

Schools Forum

**03 December 2013
4.00pm**

Conference Room 2
North London Business Park
Building 4

Agenda, Papers and
Minutes of the last meeting

CONTENTS

1. LIST OF SCHOOLS FORUM MEMBERS

2. AGENDA

2.1 Request for new item – 5.5 All through School split site funding

3. MINUTES OF THE LAST MEETING

3.1 Matters arising

4. ITEMS FOR INFORMATION

4.1 2013/14 Budget Monitoring

5. ITEMS FOR DECISION

5.1 Use of 2012-13 Underspend

5.2 De-delegation

5.3 2014-15 Schools Budget

5.4 Funding Adjustments for closing schools/ closing bulge classes

5.5 All-through School split site funding (NEW ITEM)

6. DRAFT AGENDA FOR NEXT MEETING

7. AOB

1. SCHOOLS FORUM MEMBERS

Sector	Position	Name	School	Member Until
Nursery Schools (1)	Headteacher	Jane Chew	St Margaret's	07 Dec 2016
Primary Schools (12)	Community – Headteacher 1	Jeanette Adak	Monkfrith	30 Sep 2016
	Community – Headteacher 2	Helen Schmitz	Cromer Road	30 Sep 2016
	Community – Headteacher 3	VACANT	VACANT	VACANT
	Community – Headteacher 4	Sally Lajalati	Colindale	30 Sep 2014
	Community – Governor 1	Liz Pearson	Holly Park & Livingstone	30 Sep 2016
	Community – Governor 2	Kim Garrod	Church Hill	07 Dec 2016
	Community – Governor 3	Catrin Dillon	Martin Primary	07 Dec 2016
	Foundation & VA –Headteacher 1	VACANT	VACANT	VACANT
	Foundation & VA –Headteacher 2	Dee Oelman	St Mary's & St John's	30 Sep 2016
	Foundation & VA –Headteacher 3	Tim Bowden	Holy Trinity	30 Sep 2016
	Foundation & VA – Governor 1	Anthony Vourou	St John's N11	30 Sep 2016
Foundation & VA – Governor 2	VACANT	VACANT	VACANT	
Secondary Schools (3)	Headteacher - 1	Seamus McKenna	Finchley Catholic	31 Nov 2016
	Headteacher - 2	Jeremy Turner	Friern Barnet	31 Nov 2014
	Governor	Patricia French	St Mary's High	07 Dec 2016
Special Schools(2)	Governor	Gilbert Knight (Chair)	Oakleigh	30 Sep 2016
	Headteacher	Jenny Gridley	Oakleigh	30 Sep 2016
Pupil Referral Unit (1)	Headteacher	Joanne Kelly	Head Teacher – Pavilion	30 Sep 2016
Academies(7)	Academy- Representative 1	Michael Whitworth	Wren Academy	30 Nov 2016
	Academy- Representative 2	Angela Trigg	London Academy	30 Sep 2016
	Academy- Representative 3	Kate Webster	Queen Elizabeth Girls	30 Sep 2016
	Academy- Representative 4	Paul Ferrie	Totteridge Academy	30 Sep 2016
	Academy- Representative 5	Jane Beaumont	Cophthall	14 Jan 2016
	Academy- Representative 6	Jack Newton	Grasvenor	15 Nov 2015
	Academy- Representative 7	Derrick Brown	Ashmole Academy	14 Jan 2016
Stake-holders (3)	14-19 Non School Provider	David Byrne	Barnet and Southgate College	30 Sep 2016
	Private Early Years Providers	Sarah Vipond	Middlesex University	30 Sep 2016
	Unions	Keith Nason	Union representative	30 Sep 2016
Non- Voting Observers	Cabinet Member for Education, Children & Families	Cllr Reuben Thompstone	Councillor - Conservative	
	Director for People	Kate Kennally	Children's Service	
	Consultant to Schools Forum	Geoff Boyd	Consultant	
Barnet Officers	Director Education & Skills	Ian Harrison	Children's Service	
	Schools , Skills and Learning Lead Commissioner	Val White	Children's Service	
	Interim Head of Service, Inclusion and Skills	Chris Aston	Children's Service	
	Interim Assistant Director - Financial Services	Mark Taylor	Finance Directorate	
	Head of Finance, Children's	Catherine Peters	Finance Directorate	
	Schools Finance Services Manager	Nick Adams	Finance Directorate	
	School Funding Manager	Carol Beckman	Finance Directorate	
Clerk and minutes	Beverly Francis	Finance Directorate		
EFA Observer	Education Funding Agency	Sue Samson / Bev Pennekett	Education Funding Agency	

2. AGENDA

SCHOOLS FORUM 03 DECEMBER 2013

Time: 4.00pm-6.00pm

1. Apologies for absence
2. Declarations of interest
3. Minutes of previous meeting: 01 October 2013
 - 3.1 Matters arising
4. Items for information:
 - 4.1 2013/14 Budget Monitoring
5. Items for decision:
 - 5.1 Use of 2012-13 Underspend
 - 5.2 De-delegation
 - 5.3 2014-15 Schools Budget
 - 5.4 Funding Adjustments for Closing Bulge Classes
 - 5.5 All-through School split site funding (NEW ITEM)
6. Draft agenda for next meeting
7. AOB

