



## Schools Forum

**Wednesday 4 October 2017 at 6.00 pm**

Queens Park Community School, Aylestone Avenue,  
NW6 7BQ

### Membership

### Representing

#### SCHOOL MEMBERS

##### Nursery

Lesley Benson

Head

Karen Zajdel

Governor

##### Primary

Rose Ashton

Head

Martine Clark

Head

Rabbi Yitzchak Freeman

Head

Melissa Loosemore

Head

Helga Gladbaum

Governor

Geraldine Chadwick

Governor

Herman Martyn

Governor

Narinder Nathan

Governor

Umesh Raichada

Governor

##### Secondary

Vacancy

##### Special Education Needs

Kay Charles

Head

##### Pupil Referral Unit

Vivien Dean

Head

#### ACADEMY MEMBERS

##### Primary

Troy Sharpe

Head

Jo Jhally

Governor

**Secondary**

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

**Special Education Needs**

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

Paul Russell  
Sylvie Libson

**14-19 Partnership**

Vacancy

**Trade Union**

Lesley Gouldbourne

**For further information contact:** Nikolay Manov, Governance Officer;  
Tel: 0208 937 1348; Email: [nikolay.manov@brent.gov.uk](mailto:nikolay.manov@brent.gov.uk)

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

**[www.brent.gov.uk/committees](http://www.brent.gov.uk/committees)**

**The press and public are welcome to attend this meeting.**

### **Notes for Members - Declarations of Interest:**

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

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

If the Personal Interest is also a Prejudicial Interest (i.e. it affects a financial position or relates to determining of any approval, consent, licence, permission, or registration) then (unless an exception at 14(2) of the Members Code applies), after disclosing the interest to the meeting the Member must leave the room without participating in discussion of the item, except that they may first make representations, answer questions or give evidence relating to the matter, provided that the public are allowed to attend the meeting for those purposes.

### **\*Disclosable Pecuniary Interests:**

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

### **\*\*Personal Interests:**

The business relates to or affects:

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

or

A decision in relation to that business might reasonably be regarded as affecting, to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the electoral ward affected by the decision, the well-being or financial position of:

- You yourself;
- a member of your family or your friend or any person with whom you have a close association or any person or body who employs or has appointed any of these or in whom they have a beneficial interest in a class of securities exceeding the nominal value of £25,000, or any firm in which they are a partner, or any company of which they are a director
- any body of a type described in (a) above

# Agenda

Introductions, if appropriate.

Item	Page
<b>1 Apologies for Absence and Membership</b>	
<b>2 Declarations of Interest</b> Members are invited to declare at this stage of the meeting, the nature and existence of any relevant disclosable pecuniary, personal or prejudicial interests in the items on this agenda and to specify the item(s) to which they relate.	
<b>3 Deputations (if Any)</b>	
<b>4 Minutes of the previous meeting</b> To approve the minutes of the previous meeting as a correct record.	1 - 8
<b>5 Matters arising (if any)</b> To consider any matters arising from the minutes of the previous meeting.	
<b>6 Dedicated Schools Grant Financial Forecast</b> The report provides the Schools Forum with an indicative forecast of Dedicated Schools Grant (DSG) spend against the budget set for 2017/18, as at the end of August 2017.  <b>Contact Officer:</b> Andrew Ward, Head of Finance Tel: 0208 937 6462 Email: <a href="mailto:andrew.ward@brent.gov.uk">andrew.ward@brent.gov.uk</a>	9 - 14
<b>7 Pupil Demand And Pupil Growth Support</b> The report provides information on primary and secondary demand patterns for school places. Pupil numbers in secondary schools are set to increase over the next few years as larger cohorts feed through from primary schools.  <b>Contact Officer:</b> Shirley Parks, Head of Forward Planning, Performance and Partnerships Tel: 0208 937 4529 Email: <a href="mailto:shirley.parks@brent.gov.uk">shirley.parks@brent.gov.uk</a>	15 - 22

**8 Dedicated Schools Grant Schools Budget 2018/19** 23 - 36

The report provides information on the recent announcements on the Dedicated Schools Grant (DSG) funding arrangements and budget setting process for 2018/19.

**Contact Officer:** Andrew Ward, Head of Finance  
Tel: 0208 937 6462  
Email: [andrew.ward@brent.gov.uk](mailto:andrew.ward@brent.gov.uk)

**9 Update on the implementation of the extended 30 hours childcare entitlement** 37 - 46

The report aims to provide an update on progress with the implementation of the extended entitlement including updates on communication and marketing, administration processes and sufficiency of places.

**Ward Affected:** Sue Gates, Head of Early Help  
Tel: 0208 937 2710  
Email: [sue.gates@brent.gov.uk](mailto:sue.gates@brent.gov.uk)

**10 Amendment to the Scheme for Financing Schools** 47 - 52

The report proposes an update to the Brent Scheme for Financing Schools regarding Early Retirement and redundancy costs. The update will bring the scheme up to date with the current Department for Education guidance and make the scheme consistent with neighbouring boroughs.

**Ward Affected:** Andrew Ward, Head of Finance  
Tel: 0208 937 6462  
Email: [andrew.ward@brent.gov.uk](mailto:andrew.ward@brent.gov.uk)

**11 Any Other Urgent Business**

**Date of the next meeting: Wednesday 6 December 2017 – The Village School**



- Please remember to **SWITCH OFF** your mobile phone during the meeting.
- The meeting room is accessible by lift and seats will be provided for members of the public.

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## LONDON BOROUGH OF BRENT

MINUTES OF THE SCHOOLS FORUM  
held on Wednesday 14 June 2017 at 6.00 pm

### PRESENT

#### Governors

Mike Heiser (Chair)  
Karen Zajdel  
Helga Gladbaum  
Jo Jhally

#### Head Teachers

Lesley Benson  
Martine Clark  
Melissa Loosemore  
Kay Charles  
Gerard McKenna  
Rose Ashton (Vice-Chair)  
Desi Lodge Patch

#### PRU

Vivien Dean

#### Trade Unions

Lesley Glouldbourne

#### Officers

Sue Gates  
Brian Grady  
Andrew Ward  
Nikolay Manov

### ABSENT

#### Governors

Herman Martyn  
Martin Beard

The meeting started at 6:11 pm due to lack of quorum.

The Chair welcomed everyone to the meeting and Karen Zajdel introduced herself.

## 1. Apologies for Absence and Membership

### Governors

Narinder Nathan  
Umesh Raichada  
Titilola Mc Dowell

### Head Teachers

Rabbi Yitzchak Freeman  
Rachel Kitley  
Troy Sharpe  
Andy Prindiville

### Early Years PVI

Paul Russell  
Sylvie Libson

Desi Lodge Patch announced that this was the last meeting of the Schools Forum she was attending and the Schools Forum Members expressed their gratitude for her service on the Forum.

Sylvie Libson had been elected to represent the Early Years Private, Voluntary and Independent sector.

Gill Bal had been elected to represent Secondary Headteachers.

## 2. Declarations of Interest

None.

## 3. Minutes of the previous meeting

**RESOLVED** that the minutes of the previous meeting, held on 8 February 2017, be approved as an accurate record of the meeting.

## 4. Action Log and Matters arising

In response to paragraph 4.4 Special Schools funding bandings. This is being examined by the High Needs Task and Finish Group.

The Forum heard that progress on actions due to be completed in October 2017 was satisfactory and expected to meet the deadline.

## 5. Deputations

There were no deputations received.

## **6. Update on implementation of the 30 hours entitlement in Brent**

Sue Gates introduced this report. Brent was on track to have enough places available when the entitlement came into force. Brent Council had worked with settings to communicate information on the entitlement to parents. A marketing campaign consisting of outreach events, publications in the Brent Magazine and social media posts, would take place over the summer. Ms Gates estimated a low initial take-up due to the fact that families had to apply the term before their child was eligible for the entitlement. The estimated number of places expected to be available in September 2017 was 1,313, with a number of providers yet to confirm the numbers they could offer. In contrast, the Department for Education's (DfE) estimate was that the number of children likely to be eligible for the extended entitlement was 1,550. Ms Gates informed the Schools Forum that capital funding of approximately £1.6 million had been approved as three childcare providers had been successful in the Early Years Capital Funding bidding rounds launched by the DfE in the summer of 2016 and 2017.

There had been a few IT challenges to resolve. Brent had been able to secure £8,800 from the DfE to purchase the 30 hours Synergy module. Ms Gates said that training sessions would be organised at the end of June and throughout July 2017 for settings on the module.

Brent Council staffing implications would not be known until the additional entitlement came into force but existing staffing capacity was currently being used to manage additional administration which the entitlement required the Council to undertake. Future funding would be calculated based on take-up of the additional entitlement and therefore it was important to meet the estimations so funding could be secured. The Early Years Service would need to continue to plan so that 95% of funding could be passed through directly to providers from 2018/2019 (at the moment this percentage was 93%).

Andrew Ward explained that the payment mechanism for schools would change to be brought in line with all providers, meaning that schools would get their usual funding up until August when a final reconciling adjustment would be made. He stressed that the amount of funding each school received would not change, but this could have implications for schools cash flow.

Members of the Schools Forum commented that providers had to supply information using more than one channel and multiple databases. They enquired what progress had been made on linking databases to eliminate the duplication of administrative work. Ms Gates said that the Early Years Service was actively looking into this.

A Member of the Schools Forum asked whether the funding available across all provisions for each child was equal. In response, SG replied that core funding was the same, but there was an addition for deprivation.

In relation to auditing the funding, Ms Gates informed the Schools Forum a Memorandum of Understanding would be circulated by the end of June 2017.

*Melissa Loosemore entered the meeting during discussion of the above item at 6:20 pm.*

*Rose Ashton entered the meeting during discussion of the above item at 6:30 pm.*

**RESOLVED that:**

- (i) The contents of the 'Update on implementation of the 30 hours entitlement in Brent' paper be noted, taking account of the comments made during the meeting; and
- (ii) An update on the implementation of the 30 hours entitlement be provided at the next meeting of the Schools Forum on 4 October 2017.

