2016-17 five schools attracted this funding, with one partially meeting the criteria and therefore receiving a reduced lump sum.

3.14 The Schools Forum is asked to consider the following transitional approaches to implementing this for the five schools that currently attract this funding.

- Option 1: Full Implementation

This would require an additional MFG exception request to be made to the DfE for 2017-18.

- Option 2: Phased Implementation through the MFG

Therefore due to the MFG, the impact will be 1.5% (based on current MFG levels) per year. An additional MFG exception would not be required or requested.

- Option 3: Phased Implementation over 4 years

This would still require an additional MFG exception request to be made to the DfE for 2017-18 but would smooth the impact over a 4 year period.

Officers recommend Option 3.

3.15 The table below shows the current funding received, and as a percentage of their schools block of funding, and how long this has been in place.

School Name	School Type	Split-Site Factor Applied Since:	2016-17 Split-Site Funding £	2016-17 Total Post-MFG Funding (Schools Block) £	2016-17 Split Site Funding As % of Total Funding (Schools Block)
Islamia	Primary	2007-08	97,186	2,095,406	4.64%
Leopold	Primary	2015-16	235,132	3,599,502	6.53%
Roe Green Infants	Primary	2015-16	208,242	2,790,563	7.46%
Alperton	Secondary	Prior to 2005	275,553	7,044,558	3.91%
Kingsbury High	Secondary	Prior to 2005	333,994	9,955,231	3.35%
			1,150,107	25,485,260	4.51%

3.16 The table below shows the current funding received, compared to the funding to be received under each of the new models.

School Name	2016-17 £	Option 1			Option 2			Option 3		
		2017-18 £	Impact £	Impact %	2017-18 £	Impact £	Impact %	2017-18 £	Impact £	Impact %
Islamia	97,186	0	-97,186	4.64%	95,728	-1,458	0.07%	72,889	-24,296	1.16%
Leopold	235,132	30,000	-205,132	5.70%	231,605	-3,527	0.10%	153,849	-81,283	2.26%
Roe Green Infants	208,242	30,000	-178,242	6.39%	205,119	-3,124	0.11%	133,682	-74,561	2.67%
Alpertown	275,553	0	-275,553	3.91%	271,419	-4,133	0.06%	206,664	-68,888	0.98%
Kingsbury High	333,994	0	-333,994	3.35%	328,984	-5,010	0.05%	250,496	-83,499	0.84%
	1,150,107	60,000	-1,090,107	4.28%	1,132,855	-17,252	0.07%	817,580	-332,527	1.30%

Impact % shown is Impact as a percentage of the school's total Post-MFG schools block funding.

3.17 Option 1 and 3 would allow funding to either go back into the schools funding pot for other schools, or the creation of the falling rolls fund described in Section 4 below.

4.0 FALLING ROLLS CRITERIA

4.1 Each LA may top-slice the DSG to create a fund to support good schools with falling rolls, where local planning data shows that the surplus places will be needed in the near future. This helps to ensure that these schools remain viable and prevents the school from going into financial deficit, until the rolls rise again.

4.2 Brent has not previously created this fund, and in 2016-17 some schools experiencing falling rolls which would have qualified under this funding. The borough is still experiencing a pressure on school places in the primary sector, and this is about to move into the secondary sector. It is therefore vital that where good or outstanding schools experience falling rolls, that there is an avenue to support these schools and prevent financial difficulty or a drop in teachers, when these places will be needed in the near future.

4.3 In order to introduce this fund, the Schools Forum must agree both the value of the top-slice and the criteria for allocation. The criteria must contain clear objective trigger points for qualification, and a clear formula for calculation of allocations. Differences in allocation methodology are permitted between phases. The DfE states that some of the features below are required, to remain compliant.

- Support is available only for schools judged Good or Outstanding at their last Ofsted inspection (this is a mandatory requirement).
- Surplus capacity exceeds x pupils or x% of the published admission number.
- Local planning data shows a requirement for at least x% of the surplus places within the next x years.
- Formula funding available to the school will not support provision of an appropriate curriculum for the existing cohort.

- The school will need to make redundancies in order to contain spending within its formula budget.
- 4.4 The methodology for distributing funding could include:
- £x per vacant place, up to a specified maximum places (place value likely to be based on AWPU).
 - a lump sum payment with clear parameters for calculation (e.g. the estimated cost of providing an appropriate curriculum, or estimated salary costs equivalent to the number of staff who would otherwise be made redundant).
- 4.5 It is recommended that a falling rolls fund is created for Brent, to be used from 2017-18.
- a) A budget allocation for 2017-18 of £500k, top-sliced from the DSG. This will be reviewed and approved annually.
- b) The following criteria will apply:
- i. Schools judged as good or outstanding at the last Ofsted inspection.
 - ii. There is a reduction in numbers when comparing the October School census with the previous October census that results in substantial disruption to the provision of education in the school.
 - iii. The reduction in numbers amounts to 20% or more in one year group (i.e. PAN vs Actual Numbers).
 - iv. Admissions demographic data evidences that the reduction is temporary, and the school places will be needed in the near future.
 - v. Only schools with a surplus of less than 15% will qualify, as this should be funded by school balances in the first instance and appropriately planned by the school.
 - vi. Schools that receive falling rolls funding would not be eligible for rising rolls funding during the year.
- c) The following allocation will apply:
- i. Based on AWPU for the relevant sector.
 - ii. This will be funded per pupil, for the difference between PAN and actual numbers for the relevant qualifying year group.
 - iii. Funding will be provided as a one off payment and not a continuing payment as the cohort moves through the school.
 - iv. If total allocations for qualifying schools exceed the annual budget, then the amounts will be revised downwards proportionate to the budget available.
 - v. Any unallocated funding at the end of each year will be rolled into the DSG.
- 4.6 Based on application of the above criteria, for 2016-17 two primary schools, and 1 secondary would have attracted falling rolls funding in 2016-17.

5.0 RISING ROLLS & ADDITIONAL CLASSES CRITERIA

- 5.1 Each LA may top-slice the DSG to create a growth fund to support schools which are required to provide extra places in order to meet basic need. This fund cannot be used to support schools in financial difficulty or general growth due to popularity.
- 5.2 This fund allows the council to meet its statutory duty to provide sufficient places for children within the area that request one. If the LA cannot offer a school place or alternative education placement the LA is left open to Ombudsman complaints and legal challenge. Brent continues to see unprecedented increase in the demand for primary places, with an increase of 17.68% between May 2008 and May 2015.
- 5.3 Whilst this fund provides funding for both primary and secondary places, the pressure on primary school places in all year groups is still significant, and the majority of Brent primary schools are operating at full capacity.
- 5.4 Brent currently has a growth fund which is reviewed and approved annually by the Schools Forum. The following were approved for 2016-17:
- £3,500,000 for pupil growth funding for additional classes and places needed for 2016-17;
 - £1,129,952 for Rising Rolls funding.
- 5.5 The criteria for allocating growth funds should contain objective trigger points for qualification and a clear formula for calculation allocations.

Rising Rolls

- 1) Rising Rolls funding is given to schools where there is pupil growth after the October census, which is used for calculating the school's funding.
- 2) The criteria for Rising Rolls was last reviewed in 2012 and is as follows:
 - Any school that experiences pupil growth of 1.75% due to taking on larger number of pupils than planned due to a lack of schools place.
 - This is done by comparing October census against January and October of the previous year would receive a 5/12th and 7/12th share of the £1,129,952 pro-rata to their additional numbers.
- 3) The following allocation applies:
 - Based on AWPU for the relevant sector, pro-rata'd.
 - If total allocations for qualifying schools exceed the annual budget, then the amounts are revised downwards proportionate to the budget available.
 - Any unallocated funding at the end of each year is rolled into the DSG.
- 4) Following a review of the criteria and allocations, the following changes are recommended to be implemented in the 2017-18 financial year:
 - a) A change to the criteria:
 - to make it clear that rising rolls will not apply where there is growth due to popularity alone.

- to make it clear that rising rolls will only apply to meet basic needs places.
- b) A change to the allocations to make it clear that funding will be provided in two installments, for that financial year only.
- c) A reduced budget of £1m. *This budget no longer funds additional classes, as this is solely funded through the pupil growth funding for additional classes.*

Additional Classes

- 5) School expansions and the opening of annexes has allowed the council to fulfil its statutory duty to offer all applicants a place.
- 6) Schools that expand at the request or approval of the LA are guaranteed funding for 30 pupils per class, for 5 terms.
- 7) The following allocation currently applies:
- Where schools expand on the school site, the guarantee is £3,300 per pupil, with the assumption of full classes of 30 pupils.
 - Where schools expand in an annexe or off-site building, the guarantee is £3,600 per pupil, with the assumption of full classes of 30 pupils.
 - Where schools are undergoing permanent expansion, a one-off payment of £25,000 is made to support schools in the transition period for the additional management support required.
 - Payments are made by financial year – therefore:
 - The first payment is 7/12^{ths} of the guarantee – to cover the first two terms, September to March.
 - For the second financial year (the latter three terms) the pupils will be on census and funded through the funding formula, therefore the school will receive £3,300 or £3,600 per pupil for the difference between census and the 30 pupil guarantee.
- 8) This budget has also funded:
- the secondary EAL projects;
 - additional places for new arrivals at QPCS and Newman Catholic College;
 - alternative education placements for hard to place pupils.
- 9) Following a review of the criteria, the following change is recommended to be implemented in the 2016-17 financial year:
- a) A clarification to the criteria to make it clear that
- funding is guaranteed for the first five terms for each bulge class or temporary expansion opened;
 - funding is guaranteed for the first five terms for each annexe class opened;
 - funding is guaranteed for the first five terms from September, after a permanent expansion is confirmed.

