

# Agenda

## SCHOOLS FORUM

**Date:** Tuesday 17 January 2017  
**Time:** 2.00 pm  
**Venue:** Knight Hall, Green Park, Aston Clinton

*Reminder - If you are unable to attend a meeting, please send a substitute from the sector you represent.*

<b>Agenda Item</b>	<b>Time</b>	<b>Page No</b>
<b>1 APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP</b>		
<b>2 DECLARATIONS OF INTEREST</b> To disclose any Personal or Disclosable Pecuniary Interests		
<b>3 MINUTES OF THE PREVIOUS MEETING</b> 29 November 2016 to be agreed by the Forum		<b>5 - 14</b>
<b>4 SCHOOLS FUNDING 2017/18</b> Mr J Huskinson to present the School Funding 2017/18 report. The Forum are asked to agree the recommendations in the report.  Members of the Forum will be expected to vote on sections L&M of the report, Existing and New De-delegations. They will be asked to agree to the recommendations in principle, but time spent after the Forum on due diligence.		<b>15 - 38</b>
<b>5 SCHOOL FUNDING CABINET MEMBER DECISION</b> School Funding 2017/18 Cabinet Member Decision covering report for information only		<b>39 - 40</b>
<b>6 EARLY YEARS FUNDING</b> Mrs J Nicholls to present report on Early Years funding		<b>41 - 52</b>

## **7 DATE OF NEXT AND FUTURE MEETINGS**

31 January 2017, Darke Hall, The Coach House, Green Park,  
Aston Clinton

---

If you would like to attend a meeting, but need extra help to do so, for example because of a disability, please contact us as early as possible, so that we can try to put the right support in place.

*For further information please contact: Rachel Bennett on 01296 383991, email: [rbennett@buckscc.gov.uk](mailto:rbennett@buckscc.gov.uk)*

### **MEMBERSHIP:**

#### **Headteachers**

**Roger Burman, The Aylesbury Vale Academy**  
**Karen Collett, Haddenham St Mary's Church of England School**  
**Olwyn Davison-Oakley, Seer Green Church of England School**  
**Katherine Douglas, Brookmead School**  
**Karen Duckworth, Padbury CE School**  
**Janice Freeman, King's Wood School & Nursery**  
**Andy Gillespie, Burnham Grammar School**  
**David Hood, Cressex Community School**  
**Owen Lloyd, Iver Heath Junior School**  
**Kevin Patrick, Chiltern Hills Academy**  
**Rebecca Richardson, Haddenham St Marys School**  
**Alan Rosen, Aylesbury High School**  
**Debra Rutley, Wycombe Grange PRU**  
**Sue Skinner, Bowerdean School**  
**Steven Sneesby, Kite Ridge House PRU**  
**Kathyrn Tamlyn, Cheddington Combined School**

#### **Governors**

**Pete Rowe, Princes Risborough School (Chairman)**  
**John Bajina, Parent Governor, Secondary Sector**  
**Gaynor Bull, Haddenham St Mary's Church of England School**  
**Angela Coneron, The Vale Federation of Special Schools**  
**Simon Kearey, Great Kingshill Church of England School**  
**Andrew Nobbs, Ashmead School**  
**Katy Simmons, Cressex Community School**  
**Peter Ward, Chilternway Academy**

#### **Representatives**

**Fiona Brooks, St Mary's Pre-School**  
**Claudia Glasgow, NASUWT**  
**Lindsey Grexhammer, Bucks NUT**  
**Michael Moore, Catholic Diocese of Northampton**  
**Wendy Terry, Manor Farm Pre-School**

#### **Observer**

# Minutes

## SCHOOLS FORUM

**MINUTES OF THE MEETING OF THE SCHOOLS FORUM HELD ON TUESDAY 29 NOVEMBER 2016 IN KNIGHT HALL (MAIN ROOM 2), THE COACH HOUSE, GREEN PARK, ASTON CLINTON, COMMENCING AT 2.00 PM AND CONCLUDING AT 4.30 PM**

