

# **Schools Forum**

**14 January 2013  
4.00pm**

Conference Room 2,  
North London Business Park

Agenda, Papers and  
Minutes of the last meeting

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## 1. AGENDA

### SCHOOLS FORUM 14 JANUARY 2013

#### Meeting to start at 4pm with no training session

1. Apologies for absence
2. Declarations of interest
3. Minutes of previous meeting: 15 November 2012
4. Matters arising
5. Items for information:
  - 5.1. *2012/13 Schools Budget*
  - 5.2. *Children's Service Budget Consultation*
6. Items for Decision:
  - 6.1. *2013/14 Schools Budget and Funding Formulae*
7. Agreement of agenda for next meeting
8. AOB

## 2. SCHOOLS FORUM MEMBERS

Sector	Position	Name	School	Member Until
Nursery Schools (1)	Headteacher	Jane Chew	St Margaret's	07 Dec 2013
Primary Schools (11)	Community – Headteacher 1	Jeanette Adak	Monkfrith	30 Sep 2013
	Community – Headteacher 2	Helen Schmitz	Cromer Road	30 Sep 2013
	Community – Headteacher 3	Susan Convery	Whitings Hill Primary School	30 Sep 2014
	Community – Headteacher 4	Sally Lajalati	Colindale	30 Sep 2014
	Community – Governor 1	Liz Pearson	Holly Park & Livingstone	30 Sep 2013
	Community – Governor 2	Kim Garrod	Church Hill	07 Dec 2013
	Community – Governor 3	Catrin Dillon	Martin Primary	07 Dec 2013
	VA – Headteacher 1	Clare Neuberger	Menorah Foundation	30 Sep 2013
	VA – Headteacher 2	Dee Oelman	St Mary's & St John's	30 Sep 2013
	VA – Headteacher 3	Tim Bowden	Holy Trinity	30 Sep 2013
	VA – Governor	Anthony Vourou	St John's N11	30 Sep 2013
Foundation / VA Governor	Janet McIntyre	Christ Church CE	30 Sep 2014	
Secondary Schools (8)	VA – Headteacher	Seamus McKenna	Finchley Catholic	31 Nov 2013
	VA – Governor	Patricia French	St Mary's High	07 Dec 2013
	Community	Jeremy Turner	Friern Barnet	31 Nov 2014
	Foundation / Trust – Governor	<i>Vacancy</i>		
Special Schools	Governor	Gilbert Knight (Chair)	Oakleigh	30 Sep 2013
	Headteacher	Jenny Gridley	Oakleigh	30 Sep 2013
Academies	Academy / Principal	Michael Whitworth	Wren Academy	30 Nov 2013
	Academy / Principal	Angela Trigg	London Academy	30 Sep 2013
	Academy / Principal	Kate Webster	Queen Elizabeth Girls	30 Sep 2013
	Academy / Principal	Paul Ferrie	Totteridge Academy	30 Sep 2013
	Academy / Principal	Geoffrey Thompson	Mill Hill High	30 Sep 2013
Stake-holders	14-19 Partnership	Keith Murdoch	Woodhouse	30 Sep 2013
	Private Early Years	Sarah Vipond	Middlesex University	30 Sep 2013
	Unions	Keith Nason	Union representative	
	Stakeholder	Shelley Dannel	Head Teacher – Pavilion	
Non Voting Observers	Cabinet Member for Children	Cllr Andrew Harper	Deputy Leader	
	Director of Adult Social Care and Interim Director of Children's Services	Kate Kennally	Children's Service	
	Consultant to Schools Forum	Geoff Boyd	Consultant	
Barnet Officers	Deputy Chief Executive	Andrew Travers	Finance Directorate	
	Assistant Director	Val White	Children's Service	
	Assistant Director, Schools and Learning	Mick Quigley	Children's Service	
	Principal Education Psychologist	Brian Davis	Children's Service	
	School Funding Manager	Carol Beckman	Finance Directorate	
	Schools Finance Services Manager	Nick Adams	Finance Directorate	
	Assistant Director, Assistant Director - Financial Services	Maria Christofi	Finance Directorate	
	Clerk and minutes	Mark Callaghan	Finance Directorate	
EFA Observer	Education Funding Agency	Sue Samson / Bev Pennekett		

### 3. MINUTES OF THE LAST MEETING

Thursday 15 November 2012

*(4.00 pm, Sapphire Room, Emerald Suite, Building 4, NLBP)*

#### **Attended**

Members: Jeanette Adak (Head, Monkfrith)  
Tim Bowden (Head, Holy Trinity)  
Jane Chew (Head, St Margaret's Nursery)  
Susan Convery (Head, Whittings Hill)  
Shelley Dannell (Head, Pavilion Pupil Referral Unit)  
Catrin Dillon (Governor, Martin Primary)  
Paul Ferrie (Head, The Totteridge Academy)  
Kim Garrod (Governor, Church Hill Primary School)  
Jenny Gridley (Head, Oakleigh)  
Gilbert Knight (Governor, Oakleigh)  
Sally Lajalati (Head, Colindale)  
Marc Lewis (Finance Director, Wren Academy – substitute for Michael Whitworth)  
Janet McIntyre (Chair, Christ Church)  
Seamus McKenna (Head, Finchley Catholic)  
Keith Nason (NUT)  
Jack Newton (Head, Grasvenor)  
Elizabeth Pearson (Governor, Livingstone)  
Helen Schmitz (Head, Cromer Road)  
Angela Trigg (Principal, London Academy)  
Jeremy Turner (Head, Friern Barnet)  
Kate Webster (Head, QE Girls)

LA Officers: Nick Adams (Schools Finance Services Manager)  
Carol Beckman (School Funding Manager)  
Anisa Darr (Finance Manager, Children's & Adults)  
Brian Davis (Principal Education Psychologist)  
Mick Quigley (Assistant Director, Children's Service)  
Adrian Williams (S.E.N Transformation Consultant)  
Val White (Assistant Director, Partnerships, Performance & Planning)