6.0 BACKGROUND PAPERS

1. Schools Revenue Funding 2016 to 2017 – Operational Guide (December 2015);

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/486747/Schools_revenue_funding_2016_to_2017_operational_guide_updated_December_2015.pdf

2. Schools Revenue Funding 2016 to 2017 – Criteria for allocating the growth fund, falling rolls fund and targeted high needs funding (July 2015)

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/445726/Schools_revenue_funding_2016_to_2017_Criteria_for_allocating_growth_fund_falling_rolls_fund_and_targeted_high_needs_funding_1.pdf

7.0 APPENDICES

- A. Benchmark: Split-Site Factor Allocations by Local Authorities;
- B. Benchmark: Split-Site Factor Criteria and Allocations by London Authorities
- C. Revised Split-Site, Falling Rolls and Rising Rolls and Additional Classes Criteria and Allocations.

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8. APPENDIX A - BENCHMARK: SPLIT SITE FACTOR ALLOCATIONS BY LOCAL AUTHORITIES

LA Code	Local Authority Name	Split Sites Total £	Split Sites Proportion %	Highest LA Allocation	Highest LA Proportion of Total
352	Manchester	2,039,542.48	0.58%	1	2
304	Brent	1,137,543.10	0.51%	2	4
301	Barking and Dagenham	1,032,000.00	0.56%	3	3
891	Nottinghamshire	970,819.00	0.22%	4	21
371	Doncaster	810,177.00	0.44%	5	5
330	Birmingham	762,591.93	0.09%	6	47
881	Essex	761,487.00	0.10%	7	44
320	Waltham Forest	745,000.00	0.39%	8	8
925	Lincolnshire	721,110.00	0.19%	9	25
308	Enfield	706,344.00	0.29%	10	13
203	Greenwich	666,402.00	0.36%	11	9
835	Dorset	658,448.00	0.32%	12	10
936	Surrey	600,537.40	0.11%	13	41
874	Peterborough	600,000.00	0.44%	14	6
830	Derbyshire	576,752.01	0.14%	15	36
892	Nottingham	534,130.11	0.29%	16	14
801	Bristol	514,833.00	0.22%	17	22
929	Northumberland	508,513.83	0.29%	18	12
373	Sheffield	501,403.66	0.17%	19	28
420	Isles of Scilly	485,000.00	19.17%	20	1
885	Worcestershire	481,632.00	0.16%	21	31
928	Northamptonshire	463,333.33	0.11%	22	39
811	East Riding of Yorkshire	455,246.00	0.26%	23	17
865	Wiltshire	455,000.00	0.18%	24	26
815	North Yorkshire	450,000.00	0.14%	25	33
208	Lambeth	444,045.33	0.23%	26	20
919	Hertfordshire	426,183.16	0.06%	27	61
878	Devon	377,545.00	0.10%	28	42
846	Brighton and Hove	371,686.00	0.29%	29	11
856	Leicester	350,000.00	0.17%	30	30
209	Lewisham	338,400.00	0.17%	31	29
888	Lancashire	337,912.13	0.05%	32	68
211	Tower Hamlets	337,190.60	0.14%	33	34
302	Barnet	329,417.16	0.14%	34	32
202	Camden	316,028.00	0.28%	35	15
823	Central Bedfordshire	310,000.00	0.20%	36	24
877	Warrington	297,000.00	0.24%	37	19
938	West Sussex	291,130.84	0.07%	38	52
880	Torbay	284,608.00	0.42%	39	7
845	East Sussex	280,260.00	0.11%	40	40
926	Norfolk	250,670.00	0.06%	41	66
816	York	237,600.00	0.28%	42	16
840	Durham	237,447.80	0.08%	43	50
213	Westminster	221,200.00	0.20%	44	23
210	Southwark	217,856.00	0.09%	45	45
916	Gloucestershire	202,257.00	0.06%	46	59
837	Bournemouth	198,049.00	0.25%	47	18
937	Warwickshire	192,500.00	0.07%	48	56
826	Milton Keynes	191,275.00	0.12%	49	38
358	Trafford	187,799.00	0.13%	50	37
318	Richmond upon Thames	180,000.00	0.18%	51	27
306	Croydon	175,000.00	0.08%	52	51
895	Cheshire East	173,873.00	0.09%	53	48
882	Southend on Sea	154,800.00	0.14%	54	35
850	Hampshire	129,167.00	0.02%	55	93

8. APPENDIX A - BENCHMARK: SPLIT SITE FACTOR ALLOCATIONS BY LOCAL AUTHORITIES

LA Code	Local Authority Name	Split Sites Total £	Split Sites Proportion %	Highest LA Allocation	Highest LA Proportion of Total
333	Sandwell	129,057.00	0.06%	56	63
380	Bradford	124,172.18	0.03%	57	84
350	Bolton	120,772.33	0.06%	58	58
309	Haringey	120,000.00	0.07%	59	55
931	Oxfordshire	120,000.00	0.04%	60	78
887	Medway	111,104.00	0.07%	61	53
894	Telford and Wrekin	100,000.00	0.10%	62	43
353	Oldham	100,000.00	0.06%	63	64
312	Hillingdon	100,000.00	0.05%	64	67
889	Blackburn with Darwen	96,152.00	0.09%	65	49
803	South Gloucestershire	93,436.00	0.06%	66	57
855	Leicestershire	93,164.00	0.03%	67	89
331	Coventry	87,740.75	0.04%	68	75
810	Kingston upon Hull	87,330.00	0.06%	69	65
314	Kingston upon Thames	85,378.00	0.09%	70	46
317	Redbridge	82,069.00	0.04%	71	72
316	Newham	80,000.00	0.03%	72	87
896	Cheshire West And Chester	72,388.00	0.04%	73	76
206	Islington	72,000.00	0.06%	74	62
933	Somerset	70,000.00	0.03%	75	86
315	Merton	68,000.00	0.06%	76	60
307	Ealing	64,152.00	0.03%	77	85
336	Wolverhampton	62,500.00	0.04%	78	74
204	Hackney	60,812.00	0.03%	79	83
800	Bath and North East Somerset	60,682.33	0.07%	80	54
935	Suffolk	59,000.00	0.02%	81	97
852	Southampton	56,904.00	0.05%	82	69
319	Sutton	50,000.00	0.04%	83	77
873	Cambridgeshire	50,000.00	0.02%	84	96
335	Walsall	49,845.00	0.03%	85	88
802	North Somerset	46,897.00	0.04%	86	71
381	Calderdale	44,000.00	0.03%	87	81
908	Cornwall	42,250.67	0.01%	88	99
344	Wirral	37,506.28	0.02%	89	91
359	Wigan	36,867.00	0.02%	90	92
860	Staffordshire	35,000.00	0.01%	91	105
871	Slough	34,300.00	0.03%	92	82
205	Hammersmith and Fulham	32,741.00	0.03%	93	80
825	Buckinghamshire	32,000.00	0.01%	94	101
890	Blackpool	31,500.00	0.04%	95	73
382	Kirklees	30,492.00	0.01%	96	102
921	Isle of Wight	30,000.00	0.04%	97	70
821	Luton	27,750.00	0.02%	98	95
876	Halton	27,402.00	0.03%	99	79
356	Stockport	23,239.00	0.02%	100	98
831	Derby	19,329.92	0.01%	101	100
383	Leeds	19,250.00	0.00%	102	107
870	Reading	17,675.00	0.02%	103	90
342	St Helens	17,660.00	0.02%	104	94
813	North Lincolnshire	10,000.00	0.01%	105	103
207	Kensington and Chelsea	5,740.00	0.01%	106	104
393	South Tyneside	5,167.00	0.01%	107	106



BENCHMARK:
SPLIT-SITE CRITERIA &
ALLOCATIONS
LONDON AUTHORITIES

LONDON BOROUGH OF HAMMERSMITH AND FULHAM (£33k)

- ❖ Schools qualify for this funding if they hold one or more of their curricula at another site, which means students will need to move between sites during a school day to attend lessons.

Allocations

- ❖ Per Square Meter – £22.96
(This is multiplied by the total square meter of the additional site to determine the funding.)

LONDON BOROUGH OF HACKNEY (£61k)

Allocations

- ❖ Fixed Lump Sum
 - Primary £30,406
 - Secondary £0

LONDON BOROUGH OF NEWHAM (£80k)

- ❖ Schools operating a split site where the sites require separate management and are more than 500 yards distant, and involve some staff and/or student movement.

Allocations

- ❖ Fixed Lump Sum – £40,000

LONDON BOROUGH OF HILLINGDON (£100k)

- ❖ The school operates a curriculum from more than one site, where both sites have classroom facilities.
- ❖ Pupils and Staff have to move between the sites to reach their relevant classroom.
- ❖ Access to the school classroom facilities is across a public road.

Allocations

- ❖ Fixed Lump Sum – £100,000

LONDON BOROUGH OF CROYDON (£175k)

- ❖ An annex refers to an additional accommodation being built for growth in numbers. They are usually smaller in size than a full school but a permanent build as opposed to a cabin arrangement.
- ❖ Funding increased by an additional £5,000 if this site is a certain distance (500m) or more from the original school for any added cost that may bring.
- ❖ Also has some schools that were separate and have become one establishment through amalgamation or academisation. In these cases it is recognised that the additional costs of maintaining two full school sites will be



BENCHMARK:
SPLIT-SITE CRITERIA &
ALLOCATIONS
LONDON AUTHORITIES

larger than that of the annex arrangements described above, and hence the same increase of £5,000 for distance.