**7. Schools Forum Terms of Reference and Constitution**

Nikolay Manov introduced the report which summarised changes proposed to the Schools Forum's Terms of Reference and Constitution. He explained that most of the changes reflected the Governance Team taking over the administration of the Forum and did not affect the way Forum meetings would be conducted in the future. Mr Manov drew Members' attention to section 3.4 which detailed the proposed changes. He added that a detailed account of any proposed alternations was available in the Appendix to the report.

**RESOLVED that:**

- (i) The contents of the 'Schools Forum Terms of Reference and Constitution' be noted; and
- (ii) The proposed changes to the Schools Forum Terms of Reference and Constitution be approved, subject to paragraph 2.4.1 of the appendix being amended as follows:
  - a. A Schools Forum member, who is unable to attend a meeting, will attempt to arrange a substitute to attend to represent the same sector and to have voting powers. This must be notified to the Clerk of the Schools Forum, in writing, at least three working days in advance of the meeting

## **8. Updates to the Schools Forum Rules and Procedures**

Nikolay Manov presented the report which summarised changes proposed to the 'Schools Forum Rules and Procedures' document. He noted that this document complemented the Schools Forum Constitution and Terms of Reference.

Members of the Schools Forum suggested agenda packs to be distributed ten clear working days before a meeting to enable them to share the papers with their colleagues and seek feedback and recommendations. Andrew Ward explained that while he understood the logic behind this recommendation, a provision should be made for papers to be submitted after the deadline in cases where officers were reliant upon third party information such as data from the Department for Education.

It was also noted that Special Education Needs schools should be referred as 'Special' in Section 8 of the Schools Forum Guidance.

### **RESOLVED that:**

- (i) The contents of the 'Updates to the Schools Forum Rules and Procedures' paper be noted; and
- (ii) The proposed changes to the Schools Forum Guidance be approved, subject to the following changes:
  - a. Paragraph 7.2 be amended to reflect that reports be circulated at least ten clear working days before the next meeting of the Schools Forum.
  - b. Paragraph 8.1 be amended to reflect that Special Education Needs schools would be referred to as 'Special'.

## **9. DSG Financial Outturn 2016/2017**

Andrew Ward introduced the report.

In relation to the Schools block, the formula had been set in December 2015 and no changes were expected apart from the national non-domestic rates (NNDR) builds.

An underspend of £1.2M on Pupil Growth budget was reported. This budget had been reduced by £1M to reflect the slowing down of demand for primary school places. AW highlighted underspend in the Nursery Education Grant (NEG), but assured the Schools Forum Members that the Early Years Block had been balanced. There was underspending on High Needs Block residential and independence settings which had been consistent with the Brent's strategy to create more placements in the borough.

Members of the Schools Forum asked questions of clarity regarding the DSG Early Years and High Needs blocks. Forum members asked what was done to monitor individual schools budget positions. Brian Grady confirmed that Brent Council had assurance processes in place and a paper on these processes would be brought to a future Schools Forum meeting.

The Department for Education (DfE) recoup formula and high needs place funding from the DSG had been allocated directly to academies and free schools. Therefore, this was the difference between the £302 million DSG for Brent and the £195 million reported in appendix A.

Lesley Gouldbourne addressed the Schools Forum in relation to the Trade Union's Facilities Funding 'pot'.

The underspend in 2016/17 was £47,610.91 (out of a fund of £143,830) Lesley Gouldbourne requested that the underspend was allocated to reimburse schools who released representatives for training in 2016/17, with the remaining amount being carried forward to the 2017/18 to mitigate the current shortfall.

A Forum Member enquired how proactive Trade Union representatives had been as her school had not been approached by a Trade Union to elect representatives. In response, Lesley Gouldbourne said that Trade Unions emailed members three times a year, encouraging them to select representatives.

A Forum Member enquired why the figures presented by Lesley Gouldbourne were different from the ones presented by the Council (Appendices A and C on pages 53 and 58 to the Agenda Pack). The chair requested the figures in both appendices to be checked and a reconciled figure sent to the Schools Forum members.

A Forum Member enquired whether it would be possible for Trade Unions to contribute to the Brent Facilities Funding 'Pot' and whether support provided to academies could be charged at MP6 rates. Lesley Gouldbourne explained that changes would not reflect the actual cost for releasing officers and it would be difficult to adapt the system as officers could change. Andrew Ward said that he would look into this issue and report back to the Schools Forum.

**RESOLVED that:**

- (i) The contents of the 'DSG Financial Outturn 2016/2017' paper be noted;
- (ii) An update on the new Pupil Growth and Infant Class Sizes formula developed by the LGA be presented to the Schools Forum at a future meeting;

- (iii) A report related to possible options and arrangements for budgeting and spending the DSG underspends currently in reserve be brought to the next Schools Forum meeting.

#### **10. Dates of 2017-2018 Forums**

**RESOLVED** that future meetings of the Schools Forum would be held on:

4 October 2017 at Queens Park Community School  
6 December 2017 at The Village School  
17 January 2018 at Queens Park Community School  
21 February 2018 at The Village School

#### **11. Any Other Urgent Business**


**RESOLVED** that the Schools Forum Members' special gratitude to Devbai Patel (former Finance Analyst at Brent Council) for her work supporting the Forum be formally recorded.

The meeting ended at 7:59 pm.

MIKE HEISER  
Chair

## ACTION LOG

Meeting Date	Agenda Item	Lead Officer	Action Arising	Due date (if applicable)	To be brought to a future meeting	RAG
14/06/17	Agenda Item 6 - Update on implementation of the 30 hours entitlement in Brent	Sue Gates	An update on the implementation of the 30 hrs entitlement be provided	Oct-17		Completed
14/06/17	Agenda Item 7 - Schools Forum Terms of Reference and Constitution	Nikolay Manov	Implement the changes to the Schools Forum Terms of Reference and Constitution as agreed by the Forum	Jun-17		Completed
14/06/17	Agenda Item 8 - Update to the Schools Forum Rules and Procedures	Nikolay Manov	Implement the changes to the Schools Forum Guidance as agreed by the Forum	Jun-17		Completed
14/06/17	Agenda Item 9 - DSG Financial Outturn 2016/2017	Andrew Ward	Provide a reconciliation of Trade Union Facilities time costs (email to all Members).	Oct-17		Outstanding
14/06/17	Agenda Item 9 - DSG Financial Outturn 2016/2017	Brian Grady	An report on Pupil Growth allocations affected by the new formula developed by the LGA be presented to the Schools Forum at a future meeting		YES	Ongoing
14/06/17	Agenda Item 9 - DSG Financial Outturn 2016/2017	Brian Grady / Andrew Ward	Feedback on Brent's assurance processes, especially with regard to schools with low balances.		YES	Ongoing
14/06/17	Agenda Item 9 - DSG Financial Outturn 2016/2017	Brian Grady / Andrew Ward	A report on the process of using the cumulative underspends that make up DSG. To outline the decision making process to utilise these funds.	Oct-17	YES	Ongoing
14/06/17	Agenda Item 9 - DSG Financial Outturn 2016/2017	Andrew Ward	Andrew Ward to clarify charging and reimbursement rates for the Trade union facilities time scheme.			Ongoing

 <b>Brent</b>	<p style="text-align: center;"><b>SCHOOLS FORUM</b> 4 October 2017</p> <p style="text-align: center;"><b>Report from the Strategic Director of Children and Young People</b></p>
For Information	Wards Affected: All
<b>Dedicated Schools Grant Financial Forecast 2017/18</b>	

## 1.0 SUMMARY

- 1.1 This report provides the Schools Forum with an indicative forecast of Dedicated Schools Grant (DSG) spend against the budget set for 2017/18, as at the end of August 2017.

## 2.0 RECOMMENDATIONS

- 2.1 That the report be noted.

## 3.0 BACKGROUND

- 3.1 Within the council the DSG budget is reported in a format consistent with the organisational structure of the Children and Young People Department. The budget is reported here in a block format consistent with the Section 251 return to the Department for Education.

## 4.0 2017/18 DSG BUDGET

- 4.1 The current DSG forecast is reported to underspend by £0.7 million. Appendix A contains the forecast as at the end of August 2017. This has been prepared at the start of the autumn term, and as a relatively early forecast only significant known variances have been reported.
- 4.2 The Schools Budget is made up of Dedicated Schools Grant (DSG), £308.3 million and Sixth Form funding grants of £3.9 million. The £308.3 million is the total before recoupment of funds by the Department for Education to fund the borough's Academies. This figure therefore represents the total cost of funding education to early years and school age pupils in the borough. Recoupment is expected to total £110 million, so the current income forecast is that the borough will receive £197 million of DSG. This is displayed in Appendix A in the 'Net Totals' column.
- 4.3 The Schools Block and High Needs block income figures are confirmed pre-recoupment, but are subject to change for academy adjustments. Once

recoupment is accounted for there is slight variance against the budget set for the schools block of £30,000.

- 4.4 The Early Years Block income figure provided by the DfE is based on the previous year and is therefore indicative. Final funding depends upon actual provision as per the early years census. An adjustment of -£114,000 has already been made in 2017/18, and this relates to the January 2016 early years census which showed that provision as measured by FTE had fallen by approximately 30 compared to the previous January. Although a relatively small reduction this is significant in that it is a change to recent years where there has been a positive adjustment for growth. The previous adjustment was an increase of £272,000 representing growth of approximately 80 FTE.
- 4.5 The total variance of forecast income to budget is £158,000.
- 4.6 There are known DSG underspends on the school budget share budget and school growth allocation forecasts. The Floreat free school was included in the mainstream funding formula budget, but this will no longer be opening, causing an underspend of £0.2 million.
- 4.7 The rate of growth in Primary school numbers has slowed and following the underspend last year, a variance of at least £0.5 million against the growth budgets is anticipated. A revised forecast will be available after the growth allocations have been calculated following the October census.
- 4.8 Additional placements in SEND provision are expected to increase spend in the High Needs block compared to last year so no underspend is forecast at this stage. Further work is being carried out to review these budgets ahead of 2018/19. An underspend against the capital charges budget is forecast, due to interest rates remaining low.
- 4.9 Other budgets across the High Needs Block are forecast online, but this will be updated later in the Autumn Term. It is noted in Appendix A that high demand for High Needs support through the Early Years Inclusion fund has been reported by the panel, meaning there is the risk of an overspend.
- 4.10 The Early Years block of the DSG was rebalanced to match income and expenditure for 2017/18, but it is possible there will be an underspend. The number of parents who have registered for the extended 30 hours provision is lower than that budgeted for. Original budgets were set in line with Department for Education forecasts and it is not currently known whether the Early Years block income will be reduced commensurately or left with Local Authorities. For this reason a zero variance position has been reported, at this stage.
- 4.11 Other Early Years expenditure lines are forecast in line with the budget, but forecasts will be updated later in the autumn term.
- 4.12 The total variance against DSG expenditure budgets is an underspend of £879,000. The net total underspend accounting for the income variance is £721,000.