3. MINUTES OF THE LAST MEETING

1. Welcome to new member(s)	
<p>GK welcomed the new Schools Forum members, Joanne Kelly and David Byrne to the meeting. Substitutes in attendance were Tom Brighton for Angela Trigg and Rob Jones for Jane Beaumont. GK introduced Ian Harrison and Catherine Peters representing the LA.</p>	
2. Election of Chair and Vice Chair	
<p>CB stated that at the start of the school term a new Chair and Vice Chair had to be elected by the School Forum. TB nominated GK, EP seconded. No other member was put forward. GK was re-elected as Chair. PF was nominated as Vice Chair by TB and AV seconded. There were no other nominations. PF was re-elected as Vice Chair. GK thanked the members for the confidence placed in him.</p>	
3. Apologies for absence	
<p>GK noted the apologies received from Jane Beaumont, Dee Oelman, Catrin Dillon, Katalin Aradi (substitute), Jeanette Adak, Susan Convery, Jack Newton and Angela Trigg.</p>	
4. Declarations of Interest	
<p>Keith Nason- De-delegation- Trade Union</p>	
5. Minutes of the previous meeting: 16 July 2013	
<p>GK asked if anything was incorrectly recorded. There were no changes and the minutes were accepted without amendment.</p>	
6. Matters Arising	
<p>VW recounted that at the last meeting a paper had been presented on proposals to use the 2012/13 underspend of £2.3m. There had been a long discussion but no agreement was reached and it was decided to discuss it further at the October Schools Forum meeting. The last meeting also heard about how changes that had been introduced by the EFA meant that underspend monies could not be distributed to schools within this academic year. So any monies identified to be distributed to schools needs to be held within the DSG and given to schools in the 2014/15 allocation. Therefore the first call on the underspend would be meeting any budget pressures arising this year. VW advised that as only Month 3 budget monitoring is available the matter should be deferred until the December meeting. More accurate month 6 monitoring information would then be available and a package of proposals could be presented.</p> <p>KN asked what would happen to the interest earned on the underspend. CP will check and bring the answer to that question to the December meeting.</p> <p>PF asked for an explanation about budget monitoring reports. VW explained that this would be discussed in the next item.</p> <p>TB requested clarification about the discussion and decision at the last meeting in relation to the growth fund. Recommendation 3 had two options and there had been a discussion and then a vote. TB stated that at the end of the meeting some members were not clear the way the vote had gone. TB asked GK if he could check that the decision was correct on voting.</p>	

GK replied that he thought the minutes were less detailed than in the past. He appreciated that there had been changes in personnel but he felt that minutes needed to reflect more clearly the actual discussion that took place.

GB explained that the vote had been checked at the time and there had been nine for and nine against. GK, as the chair, had then exercised his casting vote for the status quo.

KN replied that he questioned whether the vote was correct and felt it was possible there was a person present who should not have voted.

GB answered that there had been a question whether one person was able to vote, a stakeholder member, that person did not vote.

7. ITEMS FOR INFORMATION

7.1 Schools Budget 2013/14

Carol Beckman

CP presented the Revised 2013/14 Schools Budget table shown on page 13. CP pointed out that there were three columns and that the first two columns compared budget presented to the May Schools Forum with the section 251 submission with the last column showing the revised budget. The difference between the compared columns showed some corrections to individual lines which were minor. CP advised the underspend in the 2013/14 Revised budget should be disregarded at present more accurate 2013/14 figures will be provided after month 6 monitoring has been completed.

CP stated that the Budget monitoring clearance process meant that the budget position had to be cleared through the council's process for its Cabinet and Resources Committee before the information could be presented to the Schools Forum. CP advised that work on month 6 monitoring was being compiled. The process of clearance would end in November and it would be available for the December Schools Forum meeting. CP also mentioned that changes in Interauthority recoupmnt and the introduction of Place Plus, from September for academies, had made it difficult to project accurately at the time the budget was set.

VW said that members may feel that budget monitoring figures are not timely but the council clearance ensured the reported position was robust and Cabinet members were fully briefed. VW suggested it could be possible to bring the dates of School Forum meetings closer to the report clearance dates to lessen delay.

PF asked what would happen to the £2.3m underspend in 2014/15. CB explained that it has been put aside in the 2013/14 budget without commitment and so will become part of the allocation in 2014/15 – assuming that the 2013/14 budget was balanced.

DB asked that the underspend and associated interest be shown. CP undertook to advise the next meeting on the principles of holding balances.

7.2 Capital Funding – new grant allocation

Valarie White

VW stated that last term, local authorities were invited to bid for capital grant allocations to meet basic need for school places. Barnet had five bids and won all five. The grants allocated were not likely to be enough to fund each project and additional would be provided by the council.

TB congratulated Barnet as the turn around to get bids in had been short. TB commented that Barnet should put this achievement in the press.

8. ITEMS FOR DECISIONS

8.1 Schools Budget 2014-15 & De-delegation

Carol Beckman

CB presented the proposed principles to be used to create a balanced draft budget for 2014-15. CB advised that it was not possible to present a detailed budget at this stage as there was still work outstanding. CB noted that the financial regulations had not changed significantly. The introduction of sparsity did not affect Barnet but the change in mobility would provide more to schools with greater than 10% mobility but no funding to those below this threshold. In these circumstances the MFG (-1.5%) would offer protection. The intention is to cap gains at +1.5% as in 2013/14 so that no school loses or gains more than +/-1.5% per pupil. The projection of the DSG would be easier than 2013/14 but there are still many more elements than in 2012/13 and they had not all been clarified yet by the EFA so some assumptions had to be made.

There is an expected increase of 2.1% in pupils (reception to year 11). As the census is imminent CB asked schools to bear in mind that every pupil will bring the LA about £5K and therefore accuracy and completeness are crucial. The funds required for extra pupils are about the same as the additional funds gained. The EFA does not fund children in new bulge classes as they do not appear on the census, so there is a pressure on the DSG from the large growth fund needed to support these new classes.

CB advised that Barnet was not proposing to change the formula rates. The DSG funding rate is cash limited with no allowance for inflation despite national pay awards. As discussed earlier, it is assumed an underspend will be brought forward. Barnet will also continue to support nursery schools.

CB explained that the High Needs budget was complicated, as it was volatile and needed with sufficient funds to cope with unexpected demands but without creating a large underspend. The budget for central services is the same as 2012/13 as these budgets are cash limited. Historical commitments with no new projects allowed. CB proposed to bring a draft 2014/15 budget to the December Schools Forum meeting.

TB asked if the amount given for Central services was the only amount that could be spent on admissions. CB replied it was not possible to budget more from the DSG. TB said that there was a need to look at other ways of supporting admissions as it is under pressure. KN asked if the population doubled would the cash available be frozen. CB replied yes.

PF asked about the about the GUF (guaranteed unit of funding) and suggested that if the unit of funding is static but staff costs rise this actually constitutes a cut.

EP was pleased that nursery schools in 2014/15 were being funded but noted that uncertainty about future funding made it difficult to recruit staff. CB said that this was why the local authority is working closely with the nursery schools at present.

Delegation and De-delegation

CB presented the rest of the paper that looked at de-delegation and reminded the Schools Forum that de-delegation was discussed a year ago. CB listed the de-delegated services, detailed in the paper, and explained that the Forum is required to consider de-delegation for the 2014/15 budget. CB pointed out that only members representing maintained primary and secondary schools could cast votes.