Observers:

Clerk: Mark Callaghan (School Funding and Resources Officer)

#### **Not Present**

Members: Cllr Andrew Harper (Cabinet Member for Education, Children and Families)  
Kate Kennally (Deputy Director, ASSD)  
Jay Mercer (Deputy Director for Children's Service, Safeguarding, Prevention & Partnership)  
Keith Murdoch (Principal, Woodhouse College)  
Clare Neuberger (Head, Menorah Foundation)  
Dee Oelman (Head, St Mary's & St John's)  
Geoffrey Thompson (Head, Mill Hill High)  
Sarah Vipond (Early Years Working Group)  
Anthony Vourou (Governor, St John's N11)  
Michael Whitworth (Principal, Wren Academy)  
Patricia French (Governor, St Mary's High)

Consultant: Geoff Boyd (Independent Consultant)

<b>1. Welcome and apologies for absence</b>	<b>Gilbert Knight</b>
<p>GK welcomed Jack Newton, headteacher at Grasvenor Avenue Infant School, as a new academy member on the Forum.</p> <p>Apologies were received from:</p> <p>Geoff Boyd, Dee Oelman, Michael Whitworth, Patricia French</p> <p>GK reminded members that it was an open forum and encouraged them to voice their opinions.</p> <p><b>Action: Members were requested to submit subjects for pre-meeting training sessions by GB to CB.</b></p>	
<b>2. Declarations of Interest</b>	
<p>KN declared a potential interest in item 6.1 which may have an impact on his employment as a UNISON branch secretary.</p>	
<b>3. Minutes of previous meeting: 11 October 2012</b>	
<p>The minutes were agreed as a true and accurate record of the meeting.</p>	
<b>4. Matters arising (not occurring elsewhere on the agenda)</b>	
<b>4.1 Update on actions from previous meeting</b>	
<p><b>Item 1 – Terms of Reference</b></p> <p>PF updated the Forum on nominations for the two academy members required. Jack Newton has been selected to fill one of the vacancies. The secondary headteachers' meeting has asked whether a Finance Director could be a member of the Forum. PF clarified that the EFA has said that this is allowable under the EFA guidelines and requested Forum's opinion on whether the remaining vacancy could be filled by a Finance Director. CB advised that Barnet has an agreement historically that only either a headteacher or a governor from a maintained school can be a member of the Forum so that there is only one representative from each school.</p> <p><b>Action: MC to update the TOR to reflect this.</b></p> <p>VW suggested that secondary Academies may wish to adopt this agreement also. GK questioned whether there is anything to be gained by this when they are open meetings and headteachers and governors serve as representatives of the school. They would only be able to give input to the headteacher. KN stated that their expertise would provide useful input. KG asked whether there are regulations around whether a bursar representative is employed by the borough or external provider. PF advised that it is up to the academy members to take the decision around academy representation</p> <p>JT raised member representatives and the importance of having a substitute if members are unable to attend. CB explained that members can register a named representative to attend in their absence. GK noted that there is a continuity issue and where possible members should attend rather than sending a representative.</p> <p>KN asked whether the arrangements for the traded service for facilities time have been agreed yet. VW advised that they have not been agreed to date.</p>	
<b>1. ITEMS FOR INFORMATION</b>	
<b>5.1 2012/13 Schools Budget</b>	<b>Anisa Darr</b>
<p>AD presented a paper detailing the 2012/13 schools budget and monitoring position at quarter two which will go to Cabinet Resources Committee on 17 December 2012. The only change to the budget reported at the October Forum is recoupment of TPG for in-year academy conversions resulting in a reduction in the DSG and ISB of £33,514k.</p> <p>At Quarter one, budget monitoring showed a balanced budget. At Quarter 2, it shows a small overspend of £37k in the centrally retained budget, with net under/overspends as below:</p> <ul style="list-style-type: none"> <li>• 1.2.1: £77k from underspend in SEN payments to academies and overspend on therapies</li> <li>• 1.2.3: £25k overspend on fair access scheme</li> </ul>	

- 1.2.4: £318k overspend on private and independent day, special and residential schools
- 1.2.7: greater recoupmnt at month six than was budgeted for.

AT asked for further detail regarding the reason for the underspend in SEN payments to academies. AD stated that this represents the variance between pupils budgeted for at the beginning of the year and projections based on actuals paid. The variance is due to in year fluctuations in pupil numbers.

PF asked whether the overspend on line 1.2.3 is likely to continue to increase, and if so how will this be managed. VW advised that the local authority has placed between 70 and 100 pupils via fair access this year and this represents the bulk of the demand as most students have now been placed. If vacancies do not arise the fair access budget will continue to have pressure on it. The only option in the future would be to reduce the amount of money allocated for fair access which would not be a popular idea. AD clarified that the figure reported is a projection for the end of the financial year. If this projection is correct the figure should not increase.

PF asked whether the overspend on line 1.2.4 is also linked to additional pupil numbers. BD advised that, although this is a projection to year end, the number of pupils is a snapshot position and is due to the pressure on SEN placements. Local provision has been used where possible but there is still pressure due to movers into the authority, which is particularly hard to predict. JM asked if Barnet's high needs provision is increasing accordingly. VW advised that there has been investment in provision at Oakleigh and Orion.

NA updated the Forum on schools balances. The balance at the end of 2011/12 for all schools was £13m. The balance forecast for 2012/13 is £11m, however, forecasts have underestimated balances in the past so the figure could be similar to 2011/12. There are four secondary schools and one primary which have very low balances and the local authority will be liaising with these schools regarding this. There are 38 schools with balances in excess of eight percent, of which most are primary. The reasons given for high balances are usually capital/building works. Schools are advised to plan ahead and spend on projects earlier rather than later. JA stated that it can take small schools a number of years to save up for large capital investments, therefore high balances could reflect proposed spend for the future. NA acknowledged that schools often have balances outlined for capital, however, they are taking a long period of time to spend on them.