## **5.0 DSG Balances**

5.1 The underspend of £5 million in 2016/17 increased total DSG reserves to £6 million. Only £0.05 million drawdown of reserves is currently planned, in order to balance the Early Years Block, so the current forecast position would further increase this reserve to £6.7million going into 2018/19.

## **6.0 APPENDICES**

6.1 Appendix A – DSG Budget 2017/18


### **CONTACT OFFICERS**

Andrew Ward  
Head of Finance – CYP  
0208 937 6462

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Funding Block	Expenditure/Income Line	High Needs Block	Schools Block	Central School Services Block	Early Years Block	2017/18 TOTAL	Forecast Recoupment	Net Totals	Forecast	Variance	Commentary
		£'000	£'000	£'000	£'000	£'000	£'	£'	£'000	£'000	
<b>Income</b>											
Schools Block			231,256			231,256	(105,056)	126,200	126,230	30	
High Needs Block		53,627				53,627	(5,357)	48,270	48,270	0	
Early Years Block					23,408	23,408	0	23,408	23,220	(188)	Adjustment made for the January 2017 census. Further adjustments could be made
<b>TOTAL INCOME</b>		<b>53,627</b>	<b>231,256</b>	<b>0</b>	<b>23,408</b>	<b>308,291</b>	<b>(110,413)</b>	<b>197,878</b>	<b>197,720</b>	<b>(158)</b>	
<b>Expenditure</b>											
Schools Block	Primary Schools		125,979			125,979	(18,650)	107,329	107,145	(184)	Floreat Free School is no longer opening
	Secondary Schools		74,736			74,736	(62,871)	11,865	11,864	(1)	
	All Through Schools		23,535			23,535	(23,535)	(0)	0	0	
De-delegated Items	Contingencies - Schools in Difficulty		200			200	0	200	200	0	
	Free school meals eligibility		28			28	0	28	28	0	
	Staff costs – supply cover excluding cover for facility time		292			292	0	292	292	0	
Pupil Growth and Infant Class Sizes			3,630			3,630	0	3,630	3,130	(500)	Indicative forecast, underspend expected
<b>Total Schools Block</b>		<b>0</b>	<b>228,400</b>	<b>0</b>	<b>0</b>	<b>228,400</b>	<b>(105,056)</b>	<b>123,343</b>	<b>122,659</b>	<b>(684)</b>	
High Needs Block (tbc)	Place funding	8,980				8,980	(5,357)	3,623	3,623	0	
	Top up funding to Special Provision, ARPs and PRUS	10,196				10,196		10,196	10,196	0	
	Top up funding for pupils in maintained settings	6,409				6,409		6,409	6,409	0	
	Top up funding for pupils in academy settings	5,247				5,247		5,247	5,247	0	
	Top up funding for out of borough settings, residential homes, non-maintained special schools	10,396				10,396		10,396	10,396	0	
	Includes Ed Pysch, Hearing impaired and Visually impaired services, Autism team, SEN advisory and post 16 High Needs Service	4,436				4,436		4,436	4,436	0	
	Hospital Education Service	126				126		126	126	0	
	Includes Ashley College, LAC Education team, TAMHS	1,604				1,604		1,604	1,604	0	
	Includes Inclusion support team, Alternative Education, EOTAS	2,457				2,457		2,457	2,457	0	
	SEN Transport	1,086				1,086		1,086	1,086	0	
	Central expenditure on children under 5- CWD and CIN (EY Inclusion Fund)	1,128				1,128		1,128	1,128	0	High Demand reported - risk of overspend
	Capital expenditure from revenue (CERA)	944				944		944	750	(194)	Relates to Village School development - interest rate charges remain low
	Balance is made up of demographic growth funds and post 16 HN funding for allocation	1,146				1,146		1,146	1,146	0	
<b>Total High Needs Block</b>		<b>54,153</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>54,154</b>	<b>(5,357)</b>	<b>48,797</b>	<b>48,602</b>	<b>(194)</b>	
Central School Services Block	Contribution to combined budgets - Schools Effectiveness, Gordon Brown Activity Centre, Wembley Learning Centre			804		804		804	804	0	
	Licences/subscriptions			195		195		195	195	0	
	School Admissions			692		692		692	692	(0)	
	Servicing of schools forums			34		34		34	34	0	
	Termination of employment costs			604		604		604	604	0	
<b>Total Central School Services Block</b>		<b>0</b>	<b>0</b>	<b>2,329</b>	<b>0</b>	<b>2,329</b>	<b>0</b>	<b>2,329</b>	<b>2,329</b>	<b>0</b>	
Early Years Block	3 & 4 Year Old Provision				15,149	15,149		15,149	15,149	0	
	3 & 4 Year Old Provision - additional 15 hours				1,680	1,680		1,680	1,680	0	Budget in line with DfE allocations. Any underspend could potentially be offset by income reduction.
	3 & 4 Year Old Provision - additional 15 hours for FSM children (Allowed by S of State for one year)				424	424		424	424	0	
	2 Year Old Provision				3,661	3,661		3,661	3,661	0	
	Supplementary funding distributed to Nursery Schools				836	836		836	836	0	
	Early Years Pupil Premium				108	108		108	108	0	
	Disability Access Fund				68	68		68	68	0	
	Contingency				170	170		170	170	0	
	Central Spend				1,312	1,312		1,312	1,312	0	
<b>Total Early Years Block</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>23,408</b>	<b>23,408</b>	<b>0</b>	<b>23,408</b>	<b>23,408</b>	<b>0</b>	
<b>TOTAL EXPENDITURE</b>		<b>54,153</b>	<b>228,400</b>	<b>2,329</b>	<b>23,408</b>	<b>308,291</b>	<b>(110,413)</b>	<b>197,877</b>	<b>196,998</b>	<b>(879)</b>	
<b>Balance</b>		<b>526</b>	<b>(2,856)</b>	<b>2,329</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>(1)</b>	<b>(722)</b>	<b>(721)</b>	Forecast underspend of £0.7M

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 <b>Brent</b>	<b>SCHOOLS FORUM</b> <b>4 October 2017</b>  <b>Report from the Strategic Director of Children and Young People</b>
For Decision	Wards Affected: ALL
<b>Pupil Demand And Pupil Growth Support</b>	

## 1.0 SUMMARY

- 1.1 This report provides information on primary and secondary demand patterns for school places. Pupil numbers in secondary schools are set to increase over the next few years as larger cohorts feed through from primary schools.
- 1.2 Within this context, the report identifies areas that Schools Forum should consider for future use of Pupil Growth funding.

## 2.0 RECOMMENDATIONS

- 2.1 The Schools Forum is requested to:
  - a Note pupil demand patterns in primary and secondary.
  - b Agree that the Central Block Working Group considers future policy for the allocation of Pupil Growth funding.
  - C Note that a report detailing 2017/18 Pupil Growth Funding and proposals for 2018/19 Pupil Growth funding will be presented to the December Schools Forum.

*Voting is open to all Schools Forum members*

## 3.0 BACKGROUND – Pupil Demand

- 3.1 Local authorities have a statutory duty to ensure there are sufficient school places for children in their area. If the local authority cannot offer a school place or alternative education placement the authority is open to Ombudsman complaints and legal challenge.

- 3.2 In July 2017, Cabinet approved a refresh of the School Place Planning Strategy 2014-18, that reflects the latest forecasts provided by the Greater London Authority. The refreshed strategy can be accessed here: <https://www.brent.gov.uk/your-council/about-brent-council/council-structure-and-how-we-work/strategies-and-plans/>
- 3.3 **Primary:** In recent years Brent has seen an unprecedented increase in the demand for primary school places. The primary pupil population (Reception to Year 6) increased from 21,427 in May 2008 to 26,502 in May 2016, an increase of 23.7%.
- 3.4 The latest GLA projections (based on the schools census of January 2017) indicate that demand for Reception places will reduce from 2017 onwards underpinned by a decrease in birth rates, before recovering to near 2017 levels. As birth rates fluctuate and further housing developments are delivered, it is possible that projections may be revised upwards. Brent has in the past experienced considerable volatility in the primary-aged population and, while overall projections indicate a downward trend, it is likely that there will be growth and continued pressures in some areas of the Borough or in specific year groups.
- 3.5 Table 1 shows forecast demand for Reception places from 2017. The places available includes expanded provision at Byron Court, Elsley, Leopold and Uxendon Manor schools, which became permanent during the 2015/16 or 2016/17 academic years.

**Table 1: Primary Reception projections and places**

Year	Projected Reception intake (GLA January 2017)	Reception places available (excluding 2 planned free schools)	Surplus places	Surplus places as FE
2017/18	3855	4217	362	12.1
2018/19	3797	4277	480	16.0
2019/20	3781	4277	496	16.5
2020/21	3787	4277	490	16.3
2021/22	3812	4277	465	15.5
2022/23	3836	4277	441	14.7
2023/24	3853	4277	424	14.1
2024/25	3871	4277	406	13.5
2025/26	3889	4277	388	12.9

- 3.6 To meet increasing primary demand, Brent has used temporary provision and bulge classes, while a programme to provide sufficient flexibility in the permanent and temporary provision on school sites is being completed. Forecasts indicate that cohorts will continue to grow year on year, as new children arrive in Brent creating demand for additional in year places. Having

‘just enough’ places, therefore, in Reception would not supply enough places to meet the demand by the time the cohort reaches Year 6.