Allocations

❖ Lump Sum

- | | |
|--|---------|
| ▪ Additional Site – Annex | £30,000 |
| ▪ Additional Site – Annex (more than 500m away) | £35,000 |
| ▪ Additional Site – School | £50,000 |
| ▪ Additional Site – School (more than 500m away) | £55,000 |

LONDON BOROUGH OF BARNET (£329k)

Excludes sports and play areas, premises used for nurseries and sixth forms only and all-through schools where each site is used solely for either primary or secondary phases.

Allocations

❖ Fixed Lump Sum:

Historically set based on the extra admin staff, cleaning, caretaking, headteacher travel etc needed for two sites.

- | | |
|-------------|---------|
| ▪ Primary | £29,958 |
| ▪ Secondary | £99,412 |
- *All-through schools receive the primary split-site allocation (£29,958) if they have primary year groups on more than one site, and £19,882.40 per secondary group (£99,412/5) located across more than one site.*
 - *This is pro-rata'd for part year as schools expand.*

❖ Staff Travel

The travel allowance is only for secondary schools as primary teachers are less likely to regularly move between sites.

- | | |
|-------------|---------|
| ▪ Secondary | £53,492 |
|-------------|---------|
- *If the buildings are very close and simply separated by a public road, this rate is multiplied by 0.2. If further apart the multiplier is 1.4.*
 - *There is one school with an off-site SEN unit and the multiplier is 1.*

LONDON BOROUGH OF TOWER HAMLETS (£337k)

- ❖ Schools must operate on two definable and discrete sites, separated by a main thoroughfare/ highway, and have clear identifiable additional needs and make adequate curriculum provision for those two sites.
- ❖ The split must be in excess of 200 metres apart from the main site as the crow flies.

Allocations

- ❖ Per Pupil – £520 per pupil based on the year groups mainly using the smaller site.



BENCHMARK:
SPLIT-SITE CRITERIA &
ALLOCATIONS
LONDON AUTHORITIES

BOROUGH OF WALTHAM FOREST (£745k)

- ❖ Applies to any school permanently expanding onto an additional site.
- ❖ An additional payment is made for the first 5 years of the expansion.
- ❖ Additional payment is based upon the capacity of the new site less the planned number of pupils in the expansion e.g. the shortfall in pupils compared with site capacity

Allocations

- ❖ Lump Sum
 - Level 1: £15k within ¼ mile of the main site with no movement of pupils on a daily basis.
 - Level 2: £40k sport on a separate site over ¼ mile away or joint use of sports hall.
 - Level 3: £20k second site over ¼ mile from main site with no movement of pupils on a daily basis.
 - Level 4: £40k some movement of pupils between sites more than ¼ mile apart.
 - Level 5: £110k significant movement of pupils and teachers on a daily basis between sites more than ¼ mile apart.
- ❖ Per Pupil – £150 per pupil to cover premises costs other than rates.

Table : Calculation of funding for planned expansions onto a second site

Capacity	Year of expansion	Planned number of pupils on site	Shortfall	Funding at £150 per pupil
420	1	60	360	£54,000
420	2	120	300	£45,000
420	3	180	240	£36,000
420	4	240	180	£27,000
420	5	300	120	£18,000

LONDON BOROUGH OF BARKING AND DAGENHAM (£1,032k)

- ❖ A split site school will be defined as one where there is a road between sites used for curriculum purposes.
- ❖ Secondary split site factor equates to current levels of support, Primary factor has been scaled against this.

Allocations

- ❖ Fixed Lump Sum
 - Primary £100,000
 - Secondary £216,000
 - *For a school which has a primary and secondary phase the split site factor paid will be at the Primary level £100k unless the school also has 2 or more*



BENCHMARK:
SPLIT-SITE CRITERIA &
ALLOCATIONS
LONDON AUTHORITIES

*split sites at Secondary phase in which case the factor will be £216,000.
Only one split site factor will apply.*



CRITERIA & ALLOCATIONS

REVISED 2017-18

(SPLIT-SITE, FALLING ROLLS, RISING ROLLS, ADDITIONAL CLASSES)

SPLIT-SITE FACTOR

Criteria

- ❖ The sites are more than half a mile apart, separated by public roads.
- ❖ It is necessary for staff to move between the sites in order to teach on both sites in support of the principle of a whole school policy and to maintain the integrity of the delivery of the National Curriculum.
- ❖ Each site is occupied by a large proportion of the school (more than one year group).
- ❖ This is not available to schools sharing facilities, federated schools, schools with remote sixth forms, or all-through schools where the majority of each sector is based on one site.

Allocations

- ❖ Fixed Lump Sum:
 - Primary £30,000
 - Secondary £50,000

Payments

- ❖ This is a funding factor within the formula, and would therefore be paid with the school's budget share.
- ❖ This is only available for a maximum of 5 years.



CRITERIA & ALLOCATIONS

REVISED 2017-18

(SPLIT-SITE, FALLING ROLLS, RISING ROLLS, ADDITIONAL CLASSES)

FALLING ROLLS FUND

Criteria

- ❖ Schools judged as good or outstanding at the last Ofsted inspection.
- ❖ There is a reduction in numbers when comparing the October School census with the previous October census that results in substantial disruption to the provision of education in the school.
- ❖ The reduction in numbers amounts to 25% or more in one year group (i.e. PAN vs Actuals Numbers).
- ❖ Admissions demographic data evidences that the reduction is temporary, and the school places will be needed in the near future.
- ❖ Only schools with a surplus of less than 8% for primary schools and 5% for secondary schools will qualify, as this should be funded by school balances in the first instance and appropriately planned by the school.
- ❖ Schools that receive falling rolls funding would not be eligible for rising rolls funding during the year.

Allocations

A DSG top-sliced budget allocation of £500,000.

- ❖ Based on AWPU for the relevant sector.
- ❖ This is funded per pupil, for the difference between PAN and actual numbers for the relevant qualifying year group.
- ❖ If total allocations for qualifying schools exceed the annual budget, then the amounts will be revised downwards proportionate to the budget available.
- ❖ Any unallocated funding at the end of each year will be rolled into the DSG.

Payments

- ❖ Funding will be provided as a one-off payment and not a continuing payment as the cohort moves through the school.



CRITERIA & ALLOCATIONS

REVISED 2017-18

(SPLIT-SITE, FALLING ROLLS, RISING ROLLS, ADDITIONAL CLASSES)

GROWTH FUND – RISING ROLLS

Criteria

- ❖ Any school that experiences pupil growth of 1.75% due to taking on larger number of pupils than planned, where:
 - this is due to a lack of school places;
 - this is not due to popularity alone;
- ❖ This is done by comparing October census against January and October of the previous year would receive a 5/12th and 7/12th share of the £1,129,952 pro-rata to their additional numbers.

Allocations

A DSG top-sliced budget allocation of £1,000,000.

- ❖ Based on AWPU for the relevant sector, pro-rata'd.
- ❖ If total allocations for qualifying schools exceed the annual budget, then the amounts will be revised downwards proportionate to the budget available.
- ❖ Any unallocated funding at the end of each year will be rolled into the DSG.

Payments

- ❖ Funding will be provided in two instalments, for that financial year only.



CRITERIA & ALLOCATIONS

REVISED 2017-18

(SPLIT-SITE, FALLING ROLLS, RISING ROLLS, ADDITIONAL CLASSES)

GROWTH FUND – ADDITIONAL CLASSES

Criteria

- ❖ Schools that expand at the request or approval of the LA.
- ❖ Secondary schools with EAL projects.
- ❖ Alternative Education placements for hard to place pupils.

Allocations

A DSG top-sliced budget allocation of £3,500,000.

- ❖ Where schools expand on the school site, the guarantee is £3,300 per pupil, with the assumption of full classes of 30 pupils.
- ❖ Where schools expand in an annexe or off-site building, the guarantee is £3,600 per pupil, with the assumption of full classes of 30 pupils.
- ❖ Where schools are undergoing permanent expansion, a one-off payment of £25,000 is made to support schools in the transition period for the additional management support required.
- ❖ Funding is guaranteed for the first five terms for:
 - each bulge class or temporary expansion opened;
 - each annexe class opened;
 - from September, after a permanent expansion is confirmed.
- ❖ Any unallocated funding at the end of each year will be rolled into the DSG.

Payments

- ❖ Payments are made by financial year:
 - 1st Payment – 7/12^{ths} of the guarantee – to cover the first two terms, September to March.
 - 2nd Payment – for the second financial year (the latter three terms) the pupils will be on census and funded through the funding formula, therefore the school will receive £3,300 or £3,600 per pupil for the difference between census and the 30 pupil guarantee.



SCHOOLS FORUM

15 June 2016

Report from the Strategic Director of Children and Young People

For Consultation

9. Schools Forum Administration Review

1.0 SUMMARY

- 1.1 This report proposes changes and improvements to the administration of the Schools Forum and its sub-groups, and in the engagement with the Brent school community.

2.0 RECOMMENDATIONS

- 2.1 The Schools Forum is being formally consulted on the following:
- a. the proposed changes to the administration of the Schools Forum;
 - the change from the use of sub-groups to Task and Finish Groups;
 - the four suggested Task and Finish Groups and their constitution;
 - the introduction of the Technical Briefing Sessions for members;
 - the introduction of a termly Schools Forum newsletter managed by the Schools Forum.
- 2.2 The Schools Forum is asked to note:
- a. the changes to the Terms of Reference and Constitution of the Schools Forum (mainly references to job titles that have changed);
 - b. the new Schools Forum email address;
 - c. that members contact details are now available via the Schools Forum website;

3.0 BACKGROUND

- 3.1 It is good practice to regularly review the administration of the Schools Forum and to evaluate its effectiveness to identify areas that can be built upon or improved. The DfE publishes the *Schools Forum Operational and Good*

Practice Guide annually, which draws on the knowledge and experience of Schools Forum members, Local Authority officers, DfE officers and various partners, and is a guide against which to review. It is not prescriptive in nature, except for elements dictated by the *Schools Forum Regulations*, but is provided as a guide on good practice.