### PRESENT

#### Headteachers

Mrs D Rutley	Wycombe Grange PRU
Karen Collett	Haddenham St Mary's Church of England School
Mr D Hood	Cressex Community School
Mr A Rosen	Aylesbury High School
Mr S Sneesby	Kite Ridge House PRU
Mr K Patrick	Chiltern Hills Academy
Mr A Gillespie	Burnham Grammar School
Mr O Lloyd	Iver Heath Junior School
Ms J Freeman	King's Wood School & Nursery
Ms K Tamlyn	Cheddington Combined School
Mrs K Duckworth	Padbury CE School
Mr P Rowe (Chairman)	Princes Risborough School
Mr S Kearey	Great Kingshill Church of England School
Mr A Nobbs	Ashmead School
Mr J Bajina	Parent Governor, Secondary Sector
Mr P Ward	Chilternway Academy
Representative Fiona Brooks	St Mary's Pre-School
Ms C Glasgow	NASUWT
Mr M Moore	Catholic Diocese of Northampton
Ms W Terry	Manor Farm Pre-School

#### Governors

#### Representative

#### In Attendance

#### Officers

Mr J Huskinson, Ms A Sayani, Carter, Mr N Wilson, Try, Ms R Bennett and Ms S Kershaw

## **1 APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP**

Apologies were received from Mrs KSimmons, Mrs G Bull, Councillor Zahir Mohammed, Mrs S Skinner and Mrs K Douglas

## **2 DECLARATIONS OF INTEREST**

During discussions declarations of interest were made as follows:

Ms W Terry; Buckinghamshire Learning Trust

Mr P Rowe; Alternative Resource Provision

## **3 MINUTES OF THE MEETING**

The minutes of the meeting held on --- date were agreed as a correct record & signed by the Chairman.

The follow updates were noted:

- David Hood was in attendance at the meeting
- Item 5 (page 8): It was suggested BLT be invited to a future meeting to discuss potential projects being explored to provide an income stream.  
ACTION: Mr J Huskinson/ Ms R Bennett

## **4 MATTERS ARISING**

None.

## **5 SCHOOLS FORUM PAY REVIEW CONSULTATION**

Mrs S Kershaw, Senior OD officer at the County Council attended the meeting to set out the options identified when considering what pay award to apply to Bucks Pay Schools.

Following the decision made last year to maintain Range 1A and increase in line with National Living Wage (NLW), the Senior Appointments and Bucks Pay Award Committee SABPAC were required to make a decision this year whether to apply a percentage (or other) pay award to all Bucks Pay Schools, as well establish the amount.

The report from Mrs Kershaw set out the following options identified and asked for the view of the School Forum.

- 1) No increase to any range except to meet NLW requirements
- 2) A percentage increase for all ranges, with an additional increase for R1A to meet NLW.
- 3) A percentage increase for all ranges, with an additional increase to meet and

slightly exceed NLW requirements (e.g. if standard increase was agreed at 1%, an increase of 2.7% could be applied to Range 1A to bring the value up to £7.60 per hour.

Mrs Kershaw highlighted the following points:

- SABPAC had discussed Pay for School support staff at a recent committee meeting and supported Option 2
- SABPAC would make the final decision however any awards agreed would be paid from the school's budget
- Due to the Government cap of an average 1% on public sector increases, a 1% increase had been applied to Teachers pay scales in September 2016

## **RESOLVED**

**Schools Forum agreed to support Option 2 and suggested that the increase applied should be consistent with the 1% applied to teachers pay scales.**

Mrs Kershaw advised the Forum that there would be a further opportunity to provide input during December and January, as a consultation with school employees would be published via Schools Bulletin.

The Forum thanked Mrs S Kershaw for the update.