- 3.7 The Education and Skills Funding Agency (ESFA) has notified the local authority that the sponsor of Floreat Colindale Primary School, which would have provided 60 Reception places from 2019 (having been delayed to allow the school to open on its permanent site) has withdrawn from the project. Ark Somerville Primary, a Free School that will provide 90 Reception places, is anticipated to open in 2019. The opening date of a new all-through (primary and secondary) Free School by the Avanti Trust has not yet been confirmed by ESFA.
- 3.8 **Summary:** The Local Authority is anticipating an increasing number of spare places over the next few years and these will be concentrated in Planning Areas 2, 4 and 5. The Authority does not anticipate the need for further primary school expansions at this point in time. However, localised pressure due to population change or new housing developments will continue to be monitored.
- 3.9 **Secondary:** There are currently sufficient Year 7 places, but there will be a need for additional Year 7 places in future years. The significant growth that has been seen in the Primary phase since 2010 has begun to move through to the secondary phase, with demand expected to outstrip supply by 2020/21 (January 2017 GLA projections). The projected secondary capacity and place need is outlined in Table 2. By 2023/24, an additional 12 secondary forms of entry will be required in Brent. This is equivalent to two new secondary schools.

**Table 2: Secondary Places and Projections**

Year	Year 7 Projected intake	Year 7 places available	Surplus/ Deficit of places	Surplus/ Deficit as FE
2017/18	3250	3412	162	5.4
2018/19	3310	3412	102	3.4
2019/20	3397	3412	15	0.5
2020/21	3462	3412	-50	-1.7
2021/22	3570	3412	-158	-5.3
2022/23	3684	3412	-272	-9.1
2023/24	3763	3412	-351	-11.7
2024/25	3625	3412	-213	-7.1
2025/26	3579	3412	-167	-5.6
2026/27	3576	3412	-164	-5.5

- 3.10 Alperton High School is planning to expand by two forms of entry in 2018, which will help to address immediate pressures. Two new secondary Free Schools have been approved by the Secretary of State – the North Brent Free School and the Avanti Free School (which will be an all-through school providing primary and secondary places). We do not yet have confirmation from the ESFA of the sites for these schools or planned opening times. The Authority will also be exploring options for expanding existing secondary schools with headteachers and governors.

- 3.11 The Local Authority continues to receive significant numbers of in-year applications and, while Published Admissions Numbers indicate that there are currently sufficient secondary places in Years 7, 8 and 9, these places are concentrated in 4 secondary schools. We are monitoring the situation closely and working with the schools involved to ensure that they are organised and staffed to provide for more young people as the current academic year progresses. Based on in-migration patterns, it is likely that cohorts will continue to grow as they move through the school system.
- 3.12 There continues to be in-year pressure on places in Years 10 and 11 from inward migration. The well-established Choice Advice and Fair Access Interviews (CAFAl) process continues to be used to assess the needs of Year 10 and Year 11 new arrivals in Brent. 255 children were seen through the CAFAl in 2016/17 and since the end of July 2017 54 pupils have been seen. A further 42 children were invited for an interview on Monday 25/09/2017.
- 3.13 A significant number of pupils who come through the CAFAl process arrive in Brent not speaking any English or have significant special needs. There are five projects for new arrival pupils (see Table 3). Provision at Queens Park Community School (QPCS) and Claremont High School is funded through the Pupil Growth budget. Provision at Newman Catholic College is funded directly through the school's DSG allocation.

**Table 3 EAL Projects**

<b>EAL Projects</b>	<b>School</b>
City Learning Centre - EAL	Queens Park Community School
Reduced GCSE - Year 10 and 11	Queens Park Community School
Greenway Beginner	Claremont High School
Greenway Reduced GCSE - Year 10 and Year 11	Claremont High School
Year 11 mixed course	Newman Catholic College

- 3.14 An operational review of referral via the CAFAl process will be undertaken in 2017/18 with secondary headteachers to ensure delivery of good outcomes for young people.
- 3.15 **Summary:** Secondary provision will need to expand over the next 6 years and it is likely that additional capacity will take the form of new free schools and school expansions.

#### **4.0 FINANCIAL INFORMATION**

- 4.1 The Pupil Growth budget allows the council to meet its statutory duty to provide sufficient places for children within the area who request one. Schools that have expanded at the request of the local authority by at least one form of entry have been guaranteed funding for 30 pupils per class.
- 4.2 The current policy is focused on supporting primary schools. Under the policy, funding has been set at differing rates dependent on the nature of the expansion/project. Where schools expand on their school site the guarantee

is £3,300 per pupil, with the assumption of 30 pupils in a class. Where schools expand in an annexe or off-site building then the guarantee is £3,600 per pupil. The guarantee is for one year and two terms (7/12ths of the academic year, September – March for the first academic year, and full funding for the following financial year). The budget has also met associated building/refurbishment costs to premises that house annexe provision.

- 4.3 The Pupil Growth Budget also funds the CAFAI process, the secondary EAL projects and additional places for new arrivals at QPCS and Claremont, and alternative education placements for hard to place pupils.
- 4.4 Forecast expenditure for the Pupil Growth Budget for 2017/18 was anticipated to be lower than 2016/17 and resulted in a request to Schools Forum for a reduced amount of £2,500,000. This is primarily a demand led budget that allows the Local Authority to support schools to respond to unexpected pupil demand. An underspend of at least £500,000 is currently forecast for 2017/18, because lower primary demand has meant that temporary primary annexes are no longer required and there has not been a need to establish additional bulge classes or expand primary provision.
- 4.5 In addition to Pupil Growth funding, schools receive Rising Rolls funding when they meet the following criterion, as previously approved by the Schools Forum: that the school has had pupil growth of 1.75% or more (not including bulge classes) between the October and January census, and the October to October census. If this criterion is met, the school will receive pro-rata'd funding for each additional pupil above 1.75%.

## 5.0 FUTURE ALLOCATION OF PUPIL GROWTH FUNDING

- 5.1 It is important that schools which expand at the request of the Local Authority have sufficient funding to provide for additional pupils. Given the shift of demand pressures away from primary to the secondary sector, it is recommended that schools forum (the Central Block Working Party) review the approach taken to the allocation of growth funding for school expansions.

### Primary Sector

- 5.2 Pupil Growth funding is provided to community and academy schools. The current policy was developed at a time of rapid increases in demand in the primary sector resulting in the expansion of almost all primary schools across the borough. The current policy of guaranteed funding recognises that the scale of primary schools budgets means it can be difficult for schools to respond to changing circumstances. Guaranteed funding has allowed schools that to secure necessary resources to support expansions and to avoid negative budgetary impacts due to lagged funding.
- 5.3 A number of primary schools that have expanded are now experiencing lower demand. Cabinet have agreed that the Local Authority should retain at least 5% spare places to manage in-migration and to future-proof against unexpected demographic shifts. The Local Authority is working with schools to manage the impacts of this in relation to school admissions and discussing with schools potential use for spare capacity that may not be needed for the immediate future.

- 5.4 Several schools that expanded to support the demographic increase have raised concern with the Authority about the pressures that the current uncertainty around pupil numbers is generating for school budgets, especially when staff are in place and may be needed if pupil numbers increase. Concerns have also been raised about the impact on school budgets of the responsibility to maintain expanded buildings after protected funding ceases, when pupil numbers are lower than anticipated. It has been suggested that this is a particular concern in areas of social, economic and/or educational deprivation.
- 5.5 It is usual for schools to carry some vacancies. However, Schools Forum may wish to consider if there are any circumstances where they feel continued support to schools that have expanded should apply.

**Policy Question: Schools Forum to consider under criteria for additional support beyond current guaranteed funding for primary schools that have permanently expanded.**

### **Secondary Sector**

- 5.6 Growth Funding is provided to community and academy schools and effectively underwrites the risk of school budgets funding additional resources over the first five terms. It could be argued that secondary schools are better placed than primary schools to manage these issues given the size of their budgets, in particular if expansions are for only 30 or 60 pupils above current PAN each year.

**Policy Question: Schools Forum to consider if funding should be used to support secondary schools that expand by 30 places or more at the request of the Local Authority.**

- 5.7 The funding support provided to date for schools that are growing in size is a combination of Pupil Growth (funding for places not filled, where this is less than 30) and Rising Rolls Funding (funding that reflects the increased number of pupils). Schools receive Rising Rolls funding when pupil growth is 1.75% or more (between the October and January census, and the October to October census). Some schools have reported that this is unclear and can cause confusion for school budget managers. It is, therefore, proposed that Schools Forum also review the policy for rising rolls funding.

**Policy Question: Schools Forum to review how Rising Rolls funding operates and the time period for support to schools.**

- 5.8 Where schools undergo permanent expansion a one off payment of £25,000 is made to support schools with the additional management support required. This has been helpful for small primary schools and, while it would be welcomed by secondary schools, it could be argued that as larger institutions, secondary schools are better placed to absorb the impact on management capacity of a school expansion.

**Policy Question: Schools Forum to consider if a one-off payment funding should apply to secondary schools.**


- 5.9 **Next steps:** Officers will convene meetings with the Schools Forum Central Block Working Group to consider the policy questions set out above. A report detailing 2017/18 Pupil Growth Funding forecast expenditure and proposals for 2018/19 Pupil Growth funding will be presented to the December Schools Forum.

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 <b>Brent</b>	<b>SCHOOLS FORUM</b> 4 October 2017 <b>Report from the Strategic Director of Children and Young People</b>
For Decision	Wards Affected: ALL
<b>Dedicated Schools Grant Schools Budget 2018/19</b>	

## 1.0 SUMMARY

- 1.1 This report provides information on the recent announcements on the Dedicated Schools Grant (DSG) funding arrangements and budget setting process for 2018/19.
- 1.2 It also seeks to promote discussion on budget setting proposals for 2018/19.

## 2.0 RECOMMENDATIONS

- 2.1 That this report is noted.
- 2.2 That the Council continue to plan the 2018/19 DSG Schools budget in line with the outlined indicative block allocations.
- 2.3 Agree to continue the current de-delegation and ESG support services funding into 2018/19.
- 2.4 That the High Needs Task and Finish Group and Early Years Task and Finish Group are tasked to set the High Needs Block and Early Years Block budgets within the limits indicated in this report.
- 2.5 That forum note the options available for setting future budgets and agree to convene a sub-group to make recommendations on the DSG budget to the Council.