- 3.2 This review encompasses the Terms of Reference, Constitution, Sub-Groups and Engagement with the local education community in Brent.

4.0 Terms of Reference & Constitution

- 4.1 The Terms of Reference and the Constitution of the Brent Schools Forum was revised and agreed at the June 2015 Forum meeting. This included a full review of membership and its administration, and meeting administration.
- 4.2 There has been no change to the legislation or the good practice guide issued by the DfE since the revision of these.
- 4.3 A revised Terms of Reference and Constitution is included as Appendix 1. All changes are highlighted, and are mainly references to job titles.

5.0 Working Groups (Currently Sub-Groups)

- 5.1 There are currently three sub-groups to the Schools Forum: Early Years, SEN and Schools Funding Formula groups. The Brent Schools Forum Constitution requires that membership and clerking of the sub-groups are reviewed annually. A review of the sub-groups was last completed in February 2014.
- 5.2 The current sub-groups have served a useful purpose, and are explained below.

5.3 The Early Years Sub-Group

- This sub-group was formed in 2008 with the aim of developing the Early Years Single Funding Formula, but now oversees all matters associated with the early years funding for schools and the PVI sector.
- The general consensus of the sub-group representatives has been that this sub-group serves a valuable purpose and has been an useful avenue for exchanging ideas, policies and good practice between the schools and the PVI's, and for reviewing anomalies and effecting change in relation to the early years funding.
- The sub-group has been constituted as follows:
 - 1 nursery representative from the Schools Forum membership;
 - 1 primary representative from the Schools Forum membership;
 - 1 representative from the private nursery sector;
 - 1 representative from the voluntary nursery sector;
 - 1 representative from the independent nursery sector;
 - 1 representative from childminders.

The PVI representative on the Schools Forum is elected from the private, voluntary or independent nursery sector of this group.

- According to the current constitution, members of this sub-group should serve for two years from the day of election/appointment. In practice, this has not been the case.

5.4 The SEN Sub-Group

- This sub-group was originally set up in 2011 to deal with the SEN overspend, the introduction of the new national funding formula and to deal with a range of funding issues regarding the funding of pupils with additional needs and to make sure that this was linked to overall SEN policy (locally and nationally).
- This group has continued to be a useful forum for addressing a complex range of issues, and currently reviews:
 - the funding formula and banding system for special schools, in consultation with special schools;
 - the bandings of statemented pupils;
 - the formula for funding Additional Resource Provisions (ARPs);
 - and monitors the provision of SEN pupils by Brent schools;
 - transitional protection for schools with high numbers of pupils with statements;
 - Post-16 FE eligibility policy and implementation;
 - and monitors SEN spend and placements.
- The sub-group has been constituted as follows, from the Schools Forum membership:
 - 1 nursery head teacher;
 - 1 primary representative;
 - 1 special head teacher;
 - 1 secondary head teacher;
 - 1 academy governor;
 - 1 trade union representative.

5.5 The Schools Funding Sub-Group

- This sub-group was created in 2013 to address Brent's very low primary:secondary ratio and excessively high MFG, which arose after the funding reforms.
- This group was fundamental in addressing the issues and successfully met its objectives. It was agreed to temporarily continue the group, and only meet where there are issues arising with regards to the funding formula.
- The sub-group has been made up of two representatives from each of the primary and secondary sectors, split between one head teacher and one governor representative each.

Task and Finish Groups

- 5.6 As part of the review of the effectiveness of the Schools Forum, it is necessary to conduct a periodic review of the remit and the role of sub-groups in to maximise their contributions and ensure its relevance. In addition, due to changes in Schools Forum membership over the past year, a number of vacancies currently exist within the current sub-groups.
- 5.7 A review of sub-groups suggests that whilst these are valuable, these can be more effectual if organised as Task and Finish groups. The setting up of such groups would not be limited only to the replacement of current groups, and would look at particular issues.
- 5.8 The Task and Finish groups would:
- be set up with a specific objective.
 - allow for considerable discussion amongst a small group of people who are representative and can, if necessary, go back to colleagues and gather their views.
 - be based around the big issues that the Schools Forum needs to decide upon each year, such as the funding formula, growth, high needs, early years, school improvement, etc.
 - form for each financial year, and then dissolve.
 - meet each term (generally no more than once per term) and these meetings will be diarised at the beginning of the year.
 - meet to discuss the key issues and in most cases this would feed into a draft paper for the Schools Forum.
- 5.9 The introduction of Task and Finish groups would provide a platform for open and constructive discussion. This will facilitate transparency and provides an opportunity for discussion amongst stakeholders with the relevant skills and knowledge who have the schools best interests at heart.
- 5.10 As these groups will be constituted each year, the appointment to these groups will be for one year at a time. There would be no restriction on the reappointment of members, provided they are still eligible to represent that sector. There is also the opportunity to facilitate the inclusion of School Business Managers/Bursars and other non-forum members in such groups.
- 5.11 A benchmark against other local authorities shows that the following types of Task and Finish groups are regularly used:
- Special Educational Needs (SEN);
 - Early Years;
 - Schools Block;
 - Schools Improvement;
 - Capital.
- 5.12 It is suggested that the following Task and Finish Groups are established for the 2016-17 financial year, to replace the existing sub-groups:
- Early Years;
 - High Needs (SEN);
 - National Fair Funding Formula(NFFF);
 - Annual Schools Finance Conference (see Section 8 below).

5.13 The former three Task and Finish Groups will undoubtedly be necessary to support the additional work requirements, analysis and modelling and eventual implementation of the pending Early Years consultation and the second part of the consultations on High Needs and the National Fair Funding Formula. The Annual Schools Finance Conference will help in the consultation process for implementation of these. In addition to the pending consultations, the following will be relevant for 2016-17:

- Early Years:
 - Implementation of the 30 hours childcare;
 - CIN and CWD funding;
 - NEG updates;
- High Needs:
 - Review of Top-Up Bandings
 - Review of place funding for Special Schools and PRUs.

5.14 The suggested constitution of these groups are as follows:

- Early Years (5):
 - 1 Nursery Head Teacher;
 - 1 Primary Head Teacher;
At least one of these representatives (Nursery/Primary) must be a member of the Schools Forum.
 - 1 Private Nursery Representative;
 - 1 Voluntary Nursery Representative;
 - 1 Independent Nursery Representative;
 - 1 Childminder Representative.

The Schools Forum member will be one of the representatives from the PVI or childminder sector.

This group would be chaired by the Head of Early Help.

- High Needs (5):
 - 1 Special Schools Head Teacher Schools Forum member;
 - 1 Nursery Head Teacher;
 - 1 Primary Head Teacher;
 - 1 Secondary Head Teacher;
 - 1 Trade Union representative.

At least one of the Nursery, Primary or Secondary representatives must be a member of the Schools Forum.

At least one of the Nursery, Primary or Secondary representatives must run an ARP unit at their school.

This group would be chaired by the Head of Inclusion.

- National Fair Funding Formula (8):
 - 1 Primary Head Teacher (maintained school);
 - 1 Primary Head Teacher (academy);
 - 1 Primary Governor;
 - 1 Primary Bursar/Business Manager;
 - 1 Secondary Head Teacher (maintained school);
 - 1 Secondary Head Teacher (academy);
 - 1 Secondary Governor;
 - 1 Secondary Bursar/Business Manager.

All Head Teacher and Governor representatives must be members of the Schools Forum.

This group would be chaired by the Head of Finance or Senior Finance Analyst.

- Annual Schools Finance Conference:
 - 1 Primary Head Teacher;
 - 1 Primary Bursar/Business Manager;
 - 1 Secondary Head Teacher;
 - 1 Secondary Bursar/Business Manager;
 - 1 Nursery Head Teacher or Bursar/Business Manager;
 - 1 Special Head Teacher or Bursar/Business Manager.

At least one Primary and one Secondary member must be a member of the Schools Forum.

This group would be chaired by one of the Schools Forum members on the group.

5.15 The Schools Forum may however wish to consider further Task and Finish Groups for the future. It is possible to have these for a specific task or project, or for longer engagement and improvement in particular areas.

5.16 If the Schools Forum agrees to move to Task and Finish Groups, dates will be booked for the financial year, with meetings being held at the Brent Civic Centre.

6.0 Forward Planning & Agenda Setting

6.1 A Pre-Meeting with the Chair has been introduced to discuss all papers to be distributed to members, prior to distribution. This will also enable the Chair to identify or suggest any changes where necessary.

6.2 In addition, a forward planner for the year has been discussed with the Chair, and greater Schools Forum input into the formulation of plans and agendas, is being encouraged. In the future, the agenda for each meeting will be discussed with the Chair before setting. The forward planner is attached as Appendix 2.

6.3 It is important that the Schools Forum members suggest reviews or updates for areas that fall under its remit. Members are asked to direct such requests to the Chair and the Clerk of the Forum, in the first instance.

7.0 Meetings (Technical Briefing Sessions)

7.1 It is proposed to introduce Technical Briefing Sessions for members, prior to each meeting. A number of local authorities have introduced this and have found these to be useful. It is proposed to try this for Brent, and review this at the end of the financial year to determine if these were useful and helped with the understanding of more finite and technical details – and thus whether these should continue.

7.2 These sessions will enable members to come and ask questions on the more technical aspects of the report, which could enable understanding of the reports

prior to their delivery on the night. This will allow discussions to be more meaningful within the Forum, for matters that are more complicated or technical in nature.