KN asked whether having high schools balances has an impact on funding received from central government. NA advised that there are nationally published figures available on this which would need to be looked at to establish any link; however, Barnet has higher balances than many other local authorities. GK noted that Forum members were advised previously to make provision for the future. NA clarified that the advice was to encourage schools to make provision within their three year budgets.

JM advised members of an idiosyncrasy regarding budgets used for capital spending for VA schools, which potentially affects foundation schools also. When VA schools receive capital funding it includes VAT, and when they spend it they have to pay VAT on this where a maintained school would not.

## **2. 2013/14 SCHOOL FUNDING FORMULA:**

<b>6.1 2013/14 Draft Schools Budget including Funding Formula Statement Return to EFA</b>	<b>Carol Beckman</b>
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CB updated the Forum on the work undertaken on the 2013/14 budget since the last meeting. Over the last month the authority has been drawing up a draft schools budget and the provisional statement of the funding formula was submitted to the EFA by 31 October. The return used an estimated DSG (based on October 2011 census data) and projected expenditure on central services and the high needs block under place plus, to which the formula approved in principle at the last meeting was applied. Data was not yet available for Further Education providers or two year-olds.

The provisional Individual Schools Budget (ISB) has been revised downward since the last meeting. To prevent any substantial losses to schools and to maintain objectivity, the lump sum has been reduced by £3k to £122k and gains capped at 1.5% rather than 2.5% in the funding formula. Other budget lines, where comparable to last year, are the same cash amount. Place plus funding for High Needs is replicating what

was funded last year, or what was paid out to independent or special schools last year.

CB advised that the Forum was being asked for provisional agreement on the draft budget submitted to the EFA. VW stated that members were being asked to note that changes have been made in the formula to the percentage capped gains and reduction of the lump sum.

CB advised that no growth has been built into high needs funding in the non-delegated schools budget. If costs for out-of-borough placements for high needs pupils exceed the budget, there is no contingency for this.

PF asked how the formula will be adjusted subsequently if the amount of money in the budget differs to that presented. VW suggested that it would be useful to agree principles for the local authority to use if this is the case, e.g. to look at the AWPU as a first point of call.

JG requested clarification regarding the value for money for the provision of hospital education services at Discovery Bay, as children will not receive provision for the first three weeks, whereas there is a faster turnaround in hospital. BD explained that hospital provision is being top-sliced nationally, therefore it is beneficial overall to provide hospital provision. The provision at Barnet hospital will remain free for any child. CB advised that the top-slice for Barnet is £440k. There is no inter-authority recoupment so children could be placed in hospitals in different local authorities. BD stated that the local authority is also proposing a proportion of the Home Tuition Team comes under this service as there is significant pressure around rising pupil numbers with complex needs, autism and social and emotional behavioural difficulties. It is a great deal more economical to provide provision in-borough than to place children out-of-borough.

GK asked whether high needs educational provision will be provided up to the age of 25. BD advised that local authorities have a duty to provide for special educational needs support, but not to provide education up to age 25. There is also an expectation to monitor people with learning difficulties up to age 25. CB advised that there will be a separate stream of money for children in further education or independent special schools. This money will not be ring-fenced.

JG asked how provision will be made for in-year changes in special schools if there is already a great of pressure on places. BD advised that changes happen gradually and plans are in place to reduce expenditure in-year. Proposals are underway to work towards an educational strategy. The local authority is aware of the need to plan for expansion to ensure that there is sufficient capacity in Barnet.

SD requested clarification on lines 1.2.4 (Other AP provision) and 1.2.9 (Special schools and PRUs in financial difficulty). AD advised that line 1.2.9 does not have a budget yet for 2012/13, therefore has not been mapped across for 2013/14. CB advised that although line 1.2.4 is made up differently now due to PRU delegation, that the budget is the same as it is being used to pay for 10 places at Northgate and the 2 LSUs at Orion and Danegrove. SD cautioned that the need for this provision is likely to rise.

PF stated that it is difficult to gauge the impact of the formula without direct comparisons to previous years, for example to determine whether the CEL has increased or reduced. There is a broad understanding that where possible budgets have been mapped over, however, it is not clear whether budget totals are the same. CB advised that line 1.2.1 now includes funding elements that were previously in the ISB. Officers will work on producing a clearer comparison where possible, though this is difficult to portray. Estimates have been made based on the same budget sizes as for 2012/13 with growth factored in for the ISB based on pupil numbers and estimates for resourced provision and special schools.

VW reminded members of the consultation process for the formula and the additional elements from central government which have to be factored in. The initial consultation response requested stability, which the local authority has set out to achieve by mapping over budgets wherever possible. GK noted that everyone appreciated that it has not been an easy journey, but if possible a comparison of budget value or percentage year-on-year would be useful.

SM suggested that if there are further amendments required to the budget then it would make sense to



agree in principle where they should be made, for example to change the AWPU. ML advised caution regarding amending the AWPU as it is protected under the MFG. Changing the AWPU can result in changing the funding formula going forward for many years. CB advised that the lump sum is also partially protected. JN asked whether the lump sum and the AWPU are the only two options for changing the formula, and if it is possible that changes could result in more funding being available rather than less. CB stated that the budget could increase or decrease depending on the number of duplicates in pupil numbers. The options would be to change the AWPU, the lump sum or deprivation factors. In the past any additional funding has always been added to the AWPU.

AT asked why the London and Wren academies have not been included in the modelling. CB explained that this was because the local authority has not been provided with their data. The local authority would be happy to produce the models for them if they had access to the data. AT asked whether the omission of these two academies has an impact on figures. CB advised that this was unlikely to have an impact as they are comparable in profile to other large secondary schools/academies in Barnet.

VW reiterated that the provisional budget presented was based on what the local authority felt provided the greatest stability to schools. CB stated that the local authority instinct is to keep as few schools on the MFG as possible, and keep schools as close to the MFL as possible, as this would demonstrate the greatest stability.