## 3.0 Department for Education funding announcements

- 3.1 On the 14 September the Department for Education (DfE) formally responded to the schools funding consultation conducted in the spring of 2017. This followed earlier funding announcements made in the summer concerning the 2018/19 and 2019/20 financial years.
- 3.2 The Secretary of State for Education, Justine Greening, also made a speech on school funding on 17 July 2017. The speech announced £1.3 billion of additional funding to the core schools budget. More details were released in

September when it was announced that subject to some modifications, the plans for a National Funding Formula would proceed. The main points pertinent to Brent are:

- 3.2.1 **Minimum per pupil funding of £4,800 per secondary pupil.** Secondary Schools in Brent are funded in excess of £6,000 per pupil so this will have no direct impact to them.
  - 3.2.2 **Up to 3% gains for underfunded schools.** Those Brent Secondary Schools with the most deprived pupil cohorts will attract up to 3% per pupil increases on the national funding formula. This is £0.4M and can be redistributed locally in 2018/19 and 2019/20.
  - 3.2.3 **0.5% per pupil cash increase.** This is the most significant announcement for Brent, and should mean an additional £1.1Million or £27 per pupil. The average gain for a Primary would be £9.5K and £30K for a Secondary School. Under the original funding proposals Primary schools stood to lose £30K on average.
  - 3.2.4 **Protected funding for High Needs.** The High Needs Block will be funded by a formula. This allocates £6M less than the current funding arrangements, but funding will be protected and increased by 0.5% per head of population. This results in increased funding of £1M.
  - 3.2.5 **Introduction of a National Funding Formula.** The Local Authority and Schools Forum will continue to have decision making powers over distribution of funding locally for 2018/19 and 2019/20.
  - 3.2.6 **Doubling of PE and Sports Grant.** This should mean another £500K in total to Primary and Special schools, about £9K each.
  - 3.2.7 **There are to be savings and efficiencies.** The extent to which cuts to capital funding and the expectation for LA's to deliver Free Schools will impact on Brent's schools capital programme remains to be seen. School Improvement Grants will also be cut (c. £90K to Brent in 17/18).
- 3.3 Following the summer ministerial announcement on school funding, the DfE released more detailed operational guidance on school funding for the 2018/19 financial year. The key points relevant to Brent are:
- 3.3.1 Local Authorities will set the DSG Schools Budget for 2018/19 and 2019/20. In doing so they must consult with forum and if changing the local funding formula they must consult with all schools. There will be a notional national funding formula figure published for each school as well.
  - 3.3.2 Final funding allocations will be announced in December, which means the forum in early December will be making recommendations on provisional data.
  - 3.3.3 There will be a new Central Schools Funding Block, though this does not mean additional resources. This is to be added to the Schools Block, Early Years, and High Needs Block to form the total DSG.
  - 3.3.4 Minimum Funding Guarantee on local funding formulas is to be set at between 0% and 1.5%. So no school will lose funding on a per pupil basis in 2018/19.

- 3.3.5 There are some flexibilities in moving funding between blocks, and forum must be consulted on use of brought forward balances.
  - 3.3.6 If the existing local funding formula is used, but the rates within that increase, then it is concluded that only Schools Forum need to be consulted rather than all schools. Changes to the mix of funding factors would require a larger consultation.
  - 3.3.7 The local funding formula must gain political approval and be submitted by 19 January 2018.
  - 3.3.8 There are some opportunities to increase and invest in services funded by the Central Schools Block – the Admissions budget can be increased for the first time in a number of years, and contributions can again be de-delegated from maintained schools for statutory duties formerly funded by ESG (£360K in 2017/18).
- 3.4 The guidance has also provided more clarity on the responsibilities of setting the DSG budget, and these are summarized in Appendix A. In general, the responsibility for setting the budget lies with the Local Authority, although there are some budget lines which must gain School Forum's approval.
- 3.5 The DSG must be deployed in support of the Schools Budget as defined by the schools financing regulations. This expenditure must be budgeted as reported on the DSG section of the S251 return, so in effect this return provides the eligible expenditure categories. A blank copy of this section of the S251 return is provided for forum members' information as Appendix B.
- 3.6 It is recommended that for 2018/19 forum continues to agree to de-delegate funds for Free School Meal checking, schools contingency, and for trade union cover. In view of the continuing financial constraints that the Council is operating under it is also recommended that as in 2017/18, maintained members of the forum continue to fund education support services formerly funded by the Education Support Grant.

#### **4.0 2018/19 DSG BUDGET**

- 4.1 Despite the summer announcements there remains considerable uncertainty on the DSG funding position for 2018/19 and 2019/20. Exact funding allocations are not yet known, pupil growth patterns are changing, and although cost pressures clearly exist, their extent depends upon any pay award agreed by the government and the general rate of inflation over the next year.
- 4.2 Final funding allocations will not be known until December 2017, however the 2017/18 baseline budgets and the funding announcements provide enough information to plan indicative allocations for each block. Indicative expenditure demands are set out by block. At this stage in the process this is necessarily high level, Appendix C is a summary of the blocks.
- 4.3 There is a separate report on growth funding and strategy. Growth budgets are included within the schools block in this report at the 2017/18 level, although it is acknowledged this may change depending on forum recommendations and council decisions.

## 5.0 The Schools Block

5.1 Table 1 below uses the 2017/18 funding formula allocations as a baseline to estimate some of the budget pressures that will be felt by schools going into 2018/19. It also includes estimated figures for the Schools Block income in 2018/19.

5.2 **Table 1-** Schools Block 2018/19

	<b>£'Million</b>
<b>Expenditure Estimates</b>	
2017/18 Local Funding Formula	228.4
Pay inflation estimated at 1% applied to 80% of 2017/18 funding allocations	1.8
Apprenticeship Levy estimated at 0.5% of 50% of 2017/18 funding allocations	0.6
General inflation estimated at 3% of 20% of 2017/18 funding allocations	1.4
Growth of 500 additional pupils – estimated increase to 2017/18 funding allocations	2.6
Required adjustment between Schools Block and High Needs Block for places in mainstream settings	0.5
<b>Total</b>	<b>235.3</b>
<b>Income Estimates</b>	
2017/18 School Block funding (baseline)	228.9
Growth of 500 additional pupils – estimated increase to 2017/18 funding allocations	2.8
0.5% per pupil funding increase	1.5
<b>Total</b>	<b>233.2</b>
<b>Funding Gap</b>	<b>2.1</b>

5.3 Table 1 aims to provide a useful indication of the funding gap or pressure that mainstream schools will experience in 2018/19. The pressures listed are broad estimates based on assumptions that 80% of a school's funding typically goes towards staffing including on-costs, 50% on pay itself, and 20% on general expenditure. It is clear that the 0.5% funding increase per pupil will not be sufficient to deal with these pressures.

5.4 The funding gap could be met in a number of ways; for example increasing funding allocations by either reducing the growth fund or using reserves to some extent, or by schools containing these pressures and making savings within their own budgets.

## 6.0 The High Needs Block

6.1 The High Needs Block underspent in 2017/18, but there have been considerable increases in demand for provision.

6.2 Most children and young people with SEND can have their needs met in a mainstream setting but the demand for specialist places is increasing. In 2017 (Jan SEN2 return) 48% of children and young people with EHC plans

attended a mainstream provision and 52% of children and young people with EHC plans attend a specialist provision.

6.3 The table below shows the increase in children and young people with Statements of SEN/EHC Plans and the type of school they attend over the last 3 years from 2015-17. The data excludes the number of young people attending further education.

6.4 **Table 2 – EHCP and Statemented Numbers**

2015			2016			2017		
Total No CYP with Statements /EHC Plan	Mainstream	Special	Total No CYP with Statements /EHC Plan	Mainstream	Special	Total No CYP with Statements /EHC Plan	Mainstream	Special
1653	819	834	1772	871	901	1824	873	951
	50%	50%		49%	51%		48%	52%

6.5 The numbers of pupils with statements of SEN or Education, Health and Care plans has increased from 1,650 in 2013 to 1,824 in 2017 which is a 9.5% growth in the last 5 years and was predicted to increase to 1,975 by 2020. However as of August 2017 there are already 1,834 statements/EHCPs. Brent has a higher percentage of statements/EHCPs than nationally.

6.6 **Table 3 – Number of Statements/EHCPs, 2013 to 2017**

Year (SEN 2 return)	No of statements/EHCPs
Jan 2013	1650
Jan 2014	1620
Jan 2015	1655
Jan 2016	1805
Jan 2017	1824

6.7 In order to cope with the rising demand, there are planned expansions to in borough provision with new ARPS and a new special school established by Brent Specialist Academy Trust called The Avenue, is to open from Sept 2018/19 accommodating 100 pupils. With place funding at £10,000 per place it is estimated that the full impact of these expansions will total £1.4 million of place funding. Top up funding, including some estimated uplifts to top up funding rates, would double this to a £2.8 million pressure on the High Needs Block.

6.8 The increase in in-borough provision should also enable the Inclusion service to reduce the number of external placements and so lower cost elsewhere in the High Needs Block. It is also noted that the High Needs Block underspent on residential and independent settings by £0.65 million in 2016/17, and that there will be a 0.5% increase in funding for 2018/19. It is recommended that the High Needs Task and Finish Group continue to meet and seeks to set a balanced High Needs Block budget from within these resources.

## 6.9 Table 4 – High Needs Block

	<b>£ Million</b>
<b>High Needs Block 2017/18</b>	<b>54.1</b>
Required adjustment between Schools Block and High Needs Block for places in mainstream settings	(0.5)
Increase in Place funding	1.4
Increase in Top up funding	1.4
Savings from existing underspends and fewer external placements	(1.7)
<b>Total Indicative Expenditure Budget for 2018/19</b>	<b>54.7</b>
2017/18 High Needs Block Baseline	54.2
Required adjustment between Schools Block and High Needs Block for places in mainstream settings	(0.5)
0.5% Growth	1
<b>Total Indicative Income Budget for 2018/19</b>	<b>54.7</b>

## 7.0 The Central Block

7.1 From 2018/19 central expenditure will be funded from a separate block of funding. This has been baselined at the planned expenditure levels for 2017/18 which totals £2.3 million. It is not proposed to make any significant changes to the central block. Many of the expenditure lines, such as the termination of employment costs, cannot be increased and are for historic commitments only. However the Admissions service budget has been frozen since 2013/14, and an increase in line with pay rises of 1% has been modelled below in table 5. The minimal increase is viewed by officers as affordable within the context of the whole DSG.