## **6 NATIONAL FUNDING PROPOSALS AND F40**

Mr P Rowe advised the Forum that Councillor Zahir Mohammed was unable to attend the meeting as he was attending a meeting with Justine Greening, Secretary of State for Education as a Member of the F40 group.

Mr J Huskinson advised that Finance meetings had now been pushed back to January 2017 as the Government settlement details would not be provided until 14-20 December 2016.

Mr Rowe advised that the Schools Forum Funding Group were working to four key principles:

1. There was an unavoidable necessity to significantly reduce expenditure. The specific amount expenditure would need to be reduced by was dependent on details to be supplied by the Government, due mid December
2. The SEND Review had an explicit aim to reduce expenditure however had not yet focussed down on how much of a reduction or by when
3. The 'worst case' scenario was being budgeted for, were the outcome to be more positive once Government data had been received some of these proposed reductions could be mitigated
4. 'Equal pain' across all sectors with no areas immune to cuts

## **7 SEND UPDATE**

Mr N Wilson attended the meeting to provide an update on the SEND Review and its findings.

An overview of the key findings were highlighted as follows:

- The SEND Review had now concluded and the first draft of strategy and priority plan had been developed
- Buckinghamshire had more children statemented within its schools compared to other areas (3.8%), which sat above national benchmarks
- Through the consultation exercise it was clear that there was not much descent in the findings
- There was a strong involvement from parents and carers
- It was recognised that there was the need for investment in the improvement and planning process
- 20-30 groups have been involved in the strategies development
- The strategy was due to be presented to One Council Board on 30 November 2016 and would need to go through the appropriate Member Decision Process following OCB approval

Mr Wilson informed the Forum that the analysis of the review had highlighted 7 key priorities:

Children, young people and families	
<b>Priority 1</b>	Enhance the experiences of families, children and young people of the statutory SEND processes.
Developing provision and supporting Schools and Settings	
<b>Priority 2</b>	Develop greater confidence, competence and skills in mainstream settings, schools and academies, providing stronger leadership and support for SENCOs and others, across schools and settings.
<b>Priority 3</b>	Refocus specialist SEND provision, such as special schools and Resourced Provisions, on those children with the most significant and complex SEND.
<b>Priority 4</b>	Improve the leadership, co-ordination, deployment and collaborative working of specialist SEND specialist teaching, advisory and educational psychology services.
Planning ahead	
<b>Priority 5</b>	Develop and implement improved approaches to planning and securing specialist educational places for those children with the most significant and complex needs.
Strategic Leadership and Management	
<b>Priority 6</b>	Strengthen the management of the statutory SEND processes
<b>Priority 7</b>	Develop improved approaches to monitoring and accountability, especially in relation to the use and impact of High Needs funding in schools and other educational settings.

Members of the Forum made the following points:

- It was queried whether there was a funding difference between SEND children in mainstream and special schools. Mr N Wilson advised that specialist schools were funded £10k per child, with top up being available through existing mainstream budgets.
- It was suggested that there be open communications with all the stakeholders, to ensure all have a better understanding of the position going forward
- The need for a more robust process when applying for Higher Needs Funding was highlighted. It was advised that once the funding was granted, funding was

not monitored to determine how it had been spent.

- It was queried who would be delivering the Strategy and Priority Plan once it had been approved. Mr Wilson confirmed that it would require a drive from schools and members of the Forum and Strategic Leadership from the County Council. The resource for this was yet to be allocated, however the need for funding change management capacity had been requested with specific sector knowledge

It was queried where the governance for the project would sit, Mr Wilson confirmed there was a proposal for a governance structure, where a strategic group come together to support and advocate the project.

## 8 DEDICATED SCHOOLS GRANT

### **Growth Fund and Growing Schools**

Mr J Huskinson presented the report which set out the additional funding available for new schools, growing schools, those being reorganised or those with falling numbers, and highlighted the potential of those that may be financially disadvantaged for a time due to the way that the formula allocated funding.