GK asked members to vote that in setting the funding formula for 2013/14, that the local authority will strive to keep funding for individual schools as close to the MFL as possible.

Members voted in favour of the proposal:

- 14 in favour
- 0 against
- 1 abstention

## **6.2 2013/14 Schools Budget – De-delegation of Behaviour Support Services**

**Brian Davis**

Taken before item 5.

BD presented a paper proposing the de-delegation of Behaviour Support Service budgets for primary and secondary schools, providing a summary of how the funding is used and how the service operates. The funding currently funds 1.6 High Incidence Support teachers (HIST) and part of the Educational Psychology Service. Without de-delegation of the budget or academy buy-back, the authority would not be able to provide the same level of service. A large amount of work is around meeting the needs of statemented children and the platform provides universal training for schools on speech and language. The HIST team concentrate on priority responses for children at risk of exclusion. Barnet has a very good record for exclusion of statemented children.

SM asked why it can't operate as a fully traded service. BD explained that the authority has a responsibility to all children irrelevant of the school type, however, there is no reason why it could not be extended into a traded service in the future. It would, however, be very difficult to build a consistent model for all schools. Additionally, there is a shortage of speech and language therapists. HS asked whether schools which do not buy into this service will be able to access the services of the HIST team. BD advised that it is a small team which works primarily with placements and prevention, as well as social and emotional difficulties. This is a high priority service which all schools can access.

JT – stated that there is an issue around some schools de-delegating money when it is such a small team and they feel that they don't receive any benefit from their contribution. Also, some schools feel that they are providing their own Educational Psychology service. BD advised that it is difficult to look at just one element of the service in isolation as the Educational Psychology service as a whole would be affected by the money not being de-delegated. The impact will be at child level.

JT asked whether there are parental expectations around access to services for speech and language and where statements were supposed to be rewritten. BD advised that the local authority is working with schools in terms of training and rewriting statements and this will be reflected in a new model.

JM stated that from a primary school point of view, they have very few children who require this service, therefore when they have one it is helpful to have a service to go to. BD stated that this reflects the experience of the local authority where having an external view helps to prevent exclusions.

KN asked how it will be decided whether the £10k and £16K for nursery and special schools are de-delegated. CB advised that there is no requirement to delegate this funding as nursery schools and special schools are not funded through the funding formula. The service will continue to be provided for special and nursery schools.

TB asked whether schools would have to buy back into the service to access the HIST team if the money is delegated. BD advised that the funding under discussion includes 1.6 FTE staff allocation. If the money is not de-delegated then schools would still be able to access the service but there would be a reduced resource.

GK asked maintained primary Forum members to vote on approving the de-delegation of £133,912 to the local authority for Behaviour Support to maintain continuity of core services, the platform for traded services and prevent risk. Primary members voted in favour of the proposal:

- in favour – 7
- against – 0
- abstentions – 1

GK asked maintained secondary Forum members to vote on approving the de-delegation of £13,218 to the local authority for Behaviour Support to maintain continuity of core services, the platform for traded services and prevent risk. Secondary members voted against the proposal:

- in favour – 0
- against – 2
- abstentions – 0

### **6.3 Proposed Criteria for the 2013/14 Growth Fund**

**Carol Beckman**

CB advised that schools are currently funded in advance for bulge classes and expansion in the funding formula. The EFA has advised that local authorities can no longer do this from 2013/14 and will have to have a separate growth fund. All schools will be eligible for this, including free schools and academies. The estimate for Barnet for 2012/13 is £2m. The level of provision will be similar to existing arrangements and there will be clear access criteria. There will be different rules for new schools for accessing the growth fund. If independent schools want to transfer and take VA status, the local authority will continue to fund them but not as a newly established school. For newly established free schools where the local authority is responsible for their commissioning, a similar system to the existing one is proposed where the schools receives a double lump sum for the two years before they open. Officers feel that the growth fund should also be used to put money aside for any school closures as it is difficult to measure and predict for this.

PF asked what the differences are to the current system. CB advised that at present academies are unable to benefit, but will be able to access the growth fund.

GK asked the Forum to vote on approving the criteria for paying out of the 2013/14 growth fund as set out in the paper presented. Forum members voted:

- in favour –15
- against – 0
- abstentions – 0

<b>7 Agreement of agenda for next meeting</b>	<b>Carol Beckman</b>
CB presented the draft agenda for the Forum meeting on 14 January 2013 which was agreed by members.	
<b>8 ANY OTHER BUSINESS</b>	
KN noted that under secondary schools members, there is a vacancy for foundation/trust governor, and asked whether it is still appropriate that this vacancy remains. PF stated that in terms of the membership structure and representation of secondary schools it may no longer be relevant to fill this vacancy. <b>Action: CB to check whether this vacancy is still required for secondary school representation.</b>	
JG stated that she still feels reluctant voting under the new regulations. CB clarified that as a special school member JG can vote on all proposals except for those pertaining to the primary or secondary funding formula.	
Meeting closed 17.50pm	

#### Dates for future meetings

14 January 2013	4.00pm
5 February 2013	4.00pm
7 May 2013	4.00pm

#### 4. MATTERS ARISING

##### Item 4.1 Update on actions from previous meeting

**MC to update the TOR to reflect academy representation criteria.**

**CB to check whether the existing vacancy is still required for secondary school representation.**

## 5. ITEMS FOR INFORMATION

### Item 5.1 2012/13 Schools Budget

<b>Author</b>	<b>Collette Sutton</b>
<b>Position</b>	<b>Head of Finance (Children's)</b>

2012/13 budget is as presented at the meeting of the Schools Forum on 15 November 2012.