## 7.2 Table 5 - Central Block

<b>Expenditure Line</b>	<b>2017/18 Budget £'000</b>	<b>2018/19 Proposed budget £'000</b>
Combined Budgets – School Effectiveness, Gordon Brown Centre, Wembley Learning Centre	804	804
Licenses/Subscriptions	195	195
School Admissions	692	699
School Forums	34	34
Termination of employment costs	604	604
	<b>2,329</b>	<b>2,336</b>

## **8.0 The Early Years Block**

- 8.1 There have not been any announcements from the DfE on increasing the funding rates for the Early Years Single Funding Formula (EYSFF).
- 8.2 The budgets for 2017/18 have been set to balance income with the current provision funding rates in the EYSFF, whilst allowing for 7% of income (£1.3million) to fund central early years services. The amount allowable for these central services is reducing to 5% in 2018/19. The Secretary of State's dispensation to fund 30 hour provision for non-working parents that qualify for Free School Meals only applied for one year. In practice this arrangement will stop at the end of the summer term 2018, and these budgets can then be reallocated.
- 8.3 There are two other points to note in the Early Years Block. Firstly that 2 year old providers in Brent are funded at £6 per hour, whilst DfE funding is only £5.92 per hour, which for 2017/18 meant that a £49k use of DSG reserves was agreed. Secondly that Nursery School funding includes a total of £0.84 million of supplementary funding from the DfE. It is assumed at this stage that this will continue into 2018/19.
- 8.4 There will therefore be decisions for 2018/19 concerning the Early Years Block. Forum should consider re-establishing the Early Years Task and Finish Group to recommend necessary changes to the budgets within the funding envelope of the early years block plus the 2 year old funding shortfall to be met from reserves.

## **9.0 DSG Reserves**

- 9.1 A separate report is being presented to forum on the 2017/18 financial forecast, but it is likely that there will be underspends and that DSG reserve balances will be added to in advance of the 2018/19 financial year. It is therefore forecast that reserve balances will exceed £6 million.
- 9.2 Forum are invited to comment on potential uses of these reserves, which must be spent as per the School Financing Regulations which govern the use of the DSG.
- 9.3 Options include, but are not limited to;
- 9.3.1 Maintaining some or all of balances in reserve against future uncertainty.
  - 9.3.2 Increasing funding formula allocations to mainstream schools or early year's providers.
  - 9.3.3 Increasing the existing High Needs block budgets.
  - 9.3.4 Where the funding regulations allow, investing in initiatives within the High Needs Block, e.g. Support for Inclusion.
  - 9.3.5 Where the funding regulations allow, increasing funding formula allocations in order for maintained schools to de-delegate funds for new initiatives, e.g. central support for schools.

9.4 It is recommended that a sub-group of forum members meet in October to agree budget proposals for recommendation to the Council. .

## **10.0 Financial Implications**

10.1 The financial implications are included throughout this report.

## **11.0 APPENDICES**

11.1 **Appendix A – Table of DSG Budget Setting Responsibilities**

11.2 **Appendix B – S251 Return, DSG section (blank copy)**

11.3 **Appendix C – Summary of indicative DSG Blocks 2018/19**

## **CONTACT OFFICERS**

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**Appendix A - The DSG Budget Setting Responsibilities**

<b>Block</b>	<b>Budget</b>	<b>Description</b>	<b>2017/18 £'Million</b>	<b>Consult with</b>	<b>Set by</b>	<b>Appeal/Final Approval</b>
Schools Block	Local Funding Formula	The funding formula for all Primary and Secondary Schools	224.2	Schools Forum, or all schools where the formula is changed significantly	London Borough of Brent	DfE will check formula for compliance
	De-delegated funding	A restricted list of centrally run services funded by maintained schools giving up a	0.3	Schools Forum (maintained members only)	Schools Forum (maintained member only)	Schools Forum (maintained members only)
	Growth Funding		3.6	Schools Forum	London Borough of Brent	DfE will check growth criteria for compliance
	Former ESG funded services		-	Schools Forum (maintained members only)	Schools Forum (maintained members only)	Schools Forum (maintained members only)
High Needs Block	Place Funding	£10,000 per high needs place in Special settings including Additional Resource	9.0	All Providers	London Borough of Brent - but providers must agree to changes	
	Top Up Funding Rates	Funding rates paid where children occupy Special places. Banded in line with	29.1	Schools Forum	London Borough of Brent	
	Other High Needs Services		16.1	Schools Forum	London Borough of Brent	
Central Block	Former ESG Retained Duties	To help fund Statutory Education Functions formerly funded by ESG	0.4	Schools Forum (maintained members only)	Schools Forum (maintained member only)	Schools Forum (maintained members only)
	Ongoing Central Functions	This includes the admissions service and cost of running the school forum	1.5	Schools Forum	London Borough of Brent	
	Historic Commitments	This includes the School Effectiveness Service,	0.8	London Borough of Brent	London Borough of Brent	
Early Years Block	Early Years Provision	Funding of 2, 3 and 4 year old provision	21.9	Schools Forum	London Borough of Brent	DfE will check formula for compliance
	Early Years Central Services	Can be no more than 5% of the Early Years Block	1.3	Schools Forum	London Borough of Brent	DfE will check formula for compliance

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## LA Table: FUNDING PERIOD (2017-18)

### Department for Education Section 251 Financial Data Collection


	Description	Early Years	Primary	Secondary	SEN/ Special Schools	AP/ PRUs	Post School	Gross
Budget Share And Place funding from High Needs	1.0.1 Individual Schools Budget (before Academy recoupment)							
De-delegation options	1.1.1 Contingencies							
	1.1.2 Behaviour support services							
	1.1.3 Support to UPEG and bilingual learners							
	1.1.4 Free school meals eligibility							
	1.1.5 Insurance							
	1.1.6 Museum and Library services							
	1.1.7 Licences/subscriptions							
	1.1.8 Staff costs – supply cover excluding cover for facility time							
	1.1.9 Staff costs – supply cover for facility time							
	1.1.10 School improvement							
High Needs Block	1.2.1 Top up funding - maintained schools							
	1.2.2 Top-up funding – academies, free schools and colleges							
	1.2.3 Top-up and other funding – non-maintained and independent providers							
	1.2.4 Additional high needs targeted funding for mainstream schools and							
	1.2.5 SEN support service							
	1.2.6 Hospital education services							
	1.2.7 Other alternative provision services							
	1.2.8 Support for inclusion							
	1.2.9 Special schools and PRUs in financial difficulty							
	1.2.10 PFI/ BSF costs at special schools, AP/ PRUs and Post 16 institutions							
	1.2.11 Direct payments (SEN and disability)							
	1.2.12 Carbon reduction commitment allowances (PRUs)							
	1.2.13 Therapies and other health related services							
EY Block Central Spend	1.3.1 Central expenditure on children under 5							
Central Block	1.4.1 Contribution to combined budgets							
	1.4.2 School admissions							
	1.4.3 Servicing of schools forums							
	1.4.4 Termination of employment costs							
	1.4.5 Falling Rolls Fund							
	1.4.6 Capital expenditure from revenue (CERA)							
	1.4.7 Prudential borrowing costs							
	1.4.8 Fees to independent schools without SEN							
	1.4.9 Equal pay - back pay							
	1.4.10 Pupil growth/Infant class sizes							
	1.4.11 SEN transport							
	1.4.12 Exceptions agreed by Secretary of State							
	1.4.13 Other Items							
Former ESG Duties	1.5.1 Education welfare service							
	1.5.2 Asset management							
	1.5.3 Statutory/ Regulatory duties							
	1.6.1 Central support services							
	1.6.2 Education welfare service							
	1.6.3 Asset Management							
	1.6.4 Statutory/ Regulatory duties							
1.6.5 Premature retirement cost/ Redundancy costs (new provisions)								
1.6.6 Monitoring national curriculum assessment								
	1.7.1 Other Specific Grants							
	1.8.1 TOTAL SCHOOLS BUDGET (before Academy recoupment)							

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Appendix C - Summary of 2018/19 DSG Block Funding

	Schools Block (includes £3.6m growth fund in 2017/18)	High Needs Block	Central School Support Block	Early Years Block	Total
	£'M	£'M	£'M	£'M	£'M
2017/18 Budget Allocation	228.40	54.10	2.30	23.40	308.20
Pay inflation @1%	1.83				1.83
Apprentice Levy	0.57				0.57
General Inflation	1.40				1.40
Pupil Growth of 500	2.60				2.60
Required place funding adjustment	0.50	(0.50)			0.00
Increased Provision - Place Funding		1.40			1.40
Increased Provision - Top up funding		1.40			1.40
Savings from High Needs Block Review		(1.70)			(1.70)
Increase to Sch admissions budget			0.01		0.01
					0.00
					0.00
<b>Total Indicative Expenditure</b>	<b>235.30</b>	<b>54.70</b>	<b>2.31</b>	<b>23.40</b>	<b>315.71</b>
2017/18 Baseline Funding Allocation	228.40	54.20	2.33	23.36	308.29
Required place funding adjustment	0.50	(0.50)			0.00
Pupil Growth of 500	2.80				2.80
0.5% funding increase	1.50	1.00	0.04		2.54
<b>Total Indicative Income</b>	<b>233.20</b>	<b>54.70</b>	<b>2.37</b>	<b>23.36</b>	<b>313.63</b>
<b>Funding Gap</b>	<b>2.10</b>	<b>0.00</b>	<b>(0.06)</b>	<b>0.04</b>	<b>2.08</b>

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 <b>Brent</b>	<p style="text-align: center;"><b>SCHOOLS FORUM</b> 4 October 2017</p> <p style="text-align: center;"><b>Report from the Strategic Director of Children and Young People</b></p>
For Information	Wards Affected: ALL
<b>Update on the implementation of the extended 30 hours childcare entitlement</b>	

## 1.0 INTRODUCTION

- 1.1 The statutory entitlement to 30 hours of free childcare and early education for 3 and 4 year olds from working families took effect on 1 September 2017. Implementation and subsequent administration of this entitlement sits with the local authority as is the case with the existing free early education entitlements for 2, 3 and 4 year olds.
- 1.2 This report aims to provide an update on progress with the implementation of the extended entitlement including updates on communication and marketing, administration processes and sufficiency of places.