With the information provided in the report, Mr Huskinson asked the Forum to consider the following options identified:

**Option 1** to not allow a disapplication request and leave the school(s) affected to manage this.

**Option 2** to support the disapplication request being made to the EFA in all applicable cases, either on a Growth Fund basis or a variation in pupil numbers basis

**Option 3** for the Forum or a delegated group of the Forum to review each case on its own merits and where agreed, support the disapplication to the EFA, either on a Growth Fund basis or a variation in pupil numbers basis

### **Recommendation**

**The Schools Forum Funding Group recommended that Schools Forum agree with Option 2, with advice on whether the Growth Fund or pupil adjustment was the most appropriate being left to the Local Authority (LA), in liaison with Schools Forum and Education Funding Agency (EFA) to agree.**

Members of the Forum made the following comments:

- Consideration needed to be given to free schools; in theory their budget would include diseconomies when they submitted their initial plans in so contingency would be available for maintained schools. Free schools should have a budget plan and rely on the Forum to take on the risks when issues occur. This message was to be fed back to the EFA.
- Were Option 1 selected, would this stop a school applying to contingency fund if

they had made the wrong calculations? Mr Huskinson confirmed that it would not, however if Option 3 was chosen this would mean they would be unable to apply for contingency funding as this would be available to maintained schools only.

Mr Huskinson advised the Forum to consider the information set out in the **Growth Fund – Start Up Grant** report before making a decision.

Following discussions on the **Growth Fund – Start Up Grant** the Forum took a vote on the 3 options set out and the result was recorded as follows:

**Option 1 – 14**  
**Option 2 – 2**  
**Abstaining - 1**

**Majority vote for Option 1 was recorded.**

**RESOLVED**

**The Forum AGREED with Option 1.**

### **Growth Fund – Start Up Grant**

Mr Huskinson presented the report outlining the Start Up Grant available to all new schools. As highlighted in the report, due to Green Ridgeway Academy opening in September 2017 a decision was required on what funding was available between now and then. The County Council were seeking to formalise the arrangements for future provisions.

The options were highlighted as follows:

#### **Option A**

To agree a set rate for all new schools of £200,000 for primary mainstream schools, historically this has been around the level of funding given to the last two new schools. To date we have not had a new secondary maintained school, from evidence provided by the DFE they have provided £300,000 of start-up funding.

#### **Option B**

For the forum to agree on a case by case basis as it has in the past.

#### **Recommendation**

**The Schools Forum Funding Group (SFFG) has considered this matter in detail and recommended Option B to the Forum and asked that they also nominate a representative to review the cases as they arise, assuming Option B is agreed.**

**The SFFG further recommends that to support new schools in their planning assumptions, that there should be a minimum allocation of £150K for new primary**



**schools and £250K for new secondary schools.**

**RESOLVED**

**Schools Forum AGREED with Option B and that representation discharged to be agreed by the Schools Forum Funding Group.**

**ACTION: Schools Forum Funding Group & Mr K Patrick**

**Dedicated Schools Grant 2017-18**

During discussions declarations of interest were made as follows:

Ms W Terry; Buckinghamshire Learning Trust

Mr P Rowe; Alternative Resource Provision

Mr Huskinson presented the update report to Forum outlining the suggested funding proposals in principle, to help to inform budget proposals. These were to be confirmed prior to the Schools Forum meeting in January 2017.

During discussions key points were highlighted as follows:

- High Need Block activity continued to create pressure
- The estimated growth in High Needs activity had led to an assumed gap of £6m
- The Education Services Grant (ESG) had not been considered when modelling the savings as there was still uncertainty about the responsibility and funding
- A summary of budgets was provided with a full breakdown in Appendix 1 in order to mitigate the £6m

Mr Huskinson explained each area to be considered to offset the pressure.