PF stated that people did not feel comfortable to vote and asked if anything had changed from the previous year. JT said it would be good if a paper was produced and then a vote taken. CB

said a verbal report could be given now but if more was required then this item would have to be deferred. IH suggest that this item be deferred and more information be provided to secondary and primary schools. VW said CB could construct the 2014/15 budget on the basis of no change and the Schools Forum could decide in December. CB advised that if a vote was not taken at this meeting then it would prove difficult for 2014/15 budget as budget holders needed to know if services will be de-delegated to make their forecasts.

PF asked where the additional information would come from. IH suggested bringing this item back on the December agenda at the next Forum meeting. GB suggested that as a full report had been made last year a similar one could be made this year. GK said it was a concern for people such as new members not having adequate information. CB asked how members felt de-delegation worked this year and if there had been any problems. PF said that there had been some issues with behaviour support services

JT said that as he was representing other heads it would be useful if secondary heads had an opportunity to consider the areas of de-delegation outside of the meeting. KN pointed out that the only members who could vote were those representing maintained schools. HS was concerned about the impact on other schools if services become unviable. . GK replied all members want more information on the impact, the service and were all unclear. IH stated that headteachers would have information in advance. GK said it was necessary to make information available to heads before they voted.

GK said this item should be deferred. CB said it would be put on the agenda for the next meeting.

The Forum agreed to defer this item.

8.2 Changes to Scheme for Financing Schools

Nick Adams

NA presented his report and noted that the DfE issued the Scheme for Financing Schools as periodic guidance on the financial relationship between local authorities and schools. NA stated that last April there were changes in procedure and this required discussion first with the Schools Forum, which now includes the PRUs, and then the Council. NA pointed out that there were some word changes which needed approval by Schools Forum and that he would answer questions.

GK said that the changes appeared to be straight forward.

TB asked about Annex B, the termination of employment costs and asked if this would be paid from elsewhere. NA replied that it would not be paid from elsewhere.

JG asked about claw backs if a child's needs are not met, and whether this is going to happen if the child does not attend. NA replied no, only if the child's needs are not met. JG wondered about the motivation for the change. GB answered that this would only be an exceptional circumstance, for instance if a parent successfully sues a LA because they are not happy with the service and the LA could get some of its money back.

NA said that mostly the changes were just rewording and nothing new. KN stated that severance costs are picked up by LA but the costs of pensions were picked up by schools.

GK asked the meeting to vote if in favour of accepting changes.

The Forum agreed unanimously to accept the changes.

CB noted that BF had reviewed membership of Schools Forum. The report stated two vacancies but since it had been written there had been another vacancy. Susan Convery of Whittings Hill Primary School had notified that she was leaving. Elections to replace these members will be held.

CB also stated that there had been changes to stakeholder members. Whereas there was previously a stakeholder place which Barnet filled with the Headteacher of the PRU, there is now a permanent member for the PRUs and Joanne Kelly is currently holding that position. The DfE also require representation of a non-schools provider dealing with 14-16 as well as 16+. David Byrne of Barnet and Southgate College has kindly agreed to take that position, taking over from the principal of Woodhouse College.

KN asked if CB had said JK was representing the PRU (singular, i.e. the Pavilion) or PRUs generally. CB said JK is representing all alternative provision (PRUs) and apologised if there was a slip of the tongue.

CB noted that following the opening of more free schools and the conversion of more maintained schools to academies, the number of members representing each group might need rebalancing. However, as the actual number of pupils affected is still small it is proposed to defer a review until the summer of 2014. This was agreed

The Forum agreed to defer the review.

The meeting ended at 5.15pm

4. ITEMS FOR INFORMATION

Item 5.1 2013/14 Budget Monitoring		
Author	Catherine Peters	
Position	Head of Finance	
Date	19th November 2013	
Introduction		
<p>This report shows the changes in the schools budget from the position presented at 1 October Schools Forum and schools budget monitoring at quarter two for 2013/14. This monitoring position will also be reported to Cabinet Resources Committee (CRC) on 16th December 2013. The details are contained in the supporting spreadsheet shown at Appendix I (separate paper).</p>		
2013/14 Schools budget		
<p>There has been one change since the budget was presented to Schools Forum on 1 October as a result of:-</p> <ul style="list-style-type: none"> • additional DSG income for passporting to sixth forms and • income from the Education Funding Agency (EFA) as a result of a correction to pupil numbers. 		
<p>In addition, there is a presentational change where some budgets for top up funding relating to maintained schools (1.2.1), academies and free schools(1.2.2) which were incorrectly shown against independent providers (1.2.3).</p>		
2013/14 Schools budget monitoring		
<p>The quarter two forecast shows the position as at 30 September 2013. At month six the budget is showing a projected overspend of £167k.</p>		
<p>This is a net position of the following over and underspends:</p>		
S251 Line reference	Main reasons for over/underspend	£'000
1.0.1	Net underspend relating mainly to three and four year olds	(9)
1.1.1	Lower call on contingency so far	(448)
1.2.1, 1.2.2 & 1.2.3	This is the net position relating to top up funding for high needs. The overspend is mainly as a result of increased demand and the cost of high needs placements in independent and non-maintained special schools, pre and post 16.	1,576
1.2.5	Increasing pressure on therapies budget for children with high needs	126
1.2.6	No requirement for the budget this year	(44)
1.2.7	Additional costs of the Home and Hospital Tuition team	22
1.3.1	Underspend on payments to providers for two year olds	(547)
1.4.1	Underspend relating to early years vulnerable children in advance of the roll out to private settings	(169)
1.4.2	Salary underspend of £35k due to staff vacancies	(35)
1.4.10	Growth - Underspend based on current commitments	(305)
<p>In the areas of overspend, budget holders are working to manage their service where necessary to come in on budget.</p>		
Previous reports to the Forum:		

- 7 May 2013 noted Dedicated Schools Grant 2012/13 provisional outturn
- 16 July 2013 DSG 2014/15 School Budget Changes and Final Outturn 2012/13
- 1 October 2013 noted for information the 2013/14 Schools Budget

Recommendation:

To note the budget monitoring position at quarter two for 2013/14 and to agree to receive further budget monitoring reports at future meetings.