## Item 5.2 Children's Service Budget Consultation

<b>Author</b>	<b>Jay Mercer</b>
<b>Position</b>	<b>Deputy Director, Children's Service</b>

The Government is reducing the amount of money available to all local authorities. Barnet Council has already made savings of £42.4m in the last two years. The Council needs to make savings of about £55m between 2013/14 and 2015/16 all areas in the Council must make savings.

a) The Council is currently consulting on its overall budget proposals for 2014/15 and beyond. This consultation can be found at:

[http://engage.barnet.gov.uk/consultation-team/financeandbusinessplanningconsultation/consult\\_view](http://engage.barnet.gov.uk/consultation-team/financeandbusinessplanningconsultation/consult_view)

b) In relation to specific proposals for the Children's Service, an on-line consultation can be found at:

[http://engage.barnet.gov.uk/childrens-service/budget\\_2013-14/consult\\_view](http://engage.barnet.gov.uk/childrens-service/budget_2013-14/consult_view)

A presentation of the main Children's Service budget proposals will be made at the meeting.

## 6. ITEMS FOR DECISION

### Item 6.1 2013/14 Schools Budget and Funding Formulae

<b>Author</b>	<b>Collette Sutton: Interim Head of Finance for Children's Service</b> <b>Carol Beckman: School Funding Manager</b> <b>Val White: Lead Commissioner Schools, skills and learning</b> <b>Brian Davis: Head of SEN</b>
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#### 6.1.1 Schools Budget and Funding Formula for 2013/14

This report presents the proposed Schools Budget for 2013/14 for approval and follows on from the budget presented to the Forum in November 2012.

#### Expected income for 2013/14

The Schools Budget is made up of a number of elements. The table below shows these elements and their current status. The final DSG is not yet known because the Post 16 programme funding and the Early Years Block are still only estimates. However, we do have more certainty about 2013/14 than we had at the same period last year for 2012/13, because the largest element of the DSG is the Schools Block based on the October census.

Although not officially part of the Schools Budget, Barnet also shows the Pupil Premium for maintained schools in the budget reported to the Schools Forum.

Element	Amount	Notes
Schools Block (Reception – Year 11)	210,798,117	Final allocation received on 19 <sup>th</sup> December 2012
School 6 <sup>th</sup> forms (not high needs SEN)	£6,174,468	This is an estimate of programme funding for maintained school 6 <sup>th</sup> forms. Final allocations due in March 2013.
Early Years Block (3 and 4 year olds)	£16,292,022	This is an estimate based on our pupil number projections. Final allocation due from the EFA later in 2013 once the January census has been cleaned by the EFA.
Two Year Olds	£4,130,580	Final allocations announced December 2012
High Needs Block (0-25 year olds)	£38,729,354	Final allocation announced 19 <sup>th</sup> December. Includes Post 16 top-up funding (Element 3)
NQTs	64,525	Funding for NQT accreditation
Transitional funding - 85% of 3 year olds	675,708	Barnet has been allocated 50% of the 2012/13 funding as this is being phased out.
Post 16 high needs funding not in the DSG	1,895,362	This has been included because it is budgeted in expenditure below, but will be passported directly to providers.
Less Academy recoupment	-£63,918,789	Based on the latest funding formula. Will increase as more schools become academies during 2013/14 financial year.
Plus Pupil Premium	£8,317,472	Based on 12/13 funding plus 50%. As this money is passported to schools there is no net effect on the budget.
<b>TOTAL</b>	<b>£223,158,819</b>	
<b>TOTAL before academy recoupment</b>	<b>£287,087,607</b>	

## **Expenditure Budget for 2013/14**

The attached table (Appendix 1) shows the proposed budgets for each of the lines of the new format Section 251 return to the Education Funding Agency (EFA). To help members we have also shown the draft 2013/14 budget presented at the last meeting together with the equivalent budget lines in 2012/13. In most cases there is not a one-to-one relationship between the old and new lines of S251 so members will not be able to compare this report directly with previous reports.

This year, budgeting has been done at a cost centre level because of:

- the change in SEN funding to place plus
- the change to funding only Barnet High Needs pupils and the end of inter-authority recoupmnt
- the additional delegation of central budgets required by the government
- de-delegation agreed by the Schools Forum
- transfer of two-year-old funding to the DSG
- transfer of Post 16 High Needs funding to the DSG
- budgets for central services have in general been set at the 2012/13 level, except where they have been subject to delegation / de-delegation.

Because the income budget is allocated in three blocks (Schools, Early Years and High Needs) we can also classify expenditure in the same way. Comparing expenditure to income by block shows that the proposed budget currently exceeds the income for High Needs and the reverse for Early Years and Schools.

## **Schools Funding Formula**

Data for all schools, including free schools and non-recouped academies was received on 10 December 2012 from the EFA. The data we used for modelling the funding formula was based on the October 2011 census (with adjustments for extra classes).

The new data is from the October 2012 census. As noted above, our pupil number projections were very close to the EFA data but we had originally modelled on 2011 data for other measures and there are some noticeable changes in other measures. We notice in particular that:

- Primary mobility has fallen – possibly due to lack of spare places to allow children to move to other schools. This means money is now spread more evenly across schools
- There is a lower proportion of pupils in the highest deprivation groups. This again spreads funding slightly differently between schools.

Although Barnet's formula does not use prior attainment indicators, it is interesting to note that the proportion of children not achieving 73 or 78 points at EYFS is lower than in 2011.

When the new data was fed into the formula model as submitted to the EFA and there was almost no change in the total cost, so we are not expecting to need to change the formula significantly unless the overall size of the Individual Schools Budget (line 1.0.1 in the expenditure report) has to change.

As in any year, the minimum funding guarantee only protects schools at a pupil level, so schools experiencing a reduction in pupil numbers and for whom the new formula has been unfavourable, year on year funding will be noticeably reduced.