Members of the Forum made the following comments:

- Current calculations were on current pupils numbers or the assumption of an increase, it was asked that modelling also be carried out on a reduction in pupils entering the school

**ACTION: Mr J Huskinson**

- Concerns were raised that while it was the correct step to retain children in mainstream schools where possible if we reducing funding for children across the board this could then draw people away from special schools
- It was also suggested that the viability of ARPs should not be reduced
- The need for co-ordination between this piece of work and the 7 Priorities set out in the SEND review
- Support would be needed if the 'equal pain' process was applied
- It was confirmed that Bucks Academy of School Leaders (BASL) were already working on the assumptions that there would be cuts made
- It was suggested that the funding for the BLT should be reviewed. Mr Rowe confirmed that this was already being assessed

Mr Rowe confirmed that the Forums responsibility was to set the budget and agree the

funding formula, however once the settlement was announced by Government on 20 December, some of the planning assumptions may be subject to change.

It was that BASH had already written to the Secretary of State to highlight 'Fairer Funding' issues within Bucks and Mr Rowe confirmed that he would also write to the Secretary of State for Education setting out the funding issues that were being faced, specifically in SEND; a copy of this letter would be circulated. The Primary Executive Board also agreed to send a letter in support.

## **9 CONTINGENCY GROUP UPDATE**

Mr M Moore provided a verbal update following the last Contingency Group.

It was confirmed there was an approximate £150k left in the pot with still two meetings to take place before year end, therefore it was doubtful all requests would be met.

Mr Moore also suggested that due to additional pressures predicted in 2017/18, more requests to the contingency group are likely. The money therefore to be allocated to the group for next year should be higher than in previous years.

It was confirmed that Mr D Hood would be taking over as Chairman following the next Contingency Meeting.

## **10 SCHOOLS FORUM FUNDING GROUP UPDATE**

All items were discussed in previous items.

## **11 ANY OTHER BUSINESS**

No other business to discuss.

Meeting closed 16.35.

## **12 DATE OF NEXT AND FUTURE MEETINGS**

<b>SFFG Meeting</b>	<b>Forum Meeting</b>	<b>Funding Group and Forum venue</b>
6 January 17	17 January 17	Green Park, Aston Clinton
20 January	31 January	Green Park, Aston Clinton
10 March	21 March	Green Park, Aston Clinton
5 May	16 May	Green Park, Aston Clinton
30 June	11 July	Green Park, Aston Clinton
15 September	26 September	Green Park, Aston Clinton
13 October	24 October	Green Park, Aston Clinton
17 November	28 November	Green Park, Aston Clinton





# Schools Forum Funding Group

---

<b>Title:</b>	Dedicated Schools Grant 2017-18
<b>Date:</b>	Friday 6 January 2017
<b>Author:</b>	Nick Wilson
<b>Contact officer:</b>	John Huskinson, 01296 382384 jhuskinson@buckscc.gov.uk
<b>Local members affected:</b>	All

*For press enquiries concerning this report, please contact the media office on 01296 382444*

## Summary

The Dedicated Schools Grant (DSG) proposals for 2017-18 are commended to the Schools Forum Funding Group for consideration and recommendations. This will progress to the full Schools Forum meeting on 17<sup>th</sup> January 2016. The final decision rests with the Cabinet Member for Education & Skills and the outcome is reported to the Department For Education by 20h January 2017.

## Recommendation

That the recommendations contained in the appended report are supported by the Schools Forum Funding Group.

## Supporting information to include the following if a decision is being requested:

### Resource implications

The DSG for 2017-18 is £412m. This report concerns the allocation of all of this funding.

### Legal implications

The recommendations follow the legal guidance issued by the Department for Education.

### Other implications/issues



The recommendations affect the funding for all schools in Buckinghamshire and early years providers and Local Authority managed and provided services.