5. ITEMS FOR DECISION

Item 4.1 A) Projected 2013/14 underspend and B) Use of 2012-13 underspend

Authors	Ian Harrison, Val White, Carol Beckman
Position	Education & Skills Director, School Funding Manager
Date	19th November 2013

As discussed at the October meeting, there was an underspend of £2.3m from 2012/13 which we were unable to distribute during 2013/14. We are also expecting a final underspend for 2013/14 of around £0.42m.

Because of the inability to distribute any underspend after the budget has been submitted to the DfE, we will now distribute any projected underspend as part of the budget setting process, even though the final amount will not be confirmed until the end of the financial year.

2013/14 Projected Underspend

Although the current budget monitor based on Month 6 shows a small overspend of £167K, information has now arisen to revise that figure to an underspend of £420K. This is mainly because the 'Capacity Building' budget for the 2 year old offer (£625K) will be unspent by March 2014. However, it is still necessary to invest that money in developing capacity in early years' settings in advance of the increased offer to 40% of 2 year olds from September 2014.

In light of this we are proposing that the first call on any 2013/14 underspend will be used to support the 2 year old capacity building budget, up to a maximum of £625K. Should the underspend exceed £625K, the Schools Forum will be consulted further.

Trajectory fund for Free Early Education places for 2-year-olds

Background Information

From 1 September, 2013, 20% of 2-year-olds are eligible for free early learning places. Eligibility for places includes:

- All 2-year-olds who are looked after by their local authority.
- 2-year-olds whose family receives one of a number of State benefits

From September 2014, 40% of 2-year-olds will be eligible, with the eligibility criteria extending to a wider group of children.

Local Authorities have a statutory duty to implement the Free Early Education for 2-year-olds scheme for targeted groups of children. In Barnet the entitlement applies to an estimated 940 children from September 2013 (as per DfE estimates in November 2012). The scheme will undergo a second phase of expansion in September 2014 when additional groups of children become eligible where an

estimated 2200 children will have an entitlement.

This is a challenging increase in scale from the previous pilot, which delivered free places to 165 eligible children.

Progress to date

As part of this expansion, Barnet has to increase the number of free places available to eligible families. Barnet currently offers 600 free places, but plans to increase places to 700 by March 2014. Currently there are 498 2-year-olds on roll and 72 places have been offered where we are still trying to source for a placement. Whilst there are still vacant places available, it is not consistent across the borough and there are areas where there is limited availability e.g. Colindale.

Whilst the DfE have provided indicative numbers of eligible children, further analysis has shown that the requirement for places may be less. The DfE is expected to confirm its estimates for 2014 in December 2013.

Implementation Strategy 2013

To implement phase 1 of the expansion, a number of key activities have been undertaken (or are in progress) to promote the offer to childcare providers, parents and professionals and to increase the number of participating providers and places available:

- Market the offer to parents, professionals and providers
- Streamlining processes
- Increase participation and promotion of childminders.
- Establishing take-up of 3&4 year old funding
- Business Advisor post to look at re-modelling settings in a sustainable way and support quality improvement.
- Capital Grant made available to providers in order to create new places through capital works.

Proposed work-streams to increase capacity for phase 2 expansion 2014

In order to meet the demand for additional new places when more children have an entitlement, additional work-streams are needed as well as ongoing development of current work-streams:

- Increased communications and marketing to parents and providers.
- Capital Grant allocations - ongoing funding rounds to enable providers to create new places.
- Develop Provider and Parent Champions
- Work creatively with schools to consider taking 'Rising 3s', lowering age limits and increased take-up of 3&4 year olds where there is capacity
- Utilising Community spaces

Trajectory fund

As well as funding local authorities via the Dedicated Schools Grant Early Years Block for the provision of places, the DfE has provided local authorities with a 'trajectory fund' to meet the cost of expanding

provision and increasing take-up. Barnet's allocation was £625,000.

Due to delays in recruitment and in commissioning building works, most of this budget cannot be spent sensibly in the current financial year. It is therefore proposed to carry the under-spend forward to 2014/15. The budget will be used to fund phase 2 work-streams as described above, which will include investment to transform existing Council-owned properties in priority areas into community nurseries. Service provision will be subject to a competitive tendering process. One of these properties (Thorne Hall) is near a priority area (Edgware) and will assist the Council in growing its free early education for two year olds. The other that has been identified so far is the Quinta Club building located on Mays Lane West in High Barnet.

Recommendation:

That the Schools Forum approve retention of trajectory funding of up to £625,000 to enable place development work, including renovation of Council-owned properties.

B. 2012/13 Underspend

There have been a number of discussions about the best use of the 2012/13 underspend, and we now propose a simplified scheme:

One off distribution to mainstream schools and academies	£1.40m
One off distribution to early years providers	£0.10m
Support for SEN placements at independent schools	£0.40m
General contingency for schools	£0.18m
School reorganisation	<u>£0.25m</u>
TOTAL	<u>£2.33m</u>

1. Additional funding for mainstream schools and early years

£1.4m will generate about £33 per pupil, and the additional for early years would amount to about 4p extra per hour. This is one off funding which will be over and above the MFG but not protected in future years.

2. Additional costs of independent and non-maintained special school placements

There has been a significant increase in the number of pupils being placed in the independent and non-maintained school (INM) sector in 2013-14, including an increase in the number of very expensive residential placements. Combined, these are forecast to cause a budget pressure of £1.6m in this area of the DSG in 2013/14, albeit that this pressure is offset in the current year by underspending in other DSG budgets.

Expenditure on INM placements increased from £5.5 million in 2011-12, to £6.5 million in 2012-13 and is forecast at £7.6 million in 2013-14. Day placements account for almost £1.4m of this increase over the two years.

This increased cost of placements is the result of a significant increase in demand for specialist placements for pupils with behavioural, emotional and social difficulties (BESD) and those with needs on the autism spectrum (ASD). For example:

- In 2011-12 the authority placed four pupils at a day BESD school in Ealing at a cost of £155,000. In 2013 there are thirteen Barnet pupils at this school at a cost of £509,000.

- Expenditure on placements at two schools designated to meet the needs of pupils with BESD and/or high-functioning ASD has increased from £400,000 to £776,000 since 2012-13.