7.3 These sessions would start at 5:30 and finish at 5:50, and would be drop-in in nature.

8.0 Engagement with Schools

8.1 It is also important to evaluate how well information is disseminated, and how clearly decisions are explained to the education community in Brent.

8.2 In recent years, consultations with schools very rarely receive responses, even when there is potential or significant impact on individual school's funding. It is therefore crucial to engage with the education community in Brent further, particularly with the pending introduction of the new national schools funding formula.

8.3 The following changes are being instigated with the intention of improving the engagement with Brent schools. Any further suggestions are welcome.

- A new Schools Forum email address (Schools.Forum@brent.gov.uk) has been created, and will be included on the Schools Forum webpage. This would enable general Schools Forum queries to be raised with officers – which could then be distributed or forwarded where necessary.
- As mentioned at the last Schools Forum, it is advisable to list members email address on the webpage, along with the current membership details. This enables schools to identify their representatives on the Schools Forum, and to be able to contact those representatives directly about raising any issues or queries or asking for explanations. This also allows members to garner the views of the schools it represents. Following on from this, each member of the Forum has been contacted to confirm the email address that they are happy to be published, and these are now on the website.
- Each time new minutes, papers or changes are published on the website, a link will be put on to the Schools Extranet to highlight this.
- A termly newsletter which includes information on the role of the Schools Forum, introduction of members (perhaps one or two per term), advertise any membership vacancies, a summary of Schools Forum papers or issues for that term and a discussion about particular issues. This newsletter would be the responsibility of the Schools Forum and if this were to happen, a volunteer coordinator would be required as this cannot be taken on by officers. This newsletter would require the input of various members to make this effective and will then be signed off by the Chair of the Schools Forum. This would be then distributed to all schools in Brent directly, and via the Head Teachers Bulletin and the termly Governors Newsletter.

- 8.4 The Schools Finance Team has run a Schools Finance Conference in recent years which was intended to become an annual event. This event received very positive feedback from delegates, and was open to three delegates from each school – the Head Teacher, the Business Manager/Bursar and one governor. This conference was a very useful method of not only disseminating information to schools, but also in engaging with schools better. Whilst it is recommended that this conference continues, there is no longer a dedicated Schools Finance Team, and there aren't sufficient resources to deliver this conference. The cost of the conference is budgeted for. It is however recommended that a Task and Finish Group of the Schools Forum would take on the organisation and planning of this annual event. Volunteers will be required for this group, and it is proposed that the chair of the group should be a member of the Schools Forum.
- 8.5 In recent years the Schools Finance Team has run annual funding clinics, in which schools can attend and gain a better understanding of the funding formula, how it works and how it affects their schools. Despite the large number of queries that we field during the year, these funding clinics are not well attended – and are normally attended by the same Bursars/Business Managers each year, rather than Bursars/Business Managers that do not have a complete understanding or sufficient knowledge of the funding and how it works. It is proposed that these will be integrated into the Annual Schools Finance Conference as a workshop and be run by an officer and a member of the NFFF Task and Finish Group.

9.0 BACKGROUND PAPERS

1. Schools Forum – Operational and Good Practice Guide (March 2015);

10.0 APPENDICES

- A. Brent Schools Forum Terms of Reference and Constitution;
- B. Brent Schools Forum Forward Planner 2016-17.

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SCHOOLS FORUM

TERMS OF REFERENCE & CONSTITUTION

1. TERMS OF REFERENCE

- 1.1. The Terms of Reference for the Schools Forum are drawn from The Schools Forums (England) Regulations 2012, attached as *Appendix A*.
- 1.2. The Schools Forum has powers and responsibilities in accordance with The School Forum (England) Regulations 2012, a summary of which is attached as *Appendix B*.
- 1.3. The Schools Forum is established by the London Borough of Brent under powers contained within the Education Act 2002.
- 1.4. The Schools Forum is a statutory consultative body which shall be consulted by the London Borough of Brent on:
 - a. any schools' funding formula change.
 - b. service contracts funded by the schools' budget, which is of an amount requiring adherence to relevant Public Services Contracts Regulations.
 - c. financial issues (annually) relating to:
 - i. arrangements for pupils with special educational needs;
 - ii. arrangements for use of pupil referral units and the education of children otherwise than at school;
 - iii. arrangements for early years' provision;
 - iv. administration arrangements for the allocation of central government grants.
 - d. any proposed application to the DfE with regards to exclusions from the Minimum Funding Guarantee (MFG).
- 1.5. The Schools Forum shall agree central spend on:
 - a. growth funding (Pre-16);
 - b. falling rolls funding (Pre-16) for surplus places in good or outstanding schools where a population bulge is expected in 2-3 years;
 - c. equal pay back-pay;
 - d. places in independent schools for non-SEN pupils;

- e. early years expenditure;
 - f. admissions;
 - g. servicing of schools forum;
 - h. capital expenditure funded from revenue;
 - i. contributions to combined budgets;
 - j. schools budget centrally funded termination of employment costs;
 - k. schools budget funded prudential borrowing costs;
 - l. special education needs transport costs.
- 1.6. The Schools Forum schools' representatives shall annually agree the following delegations, for their phase:
- a. contingencies;
 - b. administration of free school meals
 - c. insurance
 - d. licences/subscriptions
 - e. staff costs – supply cover
 - f. support for minority ethnic pupils/underachieving groups
 - g. behaviour support services
 - h. library and museum services
- 1.7. The Schools Forum shall also agree:
- a. any carry forward of a deficit on central expenditure to the next year, to be funded from the schools' budget;
 - b. Scheme for financial management changes.
- 1.8. The Schools Forum may request detailed information to assist it in carrying out its functions and the London Borough of Brent shall use its best endeavours to provide such information.
- 1.9. The Schools Forum will abide by any changes to statutory provisions or changes to the regulatory framework for schools' funding. The Terms of Reference will be amended to reflect any such requirements.
- 1.10. The Schools Forum must represent the interest of their sectors, rather than their individual school.
- 1.11. The Schools Forum must act in accordance with the seven principles of public life as set out in the report of the Government Committee on Standards in Public Life: Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership.

2. CONSTITUTION

2.1. Membership

2.1.1. The Schools Forum shall consist of 27 members, made up of 23 school and academy members and 4 non-school members. The school and academy membership shall be split proportionally dependent on the student population in October each year.

School and Academy Membership

- 2 nursery representatives (1 head teacher, 1 governor);
- 18 primary and secondary representatives (9 head teachers, 9 governors), across the maintained and academy sector;
- 2 special school representatives (1 head teacher, 1 governor), one each from the maintained and academy sector;
- 1 pupil referral representative.

Non-School Membership

- 2 early years' PVI (private, voluntary or independent sector) representative;
- 1 14-19 partnership representative;
- 1 trade union representative.

2.1.2. The following officers shall regularly attend and speak at meetings of the Schools Forum, but are not members and have no voting rights.

- Lead Member – Children & Young People;
- Strategic Director – Children & Young People;
- Operational Director – Early Help & Education;
- Head of Finance – Adult Social Services and Children & Young People;
- **Senior Finance Analyst;**
- **Finance Analyst.**

2.1.3. The following officers may also attend and speak at meetings of the Schools Forum, but are not members and have no voting rights.

- The Chief Finance Officer;
- Officers providing financial and technical advice to the Schools Forum;
- Presenters;
- Education Funding Agency observer.

2.1.4. Non-School Membership cannot exceed one third of the total membership.

- 2.1.5. Elected members who hold an executive role in the London Borough of Brent (a Lead Member or portfolio holder) are barred from being a Schools Forum member.
- 2.1.6. Other Elected Members of the London Borough of Brent can be voting members of the Schools Forum in their capacity as governor at a school within Brent.
- 2.1.7. Officers employed by the London Borough of Brent who have a role in the strategic resource management of the authority shall not be eligible for membership of the Schools Forum.
- 2.1.8. No Schools Forum member can represent more than one sector at the same time.
- 2.1.9. The London Borough of Brent will maintain a written record of the composition of its Schools Forum, detailing the numbers of members and their names and the group/sub-group that they represent. This will also indicate when the current term of office of each member expires. This will also be published on the Schools Forum section of the Brent website.

2.2. Appointment

School and Academy Membership

- 2.2.1. London Borough of Brent shall appoint persons elected as a result of votes cast in the following manner:
 - Head Teachers: shall be elected through the Head Teachers groups. This will be communicated to all eligible Head Teachers directly, and also via the bi-weekly Head Teachers' bulletin.
 - Governors: nominations shall be sought through the Governor Support Service. This shall also be communicated by emailing Head Teachers of the relevant category, and via the bi-weekly Head Teachers bulletin, so that Head Teachers can also communicate this to their governors. The category to be represented shall be clearly identified and all governors meeting the eligibility criteria shall be free to nominate themselves. Where more nominations are received than places available, votes will be invited from relevant governors.

Non-School Membership

- 2.2.2. London Borough of Brent shall appoint persons elected as a result of votes cast in the following manner:
 - Early Years' PVI: nominations and elections will be sought from the PVI sector. Where this is not practical, the Head of Early Years will nominate a member from this sector.

- 16-19 Representative: nominations and elections will be sought from the 14-19 sector. Where this is not practical, the Head of Setting and School Effectiveness will nominate a member from this sector.
- Trade Union Representative: nominations and elections will be undertaken by the Teachers' Panel.

2.2.3. In the event of a tie between two or more candidates, then London Borough of Brent shall appoint a member instead, subject to consultation with the Schools Forum.