## 2.0 RECOMMENDATIONS

- 2.1 The Schools Forum is requested to note the contents of this paper as an update from that presented in a paper to Schools Forum in June 2017.

## 3.0 BACKGROUND

- 3.1 The Childcare Act 2016 extends statutory duties on local authorities to secure free childcare for qualifying children. Specifically, section 2 creates a duty on English local authorities to secure the equivalent of 30 hours of free childcare over the equivalent of 38 weeks of the year for qualifying children.
- 3.2 In preparation for the roll-out of the extended entitlement, the Local Authority carried out significant work in 2016, including assessment of likely demand from parents and sufficiency of places, engagement with providers and planning for the administration of the entitlement. Spring term 2017 saw the publication of the statutory guidance to the extended entitlement, related operational guidance, the template model provider agreement and final decisions around funding rates. These documents provided clarity, both for purposes of finalising processes and for making a decision around delivery of the extended entitlement for those providers who were waiting for their final funding rate.

## 4.0 DETAIL

### 4.1 Engagement with providers

We have been in regular communication with providers and have circulated 4 bulletins focused on the expanded entitlement over the last year. In order to promote and support childcare providers across the sector to prepare for the entitlement, a number of briefing sessions and training events have taken place in the last 14 months:

**86** providers have attended the 'Delivering profitably - the 30 hour entitlement' workshop

**109** providers have attended the '30 hour free entitlement expansion developing your business model' workshop

**172** providers have attended the '30 hour entitlement launch event'

A partnership pilot involved 10 settings from across the sector who met to test strategies and processes for effective partnership working, agree and test ways in which information can be shared across settings regarding the 30 hours (including vacancy information) and explore shared training opportunities for staff across different provider types

### 4.2 Sufficiency of places

The figures below have been taken from the returned early years funding provider agreement forms (returned in July, August and September) for the new agreement between childcare providers and the LA which takes effect from 1 September 2017:

	Offering 30 hour places	Number of providers planning to offer (as %)	Not offering 30 hour places	Unconfirmed
Free entitlement registered childminders	61	64%	20	14
Free entitlement registered PVI settings	88	78%	19	6
Schools	30	55%	18	7
<b>Total number of providers</b>	<b>179</b>	<b>68%</b>	<b>57</b>	<b>27</b>

An earlier survey carried out in April 2017 indicated that 120 providers were planning to offer approximately 1200 places. The figures above suggest that the total number of places available in September could be higher.

### 4.3 Eligibility checking

The process for determining eligibility is carried out by HMRC. Parents are required to verify their identity online and then complete an online application for the 30 hours. If successful, they are given an 11 digit eligibility code, which they need to take to a

childcare provider for verification. The online checking process went live in April for 3 year olds and did not commence until mid-July for 4 year olds. The HMRC website has experienced a number of technical difficulties (including service outages, time out issues and lack of response to initial applications made by parents). HMRC has assured Local Authorities that these technical issues have been resolved but anecdotal evidence from parents suggests that this is not the case.

Online and telephone support is available from HMRC but again the feedback from parents suggests that this support is insufficient.

#### **4.4 Numbers of successful codes**

The DfE provides Local Authorities with a weekly update of number of eligibility codes successfully applied for and the proportion of these which have been taken to a childcare provider for verification before taking up the 30 hour place.

As of 18 September 2017, Brent had 922 eligibility codes and 525 of these had been verified by a provider.

#### **4.5 Models of delivery**

On completion of the first head count in October we will have a clearer picture of the models of delivery that providers in the borough are offering. Initial indications are that the majority of providers will continue to offer the entitlement over 38 weeks although some providers have confirmed that they plan to offer 'stretched' delivery – i.e. fewer hours per week across a larger number of weeks per year.

#### **4.6 Administrative processes**

New administration processes are now in place to support delivery of the extended entitlement. Grace periods have been confirmed, as has the requirement by the Local Authority to audit all voucher codes 6 times a year.

The technical difficulties highlighted above have meant that manual processes for headcount will be used to complement automated head count processes. Specifically, temporary codes issued by HMRC along with eligibility codes with a validity start date of 1 September onwards will be processed manually.

#### **4.7 Online systems**

The 30 hour module provided by Servelec, the company behind the Synergy database was launched in August 2017. This module has been installed and upgraded in preparation for the September 2017 headcount.

PVI providers are already using this module through the provider portal for submission of their headcount claims and so the addition of the 30 hours module will not change significantly their existing processes. For schools however, there will be additional challenges as they currently submit their head count through termly Census returns on the SIMS database. For purposes of 30 hour delivery they will need access to the Synergy provider portal as that will allow them to access the Electronic Checking Service (ECS) to check the validity of the voucher codes.

Existing schools Census returns and payment processes have been reviewed in order to align PVI and schools processes to ensure smooth running of the administration of the entitlement across all parts of the sector. Schools are currently required to use both SIMS and Provider portal processes. Data solutions which could reduce this duplication are being explored.

Training sessions have been offered to all providers in August and September and take up is as follows:

Childminders: 37

PVI's: 63

Schools: 43

#### **4.8 Setting partnership project**

Brent LA coordinated a pilot to bring together settings from across the sector to discuss ways of working in partnership. The pilot considered ways that settings (including schools, childminders and private, voluntary and independent providers) can work together to share information about vacancies, to develop agreements for parents to access childcare across a variety of settings, and to further consider the implications of the proposed delivery models.

Key aims of the pilot:

- a) Test strategies and processes for effective partnership working
- b) Agree and test ways in which information can be shared across settings regarding the 30 hours (including vacancy information)
- c) Explore shared training opportunities for staff across different provider types

The pilot settings' feedback was used to shape planning for delivery of the offer and pilot how information can be shared across settings. As a result of the pilot, vacancy information for settings will now be published online in the childcare directory and it is hoped that this resource will provide useful information for both parents and settings working in partnership with other settings.

Partnership settings shared their experiences as part of the 30 hour launch events and their case studies were used to provide examples of ways of working in partnership to meet family's needs. We will receive further updates from partnership settings regarding how they are delivering the entitlement in the autumn term.

#### **4.9 Partner engagement**

Successful engagement with partners will be crucial in ensuring effectively delivering of the extended entitlement. We have held two meetings to communicate messages around childcare with internal Customer Service and employment colleagues and partners from Health, Job Centre Plus and Citizens advice colleagues. Alongside the outreach with partnership organisations outlined above we are working to

engage Brent employers in communicating messages around childcare. We have hosted 3 business breakfasts and are conducting an employers survey to establish a baseline of information on the ways in which employers currently support their employees regarding childcare.

#### 4.10 Support for parents

As a planned national media campaign by the DfE and HMRC never took place, the responsibility for marketing and publicising the new entitlement has rested with LAs. In Brent, we have sent out letters to parents already paying for additional hours and information to all childcare providers, carried out outreach across the borough (including at health visiting clinics and libraries) and most recently advertised the entitlement on JC Decaux boards across Brent. This campaign will be repeated in October alongside a social media campaign featuring case studies with families who have taken up the entitlement.

Following early statistics showing a slow application rate for Brent and both local and national feedback about problems families were experiencing with the HMRC application system, a decision was made that we would run support sessions for families in Wembley and Willesden libraries, where families could come and receive support with the application process from a member of the Early Years team. In August we ran five sessions at Brent libraries to support families with completing online applications. The following outcomes were achieved.

<b>Total attendees</b>	<b>39</b>
Were not eligible	19
Made application and awaiting a response	10
Were eligible and received code	7
Did not have sufficient details to make application	1
Details not recognised and in contact with HMRC	2

#### 4.11 Emerging issues with the HMRC application system and process

As Early Years staff supported parents with their applications at the above sessions, their experiences mirrored feedback already provided by parents locally and what we have seen in the national press. These included:

- Parents experiencing significant delays in contacting HMRC (several parents remained on the phone for over an hour). In one instance, a parent called 4 times, was cut off 3 times, the last call was 20 minutes. The parent had to hang up as she had to leave to go to work and the total time on the phone was 1 hour 20 mins.
- Getting through to HMRC customer service and being on hold for more than half an hour for the call then to be disconnected. This occurred on numerous occasions leaving the parent to call again and being put on hold.
- Parents having completed the 30 hours application over the 15 days expectancy for HMRC to contact them and still not receiving the 11 digit code. This caused great concern as eligible parents were required to have their

code by 31 August in order to be able to access the extended entitlement in September.

- HMRC customer service staff being unhelpful when contacted and on a number of occasions advising parents to contact LAs, when the responsibility for confirming eligibility rests with their organisation and not with LAs. This has led to some angry calls from parents to the EY team in the belief that the problems encountered have been due to something the LA has or has not done.
- System inconsistencies, for instance one parent with twins applied, was given an eligibility code for 1 child and told that they would be in touch later. Regarding the application of the other child. This parent then has to re-contact HMRC although they are scheduled to go away and not be back until the end of August.
- Problems with re-validating codes and in some instances, this generating new codes, leaving one parent with two different codes.

Parents have given positive feedback on the support that they have received by Early Years staff in these sessions. For many, English is their second language and so support was particularly positive regarding help provided with completing the online forms.

It had been hoped that the above issues would be resolved in the Autumn Term but unfortunately the DfE and HMRC have now advised that it could be a further 2 – 3 months before issues are resolved. The impact of this is continuing to be felt by parents as they go through the application and re-validation process and by the team during the administration which is becoming increasingly complex as they are having to manage issues arising on a daily basis.

In addition to continuing to support new families to access their entitlement, Early Years will also be working to ensure families accessing the entitlement continue to do so successfully. Settings will be encouraged to remind parents who are already taking up the entitlement to revalidate their code. To support them with this, we will be producing communications material that providers can display on their notice boards. This will complement the automatic reminders families will receive from HMRC and help to reduce the likelihood of families falling out of eligibility.