Increasing numbers of pupils with more complex high needs may mean the borough is obliged to continue to make use of the independent and non-maintained sector in the future, unless it can develop more high quality local provision which offers greater choice to parents. The Preparing to Meet Future Needs (PMFN) project has been initiated and will involve a needs analysis and review of current provision, with the aim of identifying gaps and presenting the Council with options for the development of a more comprehensive local offer of specialist school placements.

It is our intention to reduce the cost of independent and non-maintained school placements over the next 12 to 18 months by:

- Taking a firmer line on demand/requests for very expensive placements, by considering less expensive options that meet the needs of each child/young person
- Reviewing existing placements where possible.
- Using the Preparing to Meet Future Needs project to identify potential ways to improve and increase local provision in both the short-term and the long-term to address unmet needs.

It is expected that these measures will lead to a reduction in the cost of independent and non-maintained school placements and costs by 2015/16 but that the effect of this year's pressures will continue to be felt through 2014/15. It is therefore proposed to allocate additional funding of £400,000 on a one-off basis to meet these costs in 2014/15 only.

3. Contingency

The budget for 2014/15 is very tight and there was no headroom to provide a general contingency for the unforeseen. We therefore propose to retain £183K from the 2012/13 underspend against unexpected eventualities not budgeted elsewhere. This is a much smaller contingency than in previous years which generally was not spent.

Recommendations:

1. The Schools Forum agrees that the first call on any underspend from 2013/14 up to a maximum of £625K is reserved for capacity building for the 2 year old offer.
2. The Schools Forum agrees the proposed use of the 2012/13 underspend as detailed above.

Item 5.2 Schools Budget 2014/15 – De-delegation	
Author	Ian Harrison, Carol Beckman
Position	Education & Skills Director, School Funding Manager
Date	19th November 2013
<p>Introduction</p> <p>A report on de-delegation was brought to the Schools Forum in October. Members of the Forum asked for more detailed information. This report provides the additional details and also includes the information from the October report.</p> <p>Background</p> <p>During the budget setting process for 2013/14 the Schools Forum was asked to say which (if any) of the newly delegated items maintained schools wished to de-delegate back to the Local Authority.</p> <p>A special case was copyright licensing (CLA) which had formerly been delegated to schools but has now become the responsibility of the government. In 2013/14, CLA was automatically de-delegated by schools and academies in order for the LA to hold a sum with which to reimburse the government for the service.</p> <p>The budgets which were newly delegated but could be de-delegated in 13/14 and the decisions made last year were:</p> <ol style="list-style-type: none"> 1. Behaviour support – <i>primaries decided to de-delegate, secondaries decided not to.</i> 2. Support for minority ethnic pupils or underachieving groups (UPEG) – <i>secondary and primary de-delegated</i> 3. Free school meals eligibility – <i>not de-delegated</i> 4. Museum & Library Services – <i>not de-delegated</i> 5. Insurance – public liability – <i>not de-delegated</i> 6. Staff costs and supply cover – <i>secondary and primary de-delegated</i> <p>It is a requirement of the DfE that the Schools Forum reconsider de-delegation every year and Barnet is now asking whether any changes need to be made for 2014/15.</p> <p>Additional information</p> <p>Behaviour support</p> <p>Last year the Schools' Forum agreed to de-delegate Primary School funding but not Secondary School funding.</p> <p>The total amount de-delegated from primaries was £133,912. The funding was used to pay for 1.6 High Incidence Support teachers (HIST) and approximately 0.5 of an Educational Psychologist.</p> <p>Given that reductions are being made to the Educational Psychology team budget for next year with schools being invited to buy back EP to make up the shortfall, it is proposed to reduce the amount proposed for de-delegation by deducting the 0.5 Educational Psychologist costs.</p> <p>The balance of the de-delegated budget in 2013/14 has funded 1.6 High Incidence Support teachers. They provide a service available to all Primary schools, for teacher support for challenging behaviour, preventing exclusion. In some cases they have worked with EPs to provide critical incident support to any school in need.</p>	

Currently one of the specialist HIS teachers supports capacity building in Speech Language and Communication development, one of the highest incidence needs. A number of schools have signed up for Elklan training connected with school development work. This work is expected to help schools meet requirements of SEN statements, the Equality Act and SENDA.

This core service is linked to a traded service for which there is budgeted provision for buy-in of £70,000 for additional services. This includes access to SENCO support meetings and networking, positive handling and physical intervention training (team teach), additional behaviour support casework and support for nurturing and nurture group development.

For 2014/15, various adjustments have been made to the de-delegated budget (including provision for Academies and the removal of the Educational Psychologist element). It is therefore proposed to maintain the service to primary schools at existing levels at a reduced cost of £70,000.

The existing HIST traded service will continue to be available to primary schools. Secondary schools and Academies will also be able to buy into HIST support in 2014/15 through the traded service.

Support for minority ethnic pupils or underachieving groups

De-delegated DSG funding covers 1.6 posts from the Narrowing the Gap Team, a full-time primary advisor and three days of a secondary adviser. The advisers work at school and LA level.

The funding of these posts allows the interpretation of end of summer term data headlines for the local authority compared to national, regional and statistical neighbours in order to identify implications for the service and Barnet schools. The advisers establish any trends and gaps for groups and subjects across the authority and in individual schools. This forms the basis of targeted work where identified gaps cause concern, or where overall attainment in a subject is low. For specific identified schools the advisers can provide more precise analysis of qualitative data as well as quantitative data across age groups so that improvement measures can be tailored more precisely.

In order to improve performance at school level the advisers offer all schools training and support to address narrowing the gap issues, working from analysis into action. They give bespoke support for schools where standards are a concern, including training for all levels of leadership in collecting, analysing, interpreting and evaluating data and intelligence in order to identify issues and viable solutions. Through courses, individual school-based work and cluster projects they develop practitioners' ability accurately to assess need and make improvements in teaching quality.

While not all schools will have the need for individualised narrowing the gap support in any one year, the service provides assurance to schools when needed.

In addition the Narrowing the Gap team ensures that schools are kept informed of changes in the curriculum and assessment, identifying possible implications. The primary adviser acts as a link with the Standards and Testing Agency. At a time of continuous change in assessment methods, the team ensures that Barnet schools have full information and that staff are provided with training and advice in relation to all aspects of statutory assessment.