2.2.4. Where a vacancy arises, this must be filled within three months using the process set out in 2.2.1. and 2.2.2. above. Where a vacancy has not been filled within this time, the London Borough of Brent shall appoint a member instead, subject to consultation with the Schools Forum.

2.2.5. Members of the Schools Forum shall make declarations of interests on appointment and at each meeting if the Forum is considering matters for which they may have a pecuniary interest.

2.2.6. All new members of the Schools Forum shall be provided with appropriate induction materials. This shall include material relating to the operation of the Schools Forum, and any background information about the local and national school funding arrangements including:

- The Constitution of the Schools Forum;
- The Terms of Reference of the Schools Forum;
- A list of current members, including contact details and their terms of office;
- Copies of minutes of previous meetings;
- The Schools Forum Forward Planner for the year.

2.3. Tenure

2.3.1. Each Schools Forum member will serve for a term of three years from the day of appointment, unless:

- they cease to hold office by virtue of which the member was elected;
- the member resigns from the Schools Forum by giving notice in writing to the London Borough of Brent;
- the London Borough of Brent replaces the member at the request of the body which the member represents;
- paragraph 2.3.4. applies;
- paragraph 2.3.5. applies.

- 2.3.2. Schools Forum Members that reach the end of their term of office shall be eligible for re-appointment.
- 2.3.3. There is no limit to the number of consecutive terms of office individuals can serve as Schools Forum members.
- 2.3.4. Membership may be terminated by the London Borough of Brent, where pupil number variations between each sector is reviewed annually, and membership requirements are rebalanced. Where this results in a reduction in membership for a particular sector, the member with the shortest length of membership may be removed from office at the last meeting of the academic year, unless another member volunteers to be removed. If there are two or more members with the same length of membership, the member who received the least votes at the time of election, will be removed.
- 2.3.5. If a Schools Forum Member fails to attend three consecutive meetings, the Schools Forum can agree (by vote) to ask the London Borough of Brent to remove them from membership and seek a replacement from the appropriate sector to serve the remainder of the three year term. Reasonable efforts will be made to alert members that are at risk, before the potential third meeting.

2.4. Substitutes

- 2.4.1. A Schools Forum member, who is unable to attend a meeting, may arrange for a substitute to attend to represent the same sector and to have voting powers. This must be notified in writing at least three working days in advance of the meeting, to the Clerk of the Schools Forum.
- 2.4.2. A Schools or Academy member may only nominate a substitute member from the same sector, with the same role within a school.
- 2.4.3. A Non Schools member may only nominate a substitute member from the relevant representative group.

2.5. Meetings

- 2.5.1. The Schools Forum shall meet at least four times a year.
- 2.5.2. The proceedings of the Schools Forum are not invalidated by:
- any vacancy among their number;
 - any defect in the election or appointment of any member;

- any defect in the election of the chair.

2.5.3. The Terms of Reference, Constitution and Membership of the Schools Forum, shall be reviewed annually by the Schools Forum in consultation with the officers allocated to advise the Schools Forum.

2.5.4. Administration

2.5.4..1. The London Borough of Brent shall provide a clerk for all meetings of the Schools Forum.

2.5.4..2. Papers for meetings of the Schools Forum shall be circulated to members five working days in advance of the meeting.

2.5.4..3. Papers for meetings of the Schools Forum shall be sent electronically by email.

2.5.4..4. Papers for meetings of the Schools Forum shall be made available on the London Borough of Brent's website, five working days in advance of the meeting.

2.5.4..5. The agenda for meetings of the Schools Forum shall be set by the LA, in consultation with the Chair of the Schools Forum.

2.5.4..6. The Schools Forum may commission work in relation to appropriate school funding issues.

2.5.4..7. An annual cycle of meetings (Schools Forum Forward Planner) shall be set up to include agenda items which routinely arise.

2.5.4..8. There shall be an agenda item at the beginning of each meeting of the Schools Forum to give members the opportunity to declare conflicts of interest.

2.5.4..9. Each item on the agenda of the Schools Forum shall be timed, and the timing extended only at the Chair's discretion.

2.5.5. Minutes

2.5.5..1. Minutes of the meetings of the Schools Forum shall be made available on the London Borough of Brent's website within three weeks of the Schools Forum meeting, in draft form.

- 2.5.5..2. Minutes of the meeting of the Schools Forum shall be approved at the following Schools Forum meeting and shall then be made available on the London Borough of Brent's website immediately after the meeting, as final.
- 2.5.5..3. Minutes shall for each item state whether the item was for decision, information or consultation.
- 2.5.5..4. All decisions taken by the Schools Forum shall be recorded.
- 2.5.5..5. Any actions agreed shall be recorded, with the action allocated to an officer.

2.5.6. Chair and Vice Chair

- 2.5.6..1. The Schools Forum shall appoint a Chair and a Vice-Chair from its membership.
- 2.5.6..2. The term of office for both the Chair and Vice-Chair shall be two years, but must not exceed the member's remaining term of office as a Schools Forum member.
- 2.5.6..3. A non-executive elected member or London Borough of Brent officer who is a member of the Schools Forum cannot hold the office of chair.
- 2.5.6..4. In the absence of both the Chair and the Vice-Chair, a temporary Chair shall be elected from amongst those voting members present.

2.5.7. Quorum

- 2.5.7..1. The Schools Forum meeting shall only be quorate if 40% of the total membership is present. This excludes observers, and excludes vacancies. This equates to eleven members when there are no vacancies.
- 2.5.7..2. If a meeting is inquorate, members present may by majority vote decide to continue the meeting and thus be able to offer advice to the London Borough of Brent and/or respond to any consultation.
- 2.5.7..3. An inquorate meeting cannot legally make decisions.

2.5.8. Conduct

- 2.5.8..1. All discussions and debate at the Schools Forum meetings shall be through the Chair.
- 2.5.8..2. For decision-making and consulting purposes, each Schools Forum member shall be entitled to one vote subject to:
- Funding Formula: This is limited to all Schools and Academy members and Early Years PVI representatives. Other Non School members cannot vote.
 - Early Years Single Funding Formula: This is limited to all Nursery, Primary School members and Early Years PVI representatives. Secondary, Academy members and other Non School members cannot vote.
 - De-Delegation: This is limited to the specific primary and secondary phase of maintained schools. Maintained nurseries, maintained special schools, PRUS, academies, and Non School members cannot vote on de-delegation matters.
 - Scheme for Financing Schools: This is limited to schools' members.
 - Other matters: All members can vote on any other matters.
- 2.5.8..3. A resolution shall be taken by a simple majority.
- 2.5.8..4. Where a vote is required and there are an equal number of votes for and against the proposal, the Chair shall have the casting vote.
- 2.5.8..5. Once a decision has been made, all Schools Forum members shall be bound by it, but any member may request for their opinion to be recorded in the minutes.
- 2.5.8..6. Each Schools Forum member shall consider the needs of the whole educational community within London Borough of Brent, rather than using their position on the Schools Forum to advance their own sectional or specific interests.
- 2.5.8..7. The Schools Forum must appropriately challenge and scrutinise the London Borough of Brent's decisions, proposals or existing arrangements.
- 2.5.8..8. In carrying out their functions, each Schools Forum member shall act in accordance with the seven principles of public life set out in the report of the Government Committee on Standards in Public

Life: Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership.

2.5.9. Expenses

- 2.5.9..1. All costs of the Schools Forum shall be met from the Schools' Budget.
- 2.5.9..2. Reasonable costs incurred by each Schools Forum member shall be reimbursed by the London Borough of Brent, and charged to the Schools' Budget. As meetings are held in the evening, it is anticipated that only travel and (possibly) childcare costs would apply.

2.5.10. Sub-Groups

- 2.5.10..1. The Schools Forum currently has three sub-groups: Early Years, SEN and Schools.
- 2.5.10..2. Membership and clerking of the sub-groups shall be reviewed annually by the Schools Forum.

2.5.11. Observers and Public Access

- 2.5.11..1. All meetings of the Schools Forum shall be open to members of the public, unless there is good reason for the business to be conducted in private. Members of the public shall only attend the meeting, by contacting the Clerk to the Schools Forum, in advance of the meetings, so that the necessary administrative and health and safety arrangements can be made.
- 2.5.11..2. Members of the public may only speak with the permission of the Chair.
- 2.5.11..3. Papers, Agendas and Minutes of the Schools Forum shall be publicly available through the London Borough of Brent's website.
- 2.5.11..4. Dates and locations of forthcoming meetings shall be publicly available through the London Borough of Brent's website.
- 2.5.11..5. Minutes of meetings shall be placed on the London Borough of Brent's website, and all schools and associated groups shall be notified when new minutes are available.

Consultation response to *Schools funding reform*

Summary

This paper sets out the response of Brent Council and Brent Schools Forum to both consultations relating to the Department for Education's *Schools and high needs funding reform*, published on 7th March.

Brent position

Brent believes that the current level of funding to London schools is a reflection of the significant additional costs of delivering education in London. Whilst it may be true that funding to other parts of the country is too low we do not believe that funding to London authorities is too high. Brent believes strongly that no local authority area should experience a loss in schools funding as a result of a national funding formula. We are therefore calling on the government to level up the funding across the country for both the schools and high needs blocks, rather than redistribute, to ensure that every school is given the tools to be able to match the country's best performing schools in London.

Academisation agenda

Brent believes that a move to fully forced academisation will cause severe unnecessary turbulence within the system for both schools and local authorities.

There are practical issues around the resources that are required to implement such a radically forced agenda. There are concerns for example about the number of schools nationally that may have a deficit position upon transition and how those will be funded.