The table below shows the funding rates for the different elements of the formula:

School Funding Formula	Rate £	Description
AWPU Primary	3,317.83	Includes newly delegated items
AWPU Secondary	4,764.94	
FSM6 Primary	1,383.56	
FSM6 Secondary	1,375.32	
Primary IDACI Band 4	215.00	IDACI score from 0.4 - 0.5
Primary IDACI Band 5	717.00	IDACI score from 0.5 - 0.6
Primary IDACI Band 6	4,205.00	IDACI score from 0.6 - 1
Secondary IDACI Band 4	247.00	IDACI score from 0.4 - 0.5
Secondary IDACI Band 5	819.00	IDACI score from 0.5 - 0.6
Secondary IDACI Band 6	2,917.00	IDACI score from 0.6 - 1
EAL Primary	530.00	
EAL Secondary	1,378.00	
Primary Mobility	98.00	
Secondary Mob	147.00	
Lump Sum	122,000.00	
E Yrs funding formula	Rate £	Description
Hourly Rate	3.74	Per hour/ per child
Basic Entitlement	2.63	Per week/ per child to a maximum of £1000 per term (£3000 per annum)
Deprivation	10.53	Per week/ per child
Flexibility level 1	2.50	Per week/ per child
Flexibility level 2	5.00	Per week/ per child

## 6.1.2 High Needs

All high needs pupils will be funded by place-plus from April 2013 – with the exception of those in academies and Post 16 where the changes come in from the autumn term. The base funding provided by any school from its delegated budget for a full time high needs pupil will be £10,000, which includes core education as well as SEN support. Additional costs for the education of the child will be provided as a top-up from the child's home authority. This cut off level is much the same as Barnet's formula delegation for additional / high needs support has been for several years. Schools should therefore expect to receive the same level of top-up funding for pupils with statements as they did for the same pupils in 2012/13.

### Post 16 High Needs – A New Approach to High Needs Funding (HNS)

Local Authorities (LAs) will take on greater responsibility for funding post-16 provision for high needs pupils and students from the 2013/14 academic year.

The new approach to high needs funding has been developed to be aligned with and support the reforms proposed in the SEN Green Paper. For this reason, proposed reforms to high needs funding cover funding for education provision for high needs pupils and students aged from birth to 25. Consequently, the existing funding streams that support high needs students will also be brought together under a single High Needs Block within the Dedicated Schools Grant.

Under the place-plus approach high needs funding will comprise three elements which can be applied across all provision for high needs pupils and students:

*Element 1 - or "core education funding":* the mainstream unit of per-pupil or per-student education funding. In the school sector for pre-16 pupils, this is the age-weighted pupil unit (AWPU), while for post-16 provision in schools and in the FE sector this is the mainstream per-student funding as calculated by the national 16-19 funding system.

*Element 2 - or "additional support funding":* a clearly identified budget for providers to provide additional support for high needs pupils or students with additional needs up to an agreed level endorsed by the LA.

*Element 3 - or "top-up funding":* funding above elements 1 and 2 to meet the total cost of the education provision required by an individual high needs pupil or student, based on assessed needs.

*Post-16 SEN and LDD:* all providers catering for post-16 high needs pupils and students will receive:

1. mainstream per-student funding as calculated by the national 16-19 funding system
2. an allocation of £6,000 for each high needs pupil or student on a lagged basis
3. per-pupil/-student top-up funding from the commissioning local authority.

As LAs become more active commissioners of post-16 high needs education provision, there are a significant number of operational implications to work through to plan for local implementation. LAs must review existing systems and processes for arranging post-16 provision for high needs pupils and students including through discussions with providers, other local authority commissioners, and the EFA, so as to ensure that these arrangements are proportionate, do not create unnecessary administrative burdens for providers, do not duplicate processes that are carried out by other bodies, and secure the most efficient use of public funds.

As such, authorities will need to work with providers, other local authorities that commission provision from the same providers, and the EFA to calculate appropriate future levels of top-up funding.

As yet there has been no indication of the budget that will be transferred to LAs however it is anticipated that there will be a reduction.

### 6.1.3 Funding requirements for the two year old entitlement

This section sets out the funding allocation required for the two year old offer for 2013-14 based on actual numbers released on 27 November from the DfE. Previously indicative figures had been agreed with SLT based on draft numbers from the DfE.

#### Overview of the two year old agenda

The two year old entitlement will be a legal duty from 1 September 2013. Barnet Council has been piloting the two year old offer successfully since September 2009 and has supported in excess of circa 1,000 families. The entitlement will be delivered in two phases.

**Phase one:** In September 2013 local authorities have to fund the 20% most deprived two year olds with 15 hours of quality childcare provision. The eligibility criteria to access the offer are meeting the Free School Meals criteria or are looked after by the LA. After these have been met we could apply local discretion of the LA.

**Phase two:** In September 2014 the entitlement will then extend to fund the 40% most deprived two year olds.

In addition to the phase one criteria, the current proposed\* criteria will extend to:

- household income under £16,190 per annum
- children with high level special educational needs disability
- children that have left care through an adoption order/special guardianship order.

\*The DfE has undertaken a consultation on the proposed criteria for phase two which is under review. The DfE indicated the number of children that would access the offer would be between 800 to 900 places for phase one. Confirmed funding has been allocated to Barnet for 940 places from September 2013 (phase one only). Phase two numbers are not confirmed from the DfE, but could assume it would be circa an additional 1000 children.

**Budget Allocation:** The Government announced the funding allocation on 27 November 2012. Barnet will receive funding for 2013/14 through the DSG for the two year old offer in three strands:

Statutory place funding	£2,966,150
Trajectory building for 2014/15	£1,164,430
Capital funding	£785,387
<b>Total</b>	<b>£4,915,967</b>

#### Revised proposal to spend the budget

##### (a) Places increase:

We have reviewed the place requirement following the DfE budget announcements and are recommending the following proposals for 2013/14

Table one. Number of places to be offered in 2013 -14

Term/period	Proposal	DfE places	Proposals versus DfE
April to July (13 weeks)	Places 500 (£585,000)**	940	440
Sept to Dec (13 weeks)	Places 600 (£702,000)**	940	340
Jan to Mar (12 weeks)	Places 700 (£756,000)**	940	240

\*children to be funded 10 hours per week.