The amounts that were de-delegated in 2013/14 were £71,942 for primaries and £21,090 for secondaries. The amounts for 2014/15 (adjusted for primary Academy conversions) are £63,696 for primaries and £21,090 for secondaries.

Staff costs and supply cover

This budget has two elements - Trade Union facility time and salary safeguarding. This budget line cannot be increased.

The de-delegated budget for Trade Union facility time is supplemented by traded income of approximately £25,000 from Academies.

The combined budget for Trade Union facility time in 2013/14 is £84,250. It is proposed to maintain the budget at this level in 2014/15 (subject to Academies buying back at a similar level to 2013/14).

The budget for salary safeguarding pays towards the cost of safeguarding of salaries of staff who have been redeployed to schools following structural staffing changes.

In 2013/14 the amount available is £61,483. The amount is a fixed sum, which schools with staff whose salaries are safeguarded bid against each year. It is proposed to reduce this to £49,000 in 2014/15.

The total amount proposed for de-delegation from primary and secondary schools is therefore £89,329.

2013/14 Delegated amounts to schools:			Requested 2014/15 de-delegation rates		
	Primary Rate	Secondary Rate		Primary Rate	Secondary Rate
Behaviour support	£5.08	£2.96		£3.01	n/a
Support for UPEG and bilingual learners	£9.55	£16.34		£9.55	£16.34
Free school meals eligibility	£0.13	n/a		n/a	n/a
Museum & Library Services	£0.90	n/a		n/a	n/a
Insurance – public liability	£8.22	£5.75		n/a	n/a
Staff costs and supply	£3.50	£2.14		£3.31	£2.03

Members are reminded that academies cannot de-delegate, and that the amount of money the school forgoes would be the number of Reception to Year 11 pupils on roll in October 2013 multiplied by the requested de-delegation rates shown in the table above.

Action: Schools Forum to agree their de-delegation requirements for 2014-15

1. Behaviour support – maintained primary schools are invited to consider if they wish to de-delegate the budget for behaviour support (High Incidence Support Team non-traded element)
2. Support for minority ethnic pupils or underachieving groups – maintained primary schools are invited to consider if they wish to de-delegate the budget for support for minority ethnic pupils or underachieving groups (Narrowing the Gap).
3. Support for minority ethnic pupils or underachieving groups – maintained secondary schools are invited to consider if they wish to de-delegate the budget for minority ethnic pupils or underachieving groups (Narrowing the Gap).
4. Staff costs and supply cover – maintained primary schools are invited to consider if they wish to de-delegate the budget for staff costs and supply cover
5. Staff costs and supply cover – maintained secondary schools are invited to consider if they wish to de-delegate the budget for staff costs and supply cover

Item 5.3 2014-15 Schools Budget	
Author	Ian Harrison, Catherine Peters, Carol Beckman
Position	Education & Skills Director, Head of Finance, School Funding Manager
Date	14th November 2013
<p>Draft Schools Budget for financial year April 2014 – March 2015 (APPENDIX II)</p>	
<p>Introduction</p> <p>This paper presents the draft Schools Budget for 2014-15. At present we know that there will be changes before it is implemented in March 2014 because both pupil numbers and income is only estimated at present.</p> <p>The budget has been compiled on a ‘bottom up’ basis using a number of assumptions which are the best knowledge that Barnet has at this stage. Government announcements by the Chancellor in the Autumn Statement due in December will hopefully clarify some issues, as will the cleansed data from the October school census.</p> <p>During January 2014 the budget will be revised with more accurate data and the Schools Forum will be asked again to review the budget and approve it for the new financial year. However this will not be the final budget as a number of pieces of information will still be missing – such as the final High Needs block allocation, the Post 16 learner funding and the final budget outturn for 2013-14. The final budget will be brought to the Schools Forum in the summer of 2014.</p>	
<p>Scope and Government Requirements</p> <p>Members will recall that the Dedicated Schools Grant is funded in 3 blocks: Schools, Early Years and High Needs. The blocks are not ring-fenced and budgeting is done in 4 blocks: funding for schools, recouped academies and early years settings; central early years costs; high needs funding for schools and services; and central expenditure.</p> <p>The government sets a number of deadlines which local authorities have to meet in advance of the new financial year:</p> <ul style="list-style-type: none"> • Draft submission of the proposed mainstream school and academy funding formula for the new year by 31 October 2013 (this is called the APT – Authority Pro-forma Tool) • Submission of the High Needs return, listing the number of places required in and out of borough at special schools, PRUs, additional resourced provision and at Post 16 by 16 December 2013 • Final submission of the APT by 31 January 2014 including the final request for exceptions to the operation of the minimum funding guarantee. • Submission of the Section 251 return showing the 2014-15 schools budget broken down by phase: nursery, primary, secondary, special and Post 16. <p>The Schools Forum is required to be consulted on all of these in advance of the submissions. At the October Schools Forum we presented our proposals for the October APT submission, which in simple terms is the same formula as in 2013-14 except that there is a change in mobility funding, limiting it only to schools with more than 10% mobility.</p>	

Because the final APT will be submitted in January, before the next Forum meeting, and although the amount available to be distributed to schools will be subject to the size of the overall Dedicated Schools Grant (DSG) and pressures on other parts of the budget, we now need to gain approval in principal from the Forum for the overall Schools Budget, of which the APT is part.

Areas not addressed in the draft budget

In compiling the annual Schools Budget, the following issues have **not** be addressed:

- The Pupil Premium – this is not part of the Schools Budget, but rates will increase next year
- Devolved Formula Capital funding – not part of the Schools Budget
- Future academy conversions in 13/14 or 14/15
- New arrangements for copyright licensing and the Carbon Reduction Commitment in 14/15 (we have made the assumption they will be treated the same way as 2013/14.
- Funding for universal free school meals for infant age children from September 2014 – not yet announced

Pressures

The principal pressures for Barnet at present are:

- Increasing numbers of pupils and schools
- Increasing costs of high needs placements at independent settings
- The loss of the 90% protection for 3 year olds in the DSG

We go into 2014/15 with an increased budget because

- There are more pupils on the census to attract funding for the DSG
- There will be increased funding for 2 year olds of which 40% will be eligible for free education from September 2014
- We have a £2.3m underspend from 2012/13
- We expect a final underspend of around £500K for 13/14

However, this extra is quickly absorbed by

- Increasing numbers of pupils to fund in schools
- A large growth funding for advance funding of bulge classes and new schools for which there will be no funding until 2015/16 because the pupils do not yet appear on the census
- The need to return as much as possible of the underspends from previous years to schools
- Greater pressure on the High Needs Block from therapies, increased pupil numbers and independent special school placements.