Removing local flexibility

Brent does not agree with the proposal to remove the local authority and schools forum as the means of distribution for the Dedicated Schools Grant. A degree of local flexibility in the allocations process is vital to ensure that schools have access to funding to respond to quickly changing circumstances. In addition, removing schools forums, and therefore head teachers, governing bodies and local authorities, from the local decision-making process also removes any degree of local accountability.

We consider that the schools forum model, with access to more granular and localised intelligence, would be best placed to allocate funding for a number of factors under a NFF, including: differentials of low prior attainment, EAL weightings, split site, and exceptional premises. These factors require specialised understanding of the local circumstances at play to be able to ensure fair allocations.

Further concerns

Brent has a number of further areas of concern relating to the consultation proposals:

- An Area Cost Adjustment is needed for the NFF, as well as the pupil premium. This should be based on the hybrid basis costs which provide a fairer reflection of real costs in Brent.
- A deprivation factor is essential to ensure that the NFF is fair and responds to diverse local need. It should be based on a combination of pupil and area-level indicators.

- The removal of the mobility factor could result in a considerable amount of cost not being recognised, and therefore funded. More details of the growth fund need to be published before we can comment fully.

We do not agree with the proposal to base growth allocations on historic spend. Allocating on the basis of historic spend disadvantages areas with rapid growth, such as Brent, and removes local authorities' flexibility to respond to unexpected changes in growth.

Schools National Funding Formula – Stage 1

Brent response

1. Do you agree with our proposed principles for the funding system?

It is important that fairer funding through a national formula does not result in a reduction in schools funding for any area. Any changes to address inequalities should therefore aim at levelling up and not down.

The costs of delivering education in Brent are high and therefore many Brent schools are already facing severe financial constraints. Any reduction in funding is likely to impact upon performance. Brent schools face significant challenges in recruiting and retaining teachers even though Brent pays Inner London weightings but is classed as outer London.

2. Do you agree with our proposal to move to a school-level national funding formula in 2019-20, removing the requirement for local authorities to set a local formula?

Brent does not agree with the proposal to remove the local authority and schools forum from the allocations process. Schools forums have a far more granular and informed understanding of pupil characteristics at the school level, and should therefore maintain a role in the funding allocations process to be able to adjust national allocations through local formula to reflect diverse local need. This model would enable schools forums to manage turbulence in local schools swiftly.

This process is currently wholly transparent, fair and straightforward, and would continue to be so. The schools forum model ensures that head teachers, governing bodies and local authorities have a voice in how allocations are determined, which guarantees that local accountability is built in.

We have responded to the questions in this consultation on formula factors considering which ones could be applied fairly at a national level and which ones require access to more localised intelligence and should therefore be applied locally.

3. Do you agree that the basic amount of funding for each pupil should be different at primary, key stage 3 and key stage 4?

Brent agrees that the basic amount of funding should be differentiated by stage of education, reflecting varying costs such as curriculum requirements and staffing levels.

Key stage 1 pupils require more supervision than key stage 2 pupils, so we believe that there should be an additional division between KS1 and KS2 to reflect the extra cost of educating younger children. This is more important given the growth in numbers entering KS1.

4. Which measures for the deprivation factor do you support?

A deprivation indicator is essential to ensure that a national funding formula is fair and responds to diverse local need.

Closing the deprivation attainment gap continues to be a government priority with pupil premium funding protected over this parliament for this reason. It is vital therefore that, a national funding formula does not redistribute funding away from the most deprived pupils and reduce their chances of achieving as well as their peers.

Brent supports a combination of pupil and area-level indicators. An area-level indicator should be used to reflect the “multiplier effect”: the per pupil cost in a class with a majority of pupils from a deprived background is likely to be greater than the per pupil cost of individual pupils in a much less deprived school.

We are concerned that neither the existing FSM indicators nor the existing IDACI indicator effectively differentiate between transient and more persistent deprivation. Research by Professor Stephen Gorad shows that pupils who are eligible for free school meals “consistently achieve lower grades at school than pupils who have only intermittently been eligible for FSM”. The department should therefore develop an indicator to capture more persistent, severe deprivation.

There are concerns that the introduction of the UIFSM has meant a dramatic fall in numbers of pupils registering for FSM and this in turn has had a negative impact on the funding for some schools, particularly infant schools.

5. Do you agree we should include a low prior attainment factor?

Brent supports the inclusion of a low prior attainment factor.

We would urge the DfE to include an indicator to differentiate between different levels of low attainment, rather than using one cut-off point. This extra flexibility should be permitted under local formula at the discretion of schools forums.

6a. Do you agree that we should include a factor for English as an additional language?

Brent agrees with the inclusion of English as an Additional Language (EAL) as a formula factor.

The data currently used for capturing EAL does not adequately target the additional needs required for children who have problems with communicating in English. Funding formulas cannot always be simple, transparent and target resources effectively. EAL is a case in point.

The amount of money currently distributed via EAL does not in any way reflect the additional costs associated with teaching EAL pupils.

6b. Do you agree that we should use the EAL3 indicator? (pupils registered at any point during the previous 3 years as having English as an additional language?)

See above.

7. Do you agree that we should include a lump sum factor?

Brent agrees that a lump sum factor should be included in a funding formula in order to meet fixed costs and address specific operating challenges in smaller schools. The problem is that lump sums are a disincentive in rationalising the school estate in order to make efficiencies. One example of this is that lump sums can be a real disincentive for infant and junior schools to merge. However, we recognise that small schools are an essential component of a diverse school system and we would want to see checks and balances to ensure that the small all through schools are not disadvantaged.

8. Do you agree that we should include a sparsity factor?

To have a national sparsity factor and a lump sum factor means that some rural schools may well be double funded. A national lump sum factor should be sufficient to fund small rural schools. The sparsity factor is not widely used amongst the local authorities who are eligible to use it. We would welcome the opportunity for local authorities to be able to use a sparsity factor at local level but consider that it should not be a national funding factor.

9. Do you agree that we should include a business rates factor?

Yes

10. Do you agree that we should include a split sites factor?

We agree that a split sites factor should be included to reflect the additional costs of schools with multiple sites and propose that this is distributed through school forums, who will have greater understanding of the localised costs involved.

Allocations based on historic spend would not allow local authorities to allocate sufficient additional funding for any new split site schools.

11. Do you agree that we should include a private finance initiative factor?

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PFI costs are historical costs based upon historical decisions that have been made. The purpose of this exercise is to move away from this and therefore PFI should not be a national factor within the system.

12. Do you agree that we should include an exceptional premises circumstances factor?

We support the inclusion of an exceptional premises factor to reflect school-specific circumstances. An ongoing role for schools forums is necessary to allocate this funding, which requires a detailed school-specific understanding of school premises.

13. Do you agree that we should allocate funding to local authorities in 2017-18 and 2018-19 based on historic spend for these factors?

As outlined in responses 9-12, we do not believe that funding should be funded based on historic spend.

Allocating on the basis of historic spend disadvantages areas with rapid growth and removes local authorities' flexibility to respond to unexpected changes in growth.

There would need to be a mechanism for adjusting historic funding in line with pupil growth, new schools opening and changing need.

14. Do you agree that we should include a growth factor?

Brent agrees that a growth factor should be included in the formula, but do not believe that the proposals fully address the funding shortfall schools face during periods of pupil growth.

DSG allocations are currently based on the most recent census, which means data is taken from the October of the immediately preceding financial year. This creates a lag between the pupil count used to calculate the schools block element of DSG and the actual number of pupils educated from September-April of the financial year.

15. Do you agree that we should allocate funding for growth to local authorities in 2017-18 and 2018-19 based on historic spend?

We do not agree that funding for growth should be allocated based on historic spend. Instead, the reforms provide an opportunity to introduce a more sustainable mechanism to resolve the current lag in funding for schools during periods of pupil growth, as outlined in question 14.

16a. Do you agree that we should include an area cost adjustment?

We believe that an area cost adjustment is essential to meet higher costs in London.

An area cost adjustment should be applied to all education funding streams, including the pupil premium.

Brent remains disappointed that calls for an area cost adjustment to the pupil premium, including the pupil premium plus, continue to be ignored. Spend on deprived pupils is impacted by regional differences in costs; current pupil premium allocations mean that deprived pupils in Brent are not able to access the same level of pupil premium support as deprived pupils elsewhere.

We propose that an area cost adjustment is applied to pupil premium grant allocations in line with core school funding. It would be inconsistent to include an area cost adjustment within core school funding for FSM, but not to apply it for exactly same criteria outside of the main formula in the pupil premium.

16b. Which methodology for the area cost adjustment do you support?

Brent supports the principles behind the hybrid methodology. The ACA needs to accurately reflect the additional costs incurred by schools within the London area. This is particularly important in Brent which pays inner London weightings but is often classed as an outer London Borough.

17. Do you agree that we should target support for looked-after children and those who have left care via adoption, special guardianship or a care arrangements order through the pupil premium plus, rather than include a looked-after children factor in the national funding formula?

We support bringing funding for looked-after children into one transparent funding stream. However, increasing the per pupil rate for looked after children in the pupil premium should not be funded by reducing the total amount allocated through DSG. We support Virtual Schools retaining the authority to distribute the PPP based on agreed interventions to support better outcomes.

18. Do you agree that we should not include a factor for mobility?

Brent believes that pupil mobility meets the criteria set out in the consultation for inclusion as a formula factor.

Many schools face a significant cost pressure from pupil mobility beyond the pressures captured by other factors: this includes both the administrative cost of pupil mobility, and additional support as pupils settle into a new school. In 2015/16, 65 local formulas included mobility as a factor, confirming that the indicator captures a significant cost pressure for many schools.