\*\* children to be funded 15 hours per week

The funding allocated is to fund 15 hours from April 2013, this has been reflected in the costs above. The DfE applied an hourly rate of £5.09 per hour in their allocation. In the original two year old pilot the DfE recommended an hourly rate of £6 per hour. At Barnet we adopted this rate and would continue to fund at a rate of £6 per hour to ensure continued and future participation from settings and support settings to build capacity.

### Budget projection for Two Year Old Offer for 2013/14

The outline budget requirements for 2013/14 are as follows:

<b>Phase 1 (a) Statutory place funding</b>	<b>2013-14</b>
Childcare payments	£2,043,000
Salaries (project co-ordinator/2x brokerage officers)	£110,000
Parenting courses (to support vulnerable families) - inc crèche	£20,000
Developmental work for example managing capital grant programme/increase childcare places for 2013/14, relationship management not currently in scheme -	£100,000
Manage the CSA, Nursery/ CC's strategy	£100,000
Children's Centre funding to support parents with training/college courses inc crèche	£35,000
Communications strategy to reach top 20% families	£20,000
SEN Inclusion Funding	£65,000
Outreach	£50,000
Procurement of database for two year olds	£50,000
<b>Total</b>	<b>£2,593,000</b>

<b>Phase 2 (b) Trajectory costs to build capacity for phase 2</b>	<b>2013-14</b>
Parents conference (to raise profile, stimulate demand)	£5,000
Provider conference (to raise profile, increase take-up)	£10,000
Resource documentation to support the transition for two year olds	£10,000
Childcare placements for phase two eligibility (160 childcare places)	£547,200
Business training for providers	£25,000
One FTE Early Years Consultant to support settings (1 year contract)	£90,000
<b>Total</b>	<b>£687,200</b>

<b>(c) Capital Grants (to support settings in order to build capacity). This grant is not time bound</b>	<b>2013-15</b>
Capital Grants for providers	£785,387
<b>Total</b>	<b>£785,387</b>
<b>Total proposed two year old expenditure</b>	<b>£4,065,587</b>

### Summary of two year old allocation

Total proposed budget spend (as above)	<b>£4,065,587</b>
DSG allocation:	<b>£4,915,967</b>
Amount to be re-allocated through the DSG:	<b>£850,380</b>

### Challenges and work stream

The development of the two year old offer will be a significant challenge for Barnet because:

- quality of provision (only outstanding or good settings can participate)

- creating new childcare places for two year olds

We are establishing a number of work streams to increase local capacity and deliver the programme as above.

#### **6.1.4 Staff costs**

Eligible members of the Schools Forum voted in October to de-delegate monies back to the council to support staff costs such as magistrates' duties, salary protection and Trade Unions' facilities time for schools.

Academies and Free Schools are not able to de-delegate monies back for this purpose and it was agreed that the council would investigate developing a Trade Union facilities time Traded Service specifically for Academies. Initial enquiries to Academies and two Free schools indicate limited expressions of interest in buy-back and therefore, based on current responses, the option to develop a Traded Service is not viable

Claims for salary protection are submitted at the end of each year when costs are known by schools. To meet all claims for salary protection, the budget has overspent in some years. To implement the decision of the Forum it is proposed to:

1. Implement a reduction to Trade Union facility time in proportion to the number of pupils educated in Academies.
2. Honour salary protection for 2012/13 – bids will be submitted shortly when the cost will be known. It is anticipated that any overspend to meet this commitment can be contained in the overall schools budget.
3. For 2013/14, implement the budget as a cash-limited pot and therefore bids for salary protection would be paid proportionally to the amount available.
4. During 2013/14, conduct a review of the salary safeguarding arrangements to test the viability of maintaining a de-delegated budget in the light of the reducing number of schools participating as further schools convert to Academy status.

If agreed, schools with current salary protection arrangements will be individually notified of the decision to implement a cash limited pot for 2013/14 and advised to plan budgets accordingly. All schools will be informed of points 3 and 4 via the schools circular so that eligible schools that apply for agreement to new salary protection arrangements during 2013/14 are also aware of the review.

### **6.1.5 Forthcoming Change for Barnet Schools, Academies and other Education / SEN Providers**

There are some government income figures that have not yet been confirmed which may affect the overall balancing of the budget.

During the change transition period, prior to April 2013, Barnet are looking to support schools, and other Education / SEN providers to manage the change.

In some instances, internal processes may need to be reviewed and updated to accommodate new payment arrangements.

A managed process is currently being implemented by the Finance Team at Barnet to support all stakeholders, discussing individual implications for change where appropriate.

The main financial issues are:

- Transfer of Post 16 High Needs funding from EFA (YPLA) to Barnet. This funding will not be ring-fenced and should expenditure exceed income, there will be added pressure on other parts of the Schools Budget
- Summer Term – Place Plus not coming into Academies and Post 16 until Autumn Term Special arrangements will have to be put in place within Finance for the first term to manage Place Plus payments in parallel with Non Place Plus payments
- Complexity of Special Education Needs (SEN) and changes required to existing processes for both Barnet and Schools and will require continued close collaboration to ensure that schools and pupils are not adversely affected leading up to April 2013 when change is implemented
- Cash flow for schools because of the new process of claiming Place Plus top-up funding for individual pupils which was previously paid automatically in the funding allocation
- Pupil Referral Units (PRUs) – we are awaiting clarification on regulations (Pavilion and Northgate) as their funding will change from centrally retained budgets to delegated
- Budgets and Place Plus top-ups from April 2013. This will require changes to accounting regimes and may need additional support from the local authority
- Hospital provision – we are awaiting clarification on regulations (Discovery Bay, HHTT and Northgate) as their funding will change from centrally retained budgets to delegated budgets from April 2013. This will require changes to accounting regimes and may need additional support from the local authority.