## **5.0 NEXT STEPS**

5.1 Our next steps in continuing the delivery of the extended entitlement will be as follows:

- a) To ensure the new entitlement continues to be marketed throughout the borough in order that all parents are aware of the offer. We are also planning to engage with parents whose children are currently accessing NEG2 places to promote the entitlement and discuss with them the benefits of this for them and their child.
- b) To engage with partners including employers to improve information sharing around childcare entitlements (30 hour offer included).
- c) To develop provider support strategies for the first year of implementation.
- d) To develop simple and continuous feedback and evaluation processes by September 2017.
- e) To put in place an ongoing system of assessing sufficiency in order to identify any potential issues in a timely manner. This is being done at ward level so that we can have a deeper understanding of availability, take-up and movement in each area.

## 6.0 RISK ASSESSMENT

Risk	Impact	Mitigation
<p>Childcare providers choose not to offer 30 hour place leaving a shortfall of places to meet anticipated demand.</p>	<p>Eligible families are unable to access what is a statutory entitlement for them.</p>	<p>Substantial work has taken place with early years' settings to help them plan for the extended entitlement. This includes providing funded business support events, cost calculators to help early years' settings plan and testing new approaches including partnership pilots. As we currently have 179 providers offering 30 hour places, the indications are that we should have sufficient places for September 2017, but this will need to be monitored closely to ensure this remains the case for subsequent terms.</p>
<p>There is low take-up of the entitlement despite sufficiency of 30 hour places in the borough.</p>	<p>Sustainability of childcare businesses would be negatively impacted.</p> <p>Families would not be accessing an entitlement that could provide extended early education for their child and support their access to employment.</p>	<p>A comprehensive marketing and outreach campaign has already taken place to date to ensure that both parents and partners are aware of the entitlement and how to access it. The benefits of early education will also be promoted. The absence of a national campaign will mean that we will have to continue efforts across the borough to ensure that momentum is retained.</p> <p>Business support to providers will continue.</p> <p>Work with employers and (JCP etc.) to promote the entitlement as an aid to recruitment and retention</p>
<p>Systems or process failures impacting administration of the entitlement</p>	<p>The LA unable to meet administrative requirements, affecting access to places for eligible children,</p>	<p>Back up manual processes have been developed to ensure administration can run smoothly.</p> <p>Monitoring and evaluation</p>

	payments to providers and required audits being carried out.	processes in place to ensure that ongoing review and feedback takes place, identifying potential issues and addressing these in a timely manner
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**7.0 STAFFING IMPLICATIONS**

7.1 As administration of this entitlement sits with the LA, there will be staffing implications. It will be key to use existing staffing capacity effectively and for strong systems and processes to be in place for streamlined administration. The creation of a fixed term post will help to ensure that the additional administration generated by the extended entitlement and school claims process is effectively managed.

**8.0 FINANCIAL IMPLICATIONS**

8.1 Brent has been funded a provisional £1.8 million for the 7 months of extended entitlement in 2017/18. This would fund access to 15 additional hours for approximately 1,100 children. Headcount claims for the Autumn term will take place between 21 September 2017 and 5 October 2017. Following this, we will be in a position to forecast against this allocation. The DfE intend final funding allocations for 2017/18 to be based on child numbers recorded at the January 2018 census, which mitigates the risk of a higher number of children taking up the entitlement leading to a shortage of funding.


8.2 The Early Years service will also need to continue to plan so that 95% of Early Years funding is passed through directly to providers from 2018/19.

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 <span style="font-size: 2em; font-weight: bold; margin-left: 10px;">Brent</span>	<p><b>SCHOOLS FORUM</b> 4 October 2017</p> <p><b>Report from the Strategic Director of Children and Young People</b></p>
For Decision	Wards Affected: ALL
<p><b>Amendment to the Scheme for Financing Schools</b></p>	

## 1.0 SUMMARY

- 1.1 The report proposes an update to the Brent Scheme for Financing Schools regarding Early Retirement and redundancy costs. The update will bring the scheme up to date with the current Department for Education guidance and make the scheme consistent with neighbouring boroughs.

## 2.0 RECOMMENDATIONS

- 2.1 That an Annex B providing more detailed guidance with respect to section 11.11 of the Brent Scheme for Financing Schools is added to the scheme and that section 11.11 is expanded to explain the annex.

## 3.0 BACKGROUND

- 3.1 Local authorities are required to publish schemes for financing schools setting out the financial relationship between them and the schools they maintain. Forum members representing maintained schools should approve any changes to the scheme.
- 3.2 A review of the Brent scheme revealed that section 11.11 'Redundancy /Early Retirement Costs' was not supported with the Annex provided by the DfE that provides greater guidance and clarity on the responsibilities for retirement and redundancy costs. Neighbouring boroughs, Harrow, Barnet and Ealing, have all included a similar annex to support their respective schemes.

## 4.0 PROPOSAL

- 4.1 Section 11.11 'Redundancy/Early Retirement Costs currently reads;
- 4.2 *"The 2002 Education Act sets out how premature retirement and redundancy costs should normally be funded."*
- 4.3 Department for Education guidance, recognising this is an area that would benefit from a more detailed explanation, have produced an Annex which can

be reproduced in Schemes for Financing Schools. This annex is attached to this report as Appendix A.

- 4.4 The section itself should then be expanded to explain the annex:
- 4.5 *“Annex B provides guidance and summarises the position relating to the charging of voluntary early retirement and redundancy costs. It sets out what is specified in legislation and provides some examples of when it might be appropriate to charge an individual school’s budget, the central Schools Budget or the local authority’s non-schools budget. Governing Bodies must take account of this guidance in reaching any decision concerning redundancies or early retirements.”*
- 4.6 Inclusion of this annex is advantageous to all parties as it will provide better information to the Council and to individual schools when planning and considering the costs of redundancies or early retirement arrangements.

## **5.0 FURTHER READING**

<https://www.gov.uk/government/publications/schemes-for-financing-schools>

## **6.0 APPENDICES**

- 6.1 **Appendix A – Proposed Annex to the Brent Scheme for Financing Schools**

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## **Appendix A – Proposed Annex for addition to the Brent Scheme for Financing Schools:**

### **Annex B: Responsibility for redundancy and early retirement costs**

This guidance note summarises the position relating to the charging of voluntary early retirement and redundancy costs. It sets out what is specified in legislation and provides some examples of when it might be appropriate to charge an individual school's budget, the central Schools Budget or the local authority's non-schools budget.

Section 37 of the 2002 Education Act says:

(4) costs incurred by the local education authority in respect of any premature retirement of a member of the staff of a maintained school shall be met from the school's budget share for one or more financial years except in so far as the authority agree with the governing body in writing (whether before or after the retirement occurs) that they shall not be so met.

(5) costs incurred by the local education authority in respect of the dismissal, or for the purpose of securing the resignation, of any member of the staff of a maintained school shall not be met from the school's budget share for any financial year except in so far as the authority have good reason for deducting those costs, or any part of those costs, from that share.

(6) The fact that the authority have a policy precluding dismissal of their employees by reason of redundancy is not to be regarded as a good reason for the purposes of subsection (5); and in this subsection the reference to dismissal by reason of redundancy shall be read in accordance with section 139 of the Employment Rights Act 1996 (c. 18).

The default position, therefore, is that premature retirement costs must be charged to the school's delegated budget, while redundancy costs must be charged to the local authority's budget. In the former case, the local authority has to agree otherwise for costs to be centrally funded, while in the latter case, there has to be a good reason for it not to be centrally funded, and that cannot include having a no redundancy policy. Ultimately, it would be for the courts to decide what was a good reason, but the examples set out below indicate the situations in which exceptions to the default position might be taken.

Charge of dismissal/resignation costs to delegated school budget:

- If a school has decided to offer more generous terms than the authority's policy, then it would be reasonable to charge the excess to the school
- If a school is otherwise acting outside the local authority's policy
- Where the school is making staffing reductions which the local authority does not believe are necessary to either set a balanced budget or meet the conditions of a licensed deficit

50

- Where staffing reductions arise from a deficit caused by factors within the school's control
- Where the school has excess surplus balances and no agreed plan to use these
- Where a school has refused to engage with the local authority's redeployment policy

Charge of premature retirement costs to local authority non-schools budget:

- Where a school has a long-term reduction in pupil numbers and charging such costs to their budget would impact on standards
- Where a school is closing, does not have sufficient balances to cover the costs and where the central Schools Budget does not have capacity to absorb the deficit
- Where charging such costs to the school's budget would prevent the school from complying with a requirement to recover a licensed deficit within the agreed timescale
- Where a school is in special measures, does not have excess balances and employment of the relevant staff is being/has been terminated as a result of local authority or government intervention to improve standards

Costs of early retirements or redundancies may only be charged to the central part of the Schools Budget where the expenditure is to be incurred as a result of decisions made before 1st April 2013. Costs may not exceed the amount budgeted in the previous financial year.

A de-delegated contingency could be provided, if Schools Forum agree, to support individual schools where "a governing body has incurred expenditure which it would be unreasonable to expect them to meet from the school's budget share".

For staff employed under the community facilities power, the default position is that any costs must be met by the governing body, and can be funded from the school's delegated budget if the governing body is satisfied that this will not interfere to a significant extent with the performance of any duties imposed on them by the Education Acts, including the requirement to conduct the school with a view to promoting high standards of educational achievement. Section 37 now states:

(7) Where a local education authority incur costs— 51

(a) in respect of any premature retirement of any member of the staff of a maintained school who is employed for community purposes, or

(b) in respect of the dismissal, or for the purpose of securing the resignation, of any member of the staff of a maintained school who is employed for those purposes,

they shall recover those costs from the governing body except in so far as the authority agree with the governing body in writing (whether before or after the retirement, dismissal or resignation occurs) that they shall not be so recoverable.

(7A) Any amount payable by virtue of subsection (7) by the governing body of a maintained school in England to the local authority may be met by the governing

body out of the school's budget share for any funding period if and to the extent that the condition in subsection 7(B) is met.

(7B) The condition is that the governing body are satisfied that meeting the amount out of the school's budget share will not to a significant extent interfere with the performance of any duty imposed on them by section 21(2) or by any other provision of the education Acts.

(8) Where a person is employed partly for community purposes and partly for other purposes, any payment or costs in respect of that person is to be apportioned between the two purposes; and the preceding provisions of this section shall apply separately to each part of the payment or costs.

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