£24.3 million was distributed through the mobility indicator in 65 authorities under local formula, compared to £14.5 million of funding distributed through the sparsity indicator by just 20 local authorities. It would be inconsistent to include sparsity but exclude the more widely used mobility indicator from a national funding formula.

19. Do you agree that we should remove the post-16 factor from 2017-18?

Agree - this is not necessary.

20. Do you agree with our proposal to require local authorities to distribute all of their schools block allocation to schools from 2017-18?

Brent disagrees with the proposal to end the ability of local authorities to transfer funding to and from the schools block.

High needs demand is not predictable and fluctuates between years, so the relative pressure on schools and high needs can vary in ways that a national funding formula could not accurately predict. Local authorities currently transfer funding between blocks to manage this uncertainty, so removing the ability to transfer funding between the schools and high needs blocks is likely to put significant pressure on high needs budgets.

Interaction with the early years block will also need to be considered carefully. The early year's consultation has not yet been published, but we believe that flexibility between all three blocks should be maintained.

Removing the flexibility between high needs and the school block will create friction and reduce collaborative working between schools parents and local authorities. It will also lead to a reduction in efficiency in how DSG funds are used.

21. Do you believe that it would be helpful for local areas to have flexibility to set a local minimum funding guarantee?

Brent believes that, at a time when schools are already facing real terms cuts, no local authority area should lose funding as a result of a new national funding formula.

Education Services Grant

22. Do you agree that we should fund local authorities' ongoing responsibilities as set out in the consultation according to a per-pupil formula?

Brent believes that local authorities should be funded for ongoing statutory responsibilities but we have very real concerns that there will not be sufficient funding in the Education Services Grant to do this sufficiently. If government removes funding from local authorities, it should remove any associated responsibilities at the same time.

Brent is concerned that proposals to save £600m from ESG will lead to an indirect cash reduction to core school funding, on top of potential losses from the national funding formula and on top of other cost pressures.

The consultation recognises that “savings cannot be made through efficiencies alone” and that, even with the removal of certain statutory responsibilities, “local authorities will need to use other sources of funding to pay for education services”. There is a considerable risk that local authorities would therefore not be able to fully meet their statutory duties.

For academies, the removal of the general funding rate means a direct cut to core school funding through the general annual grant.

Brent welcomes the proposals to include an area cost adjustment on the new ‘central schools block’. This should be applied consistently across all school funding streams, including the pupil premium.

23. Do you agree that we should fund local authorities' ongoing historic commitments based on case-specific information to be collected from local authorities?

We believe that no local authority should be disadvantaged by historic commitments.

24. Are there other duties funded from the education services grant that could be removed from the system?

If the government intends to fulfil its plan to see wholesale academy conversion by 2022, it is important that local authorities and schools have clarity and sufficient funding to deliver their

statutory responsibilities over the next five years. Brent Council believes that local authorities should continue to be responsible for services to maintained schools over this period and that no changes in these duties should occur. Any change in duties risks creating unnecessary turbulence in the system, at an already challenging time.

25. Do you agree with our proposal to allow local authorities to retain some of their maintained schools' DSG centrally – in agreement with the maintained schools in the schools forum – to fund the duties they carry out for maintained schools?

We do not support the funding cuts to the Education Services Grant and have serious concerns about the ability of local authorities to fulfil their statutory duties subsequently. It would not be fair to cut into core schools funding to subsidise these services. However, it is important that local authorities and schools forums continue to have local flexibility over how the DSG is deployed.

Consultation response to *high needs funding reform*

High Needs National Funding Formula

Brent response

1. Do you agree with our proposed principles for the funding system?

Whilst recognising the variability in the current high needs funding system, Brent believes that the introduction of a formulaic approach to high needs funding would cause substantial disruption without a strong protection mechanism. We are concerned that the proposed national high needs funding formula, based on proxies rather than the assessed needs of children and young people, would only loosely correspond with true need and actual costs.

Brent therefore strongly agrees with the retention of the local authority distribution mechanism for high needs, allowing school-level allocations to be based on granular local knowledge and allowing local authorities to manage turbulence and growth in the system.

However, given the substantial pressures on high needs budgets that already exist, we believe that protection for local authorities should go further than proposed in the consultation. No local authority should face a reduction in high needs funding as a result of the new national funding formula. Instead, all local authorities set to gain from the reform should be levelled up to their formula allocations, without redistributing funding away from other local authorities.

We believe that retaining the flexibility to move funding between the three notional blocks of the Dedicated Schools Grant would also make the changes to both schools and high needs more manageable.

2. Do you agree that the majority of high needs funding should be distributed to local authorities rather than directly to schools and other institutions?

Brent agrees with the proposals to retain the local authority role in distributing high needs funding to schools and other providers.

As the consultation outlines, any national funding formula will inevitably be based on a series of proxies, estimates and assumptions; at the school-level, centrally set allocations would not correspond accurately with 'true' need. Schools forums have a much more granular and direct understanding of local circumstances – including relative need across all schools and other institutions in their area - so it is right that the current distribution mechanism is maintained for high needs.

For the same reason, Brent believes that the two-step distribution mechanism should also be retained for the schools block

3. Do you agree that the high needs formula should be based on proxy measures of need, not the assessed needs of children and young people?

Brent recognises that proxies are a necessary part of a national funding formula. However, we are concerned that, without a direct measure of high needs, the resulting formula will only be a very rough approximation of true need and actual costs.

Regression analysis in the ISOS report shows that there is only a very partial fit between the five-indicator model and a series of direct measures of high needs. For example, only 19% of variance in the number of pupils with SEN statements or School Action Plus is explained using the five indicator model ($R^2=19\%$).

Given this uncertainty, we believe that it would be too risky to take funding away from a local authority using a formula that even at a local authority level does not correspond accurately with true need and true costs.

4. Do you agree with the basic factors proposed for a new high needs formula to distribute funding to local authorities?

Brent supports the inclusion of health and disability factors as a proxy for high needs.

We agree that low attainment should be included as one proxy for high needs. We believe that indicators that can differentiate between levels of low attainment would be more helpful, rather than a simple cut-off point as proposed.

In line with our schools funding formula response, Brent believes that a measure of persistent deprivation should be included.

Consideration of the weightings to each of the factors should be included in the next stage of the consultation.

5. We are not proposing to make any changes to the distribution of funding for hospital education, but welcome views as we continue working with representatives of this sector on the way forward

The current arrangements do not take account of the fees that LAs are expected to pay for the education of young people with mental health difficulties placed in private hospitals. These decisions are generally taken by health professionals outside of the LA control.

6. Which methodology for the area cost adjustment do you support?

Brent believes that the hybrid labour market measure should be used, in line with our schools block consultation response.

Area Cost Adjustments within the High Needs Block because for example they involve payment of independent fees to schools that are within other boroughs.

More thought needs to be given to the ACA adjustment within the HNB rather than replicating what is in the schools block.

7. Do you agree that we should include a proportion of 2016-17 spending in the formula allocations of funding for high needs?

We agree that a proportion of 2016-17 spending should be included as a formula factor, although the inclusion of this factor is not sufficient to manage turbulence in the system. We believe that full protection at the local authority level is the only way to effectively manage the change without impacting on outcomes.

Local Authorities have made commitments within their High Needs Block that will last several years. Any protection mechanism needs to recognise this.

8. Do you agree with our proposal to protect local authorities' high needs funding through an overall minimum funding guarantee?

Brent agrees that a minimum funding guarantee should be introduced to provide certainty to local authorities. Given the existing pressures to SEN budgets and uncertainty in the formula itself, we believe that a minimum funding level of 0% should be set at the local authority level.

9. Given the importance of schools' decisions about what kind of support is most appropriate for their pupils with SEN, working in partnership with parents, we welcome views on what should be covered in any national guidelines on what schools offer for their pupils with SEN and disabilities.

10. We are proposing that schools with special units receive per pupil amounts based on a pupil count that includes pupils in the units, plus funding of £6,000 for each of the places in the unit; rather than £10,000 per place. Do you agree with the proposed change to the funding of special units in mainstream schools?

There would be implications for the schools with units who have vacancies in that they would not receive pupil led funding at school census. There may be a shortfall in staffing for the unit. This would result in complications if during the course of the year the LA would want to place pupils there.

Brent believes that the full amount of funding allocated to special units should be fully area cost adjusted, rather than allocating a flat top-up of £6000 per place.

11. We therefore welcome, in response to this consultation, examples of local authorities that are using centrally retained funding in a strategic way to overcome barriers to integration and inclusion. We would particularly interested in examples of where this funding has been allocated on an "invest-to-save" basis, achieving reductions in high needs spending over the longer term. We would like to publish and good examples received

12. We welcome examples of where centrally retained funding is used to support schools that are particularly inclusive and have a high proportion of pupils with particular types of SEN, or a disproportionate number of pupils with high needs

We adopted a protection programme to support schools in recognition of high proportion of pupils with SEN with the funding formula changes introduced in 2012/13. This supported schools over a 3 year transition period.

13. Do you agree that independent special schools should be given the opportunity to receive place funding directly from EFA with the balance in the form of top-up funding from local authorities?

NO – There is an inherent risk in this approach when the independent special schools reach capacity for places and a local authority requires an additional place, the LA would be expected to pay the full placement cost.

An expectation would be that there would be a reduction in fees charged by the independent schools to take account of the place funding already received.

14. We welcome views on the outline and principles of the proposed changes to post-16 place funding (noting that the intended approach for post-16 mainstream institutions which have smaller proportions or numbers of students with high needs, differs from the approach for those with larger proportions or numbers), and on how specialist provision in FE colleges might be identified and designated.

We agree in principle with the proposed changes but would wish to see a more detailed consultation and to consider the implications of the funding levels coming into the LA to support this approach.