The competing pressures are principally between providing schools with as much as possible to meet the increasing costs of extra pupils, staffing, energy and additional need and ensuring that enough is kept within the High Needs block to meet the cost of top-up funding and services to schools and those children most in need. Whilst we have a formula for the former, the latter is demand led and therefore unpredictable.

It may be tempting to reduce the high needs budget in view of underspends in past years, but much of this was due to historic provision for inter-authority recoupment which did not materialise. Inter-authority recoupment for 2012-13 is now being carried out and then ceases for all but looked after children.

We must also bear in mind that increased funding to schools must be sustainable because the minimum funding guarantee will 'lock' the money in for future years. This is why we will be asking the DfE to exclude the additional funding to schools from the 2012/13 underspend from the future MFG.

Assumptions

The following assumptions were made in compiling the draft budget

INCOME

- DSG based on an estimated 42,943 children for the Schools block – an increase of 685.
- Early Years block increased due to extension of offer to 40% of 2 year olds
- Cut in the early years budget due to the loss of 90% protection for 3 year olds phased out since 12/13.
- Additional funding for Post16 high needs in FE and independent providers which only covered 8 months in 13/14
- No increase in the high needs block for additional pupils or inflation – the government gives priority to the Schools and Early Years blocks in setting its national budget.

EXPENDITURE

- The same school and early years funding formulae and rates as 13/14 except change in mobility
- A cap of 1% on gains above the MFG (1.5% in 13/14)
- £1.5m distributed to schools and early years settings from the 12/13 underspend
- Additional funding for SEN placements at independent schools
- Additional funding for 2 year olds, 40% of which become eligible for 15 hours free education from September 2014
- Additional funding for Post 16 SEN due to the increase in participation age
- Flat cash budgets for central services

High Needs Return for 2014/15

Although not yet compiled, Barnet's High Needs Return to the DfE will be much the same as 2013/14 except that we will be opening 6 places at the new Orion ASD additional resourced provision (ARP). This will be balanced by the closure of the ARP for specific learning difficulties at Totteridge Academy. Post 16 places will be at a similar level as 2013/14 but possibly at different institutions.

From 2014, the school census will have a marker for schools to enter whether a pupil is on roll in an ARP or not. The DfE will use this information from the October census to identify how many pupils at the school should be funded through the main formula and how many for ARP places at £10K.

This means that the local authority High Needs Return will no longer be needed and schools will be funded only for filled ARP places from 2015/16.

Prospects for funding in 2015-16

The government is currently working on a National Fair Funding Formula (NFFF) for 2015/16 but plans are still apparently at an early stage and nothing is being shared with local authorities at this time. The aim is to introduce the new arrangements in 2015/16, either with a single national school funding formula which local authorities and their Schools Forums could 'tweak' for local circumstances; or a national funding formula for distributing money to local authorities from which they could set their own school formulae. In either case, the need for fairly long transitional protection, perhaps through the MFG is recognised.

Barnet as an outer London authority with medium level deprivation is funded averagely in comparison with others LAs. The government's aim is to remove the perceived lottery postcode which results in two schools close together but in different local authorities being funded in a completely different way. Inevitably, money will move from the better funded LAs to the lower funded areas, and it remains to be seen what weight will be given to the higher costs of the London area. Probably the best we can hope for in Barnet is no change.

The Growth Fund and criteria

The growth fund (line 1.4.10) is a sum of money which the DfE allows local authorities to hold solely to provide additional funding to schools expanding or taking bulge classes to meet basic need for school places. It is not available to schools which decide to expand without prior approval from the local authority.

The criteria for distributing the growth fund have to be agreed in advance with the DfE.

Start-up Funding for new schools

Prior to 13/14, Barnet's funding for new maintained schools was as follows:

- a. Schools transferring from the independent sector – no extra funding
- b. Newly opening schools – double basic entitlement for a period of two years (6 terms) from the date of opening.

Due to the change in DfE regulations, new schools are almost always Academies or Free Schools and are funded directly by the EFA, with a 'pre-opening' grant as well as a 'start-up' grant for the first year. However if a school is opened to meet the basic need of the local authority to provide sufficient places, the school becomes a 'recouped' academy and the local authority has to provide these grants.

The following is proposed for newly opening basic needs primary schools:

1. Pre-opening grant - £100,000
2. Startup grant - £122,000 (i.e. a full year's lump sum basic entitlement in the first financial year)

This makes the assumption that all capital costs (buildings, furniture, IT, grounds, etc.) are provided separately and the school buildings are ready to move into with the exception of books, resources and other consumable supplies.

Schools which transfer from the independent sector will not receive any additional grants. Their first year's funding will be based on their projected pupil numbers and the characteristics (free school meals, EAL, mobility, etc.) of a similar local school.

Bulge classes and Expansions

Schools who agree to open a bulge class will receive the same in 2014/15 as in 2013/14, i.e.

- A start-up grant of £10,000 – for bulge classes only, not expansions
- Advance funding of £48K (primary) and £60,960 (secondary) to cover the first 7 months of the financial year for a whole class of 30.
- Advance funding £38K (primary) for a half-class of 15.

Protection funding for small bulge classes

In July 2013 the Schools Forum agreed that there should be protection for schools which open a bulge class that does not fill as expected. It was agreed that a school would need a minimum of £65,000 per annum for that class to pay for a teacher and a half time teaching assistant for the year.

The following example demonstrates the method of calculation proposed:

Pupils in Reception in previous year (October census)		29
Pupils in Reception in year class opens (October census)		45
Pupils in new class	45 - 29 =	16
AWPU funding for new class	16 * 3317.83 =	£53,085
Top-up required	£65,000 - £53085 =	£11,915

1. We propose that this protection would apply up to the end of Key Stage 1 classes in schools which usually have 1 or 2 forms of entry. For 1 FE schools with fewer than 47 pupils and 2 FE schools with fewer than 77 pupils on their October census returns, protection funding will be allocated as shown above. The process could be repeated when pupils move into Year 2.
2. If the extra class has shrunk to 3 or less there would be no extra funding as the class could be combined with the other class(es) and the children treated as excepted while in KS1.