### **Actions**

Schools Forum members are asked to agree:

1. the Schools Budget as presented in these papers (or replacement papers provided closer to the meeting)
2. the funding formula for distribution of funding to all Barnet maintained schools, academies and free schools for 2013/14
3. the proposals for staff costs for 2013/14

## Appendix 1

### Proposed Schools Budget for 2013/14

07/01/2013

INCOME		Schools Forum Jan 13	Change from Nov 12	Change from 12/13	Schools Forum Nov 13/14	Schools Forum Oct 12/13	Comment
1.7.1	Estimated Dedicated Schools Grant for 2013-14	278,760,136	867,698	11,156,755	277,892,438	267,603,381	Higher 2 year old funding and schools block than expected
1.7.2	Dedicated Schools Grant brought forward from 2012-13	-	-	- 2,108,953	-	2,108,953	
1.8.1	Academy: recoupment from the Dedicated Schools Grant	- 63,918,789	- 619,758	- 1,518,438	- 63,299,031	- 62,400,351	2012/13 includes LACSEG and different funding formula
1.9.1	Pupil Premium Income	8,317,472	- 1	2,772,491	8,317,472	5,544,981	50% increase expected in 13/14
<b>Grand Total</b>		<b>223,158,819</b>	<b>247,939</b>	<b>10,301,855</b>	<b>222,910,879</b>	<b>212,856,964</b>	
EXPENDITURE		Schools Forum Jan 13	Change from Nov 12	Change from 12/13	Schools Forum Nov 13/14	Schools Forum Oct 12/13	Comment
1.0.1	Individual Schools Budget (before Academy recoupment)	212,051,262	636,346	- 10,419,780	211,414,916	222,471,042	12/13 includes statement funding and high needs now in 1.2.1 & 2, early years now in 1.3.1 and some bulge classes
1.1.1	Contingencies	1,288,995	1,288,995	1,179,602	-	109,393	
1.1.2	Behaviour support services	166,630	- 6,652	- 41,100	173,282	207,730	New figure corrected for de-delegation decisions
1.1.3	Support to UPEG and bilingual learners	164,231	- 993	- 52,349	165,224	216,580	Part de-delegated
1.1.8	Staff costs supply cover	120,720	- 13	- 24,900	120,733	145,620	Part de-delegated
1.2.1	Top up funding - maintained providers	19,604,836	- 591,090	3,244,367	20,195,926	16,360,469	Excludes base high needs funding now in 1.0.1
1.2.2	Top up funding - Academies and Free Schools	4,529,262	- 24,889	1,364,599	4,554,151	3,164,663	Excludes base high needs funding now in 1.0.1

EXPENDITURE		Schools Forum Jan 13	Change from Nov 12	Change from 12/13	Schools Forum Nov 13/14	Schools Forum Oct 12/13	Comment
1.2.3	Top up and base funding - independent providers	12,391,448	- 809,462	4,145,804	13,200,910	8,245,644	Now includes Post 16 high needs
1.2.4	Other AP provision	1,115,118	- 392,109	- 367,955	1,507,227	1,483,073	Excludes base high needs funding now in 1.0.1
1.2.5	SEN support services	3,344,181	535,367	40,210	2,808,814	3,303,971	Home Tuition Team moved from Hospital Provision
1.2.6	Support for inclusion	567,729	-	- 45,390	567,729	613,119	Fair Access fund moved to Growth Fund 1.4.10
1.2.7	SEN transport	400,000	-	-	400,000	400,000	No change
1.2.8	Hospital education services	510,400	- 680,600	28,365	1,191,000	482,035	Part of Home Tuition Team moved to SEN support
1.3.1	Free education on 3 & 4 year olds	15,120,192	- 200,000	6,546,797	15,320,192	8,573,395	12/13 excludes maintained school nursery entitlement
1.3.2	Spending on 2 year olds	3,280,200	1,340,450	3,280,200	1,939,750	-	New budget in 13/14
1.3.3	Central expenditure on children under 5	798,048	-	188,582	798,048	609,466	Includes central services for 2 year olds
1.4.1	Contribution to combined budgets	774,900	-	- 42,260	774,900	817,160	FMSIS ended
1.4.2	School admissions	364,192	-	-	364,192	364,192	No change
1.4.3	Servicing of schools forums	34,680	-	-	34,680	34,680	No change
1.4.5	Carbon reduction commitment allowances	291,656	-	-	291,656	291,656	No change
1.4.10	Pupil growth/ Infant class sizes	1,841,454	- 227,651	1,141,961	2,069,105	699,493	Includes all bulge classes
1.9.2	Pupil Premium Expenditure	8,317,472	-	2,772,491	8,317,472	5,544,981	50% increase from 2012/13
CERA	CERA	-	-	- 1,118,953	-	1,118,953	12/13 funded from underspend
<b>Grand Total</b>		<b>287,077,607</b>	<b>867,700</b>	<b>11,820,292</b>	<b>286,209,907</b>	<b>275,257,315</b>	
1.0.1	Academy recoupment (from 1.0.1)	- 63,918,789	- 619,758	- 1,518,438	- 63,299,031	- 62,400,351	
	Net expenditure	223,158,818	247,943	10,301,854	222,910,876	212,856,964	
	<b>Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	



## 7. DATE AND AGENDA FOR NEXT MEETING

<b>Author</b>	<b>Carol Beckman</b>
<b>Position</b>	<b>School Funding Manager</b>
<b>Schools Forum 5 February 2013</b>	
<b>AGENDA</b>	
<b>Meeting to start at 4pm with no training session</b>	
<ol style="list-style-type: none"><li>1. Apologies for absence</li><li>2. Declarations of interest</li><li>3. Minutes of previous meeting: 14 January 2013</li><li>4. Matters arising</li><li>5. Items for information:<ol style="list-style-type: none"><li>5.1. <i>Schools budget 2012/13 Quarter 3 Budget Monitoring</i></li></ol></li><li>6. Items for Decision:<ol style="list-style-type: none"><li>6.1. <i>School funding formula 2013/14</i></li></ol></li><li>7. Agreement of agenda for next meeting</li><li>8. AOB</li></ol>	