Recommendations:

1. Schools Forum members are asked to agree the draft budget in comparison with the 2013/14 original budget and projected outturn, along with the assumptions and known pressures, in advance of the firm budget which will be presented in February 2014 and the final budget in the summer of 2014.
2. Schools Forum members are asked to approve the Growth Fund criteria.

Item 5.4 Funding Adjustments for Closing schools/ closing Bulge Classes	
Author	Claire Gray
Position	Deputy School Funding Manager
Date	19th November 2013
<p>Due to the pressures on the growth fund discussed under item 4.3, Barnet is funding ever increasing pupil numbers, bulge classes and new schools for 2014/15 and onwards.</p> <p>In order to offset this pressure on the growth fund, we have been advised by the DfE that we can seek approval to adjust pupil numbers where bulge classes move out of the upper end of the school age range.</p> <p>For example, a bulge class of 30 at an infant school that leaves at the end of the summer term would require a negative adjustment of -17.5 ($-30 \times 7/12$ths) to pupil numbers to ensure that the growth funding could be released to follow the bulge class into the Junior school (using the agreed growth criteria). Otherwise the full year's allocation for these pupils is received by both the Infant school in their formula funding, and the Junior school (from the growth fund) in a single financial year. This adjustment would also need to apply where bulge classes leave Y6 and move on to Secondary schools.</p> <p>This will only apply where bulge classes are leaving the upper end of the school age range not when pupils move from one year group to another in the same school.</p> <p>We also wish to apply for approval to make this pupil number adjustment where schools are undergoing a phased closure and losing a full year group at the end of each summer term, otherwise the school receives a full financial year's funding based on the October census, despite having a whole year group leaving after 5 months.</p> <p>Recommendation: We are asking for Schools Forum approval to seek DfE authorisation to make pupil number adjustments for</p> <ul style="list-style-type: none"> a) bulge year groups leaving the upper year group of schools b) schools that are closing by a whole year group each academic year. 	

Item 5.5 All-through School split site funding	
Author	Claire Gray
Position	Deputy School Funding Manager
Date	12th November 2013
<p>Background</p> <p>The funding rate for a school on a split site is currently £29,958 (primary) or £99,412 (Secondary). Secondary schools on split sites also receive an allowance for staff travel between sites, depending on how far apart the two sites are. The split site staff travel rate is £53,492, but with a multiplier based on the distance between sites. If the buildings are very close and simply separated by a public road the rate is multiplied by 0.2. If further apart, the multiplier is 1.4 unless the second site is an SEN unit with little contact with the main school, for which the multiplier is 1. The table below shows the split site allocations to those schools that currently receive it.</p>	

	Basic Split site allocation	Split site travel uplift	Total split site funding
Primary Split site funding	£29,958	£0	£29,958
Secondary Split site funding	£99,412 plus:		
Secondary Split site travel uplift	£53,492 * 0.2 (St Mary's High)	£10,698	£110,110
	£53,492 * 1.0 (Mill Hill High)	£53,492	£152,904
	£53,492 * 1.4 (Hasmonean High)	£74,889	£174,301

As all-through schools are becoming more popular, Schools Forum members must now decide on the principles for allocating split site funding for this new type of all-through school where it is located on separate sites.

Option A

One option would be to fund based on the number and phase of the Year Groups on site, rising over the period of expansion:

£29,958 Primary split site funding plus

£99,412 Secondary split site funding / 5. This equates to a full year allocation of £19,882 for each secondary-age year group on site (with an additional £11,598 as each secondary year group opens annually in September).

Based on this proposal and as a worked example, St Mary's & St John's year group locations would generate the following split site funding allocations:

Financial Year	Site 1	Site 2	Site 3	Primary split site £	Secondary split site £	Secondary 2 split site £	
					£19,882	Per Year Group	
					(7/12ths = £11,598)		
							TOTAL
2014/15	R - Y4	Y5 - Y7	None	29,958	11,598	0	41,556
2015/16	R - Y4	Y5 - Y8	None	29,958	31,480	0	61,438
2016/17	R - Y4	Y5 - Y8	Y9	29,958	39,765	11,598	81,321
2017/18	R - Y4	Y5 - Y8	Y9 - Y10	29,958	39,765	31,480	101,203
2018/19	R - Y4	Y5 - Y8	Y9 - Y11	29,958	39,765	51,363	121,086

Option B

As the greater movement of staff is in relation to secondary age pupils, an alternative option would be to fund an all-through split site school on the same basis as a Secondary school. This would provide both the higher Secondary school rate and the Split site travel uplift, which would need to be pro-rata'd on distance on the same basis as existing split site schools. This provides a full year split site allocation of £19,882 per year group on site (£11,598 for 7 months) and a full year travel uplift of £9,629 (£53,942 x 0.9 miles / 5) per secondary-age year group on site (plus a travel uplift of £5,617 as each secondary year group opens in September). As a worked example, the financial year costs of the this proposal would be as shown below:

	Site 1	Site 2	Site 3	Secondary split site £	Split site travel £	
				£19,882	£9,629	Per Year Group
				(7/12ths = £11,598)	(7/12ths = £5,617)	
						TOTAL
2014/15	R - Y4	Y5 - Y7	None	11,598	5,617	17,215
2015/16	R - Y4	Y5 - Y8	None	31,480	15,245	46,726
2016/17	R - Y4	Y5 - Y8	Y9	51,363	24,874	76,237
2017/18	R - Y4	Y5 - Y8	Y9 - Y10	71,245	34,502	105,748
2018/19	R - Y4	Y5 - Y8	Y9 - Y11	91,128	44,131	135,259

Action: We are seeking a decision by members as to the principles that should apply in this case, and that can be applied should further all-through schools open in future on split sites.

Author	Carol Beckman
Position	School Funding Manager

Schools Forum 4th February 2013

AGENDA

Meeting to start at 4pm

1. Apologies for absence
2. Declarations of interest
3. Minutes of previous meeting: 03 December 2013
4. Matters arising
5. Items for information:
 - Budget Monitoring – Month 9 projected outturn
 - 2014/15 High Needs Funding arrangements
6. Items for decision:
 - Revised budget for 2014/15
7. Draft agenda for next meeting
8. Any other business