**Feedback from consultation, Local Area Forums and Local Member views (if relevant)**

Feedback has been sought through the Schools Forum, Bucks Academies and Secondary Heads and Primary Executive Board

---

**Background Papers**

See main report appended

---

**Dedicated Schools Grant 2017-18**

Date: December 2016

Author: John Huskinson, Finance Director Children’s Social Care & Learning

**CONTENTS**

- A. Background ..... 2
- B. Purpose of this report ..... 2
- C. Overall DSG ..... 3
- D. Other funding ..... 4
- E. Education Services Grant ..... 5
- F. 2018-19 National Funding Formulae and high needs proposals ..... 6
- G. Schools Funding Formulae 2017-18 ..... 7
- H. Historic Commitments ..... 8
- I. Central ongoing Commitments ..... 9
- J. High Needs ..... 10
- K. Early Years ..... 12
- L. Existing De-delegations ..... 13
- M. New De-delegations ..... 15
- N. Growth fund ..... 17
- O. Licenses ..... 18

## **A. BACKGROUND**

The Dedicated Schools Grant (DSG) received from the Department for Education (DfE) and paid by the Education Funding Agency (EFA) was finalised on 20<sup>th</sup> December 2016.

This includes funding for the Early Years Block, Schools Block, High Needs Block and finalised positions regarding Growth Fund and Licenses.

Alongside this, announcements regarding the finalised Education Services Grant (ESG) and details of new grants to replace some aspects of ESG were finalised.

## **B. PURPOSE OF THIS REPORT**

This paper recommends the allocation of DSG and proposes the school funding formulae and related matters.



## C. OVERALL DSG

The overall DSG allocation for Buckinghamshire compared to the indicative allocation is as follows:

Block	Indicative allocation £m <sup>i</sup>	Final allocation £m <sup>ii</sup>	Change £m	Notes
1. Schools Funding	£290.500m	£296.196m	£5.696m	Growth in pupils.
2. Historical commitments	£4.654m	£4.654m	£-	If not used per agreed basis, will be reduced.
3. Central spend on ongoing functions	£2.300m	£2.300m	£-	
4. Growth Fund	£1.072m	£1.072m	£-	
5. ESG retained duties funding	£1.221m	£1.178m	(£0.043m)	£15 per pupil. Reduced amount as share of £117m pot reduced.
Total Schools Block (1 to 5 above)	£300.079m	£305.400m	£5.321m	70,893 pupils @ £4,232.84 increased to 72,150 pupils.
6. High Needs	£74.954m	£76.444m	£1.490m	Share of £130m uplift funding
7. Early Years	£21.023m	£30.489m	£9.466m	Includes 2 year old funding and extra hours for 3 and 4 year olds
<b>Total DSG (1 to 7 above)</b>	<b>£396.056m</b>	<b>£412.333</b>	<b>£16.277m</b>	Mostly early years increases, plus growth in pupils and some high needs uplift

Overall the DSG funding is relatively positive.

- High Needs Block has received an uplift of £1.49m;
- Schools Block funding has grown in line with pupil numbers but also the “lag” in funding for “growing schools” has significantly caught up;
- Early Years Block rates have been increased and the past funding from Schools Block for Early Years is no longer needed.

Most of the increase will be utilised on early years and paying for increased school pupils in the School Funding Formulae, however the overall position looks much better than the worst case scenario assumed in November and reported to Schools Forum.

It will be necessary to tightly manage budgets in high needs and the proposals are based on special schools, alternative provisions and Pupil Referral unit budgets finding efficiencies along with other high needs spend areas.

The proposal for mainstream schools is only to cap schools gaining to 0.5% (instead of 2.5% gains) but not to change any other funding factors.

## D. OTHER FUNDING

In addition to the DSG, announcements have been made about:

- Education Services Grant transitional funding<sup>iii</sup>. This is £1.392m for BCC in 2017/18.
- Capital (not in the scope of this report);
- £140m 'Strategic School Improvement Fund'; for academies and maintained schools - aimed at ensuring resources are targeted at the schools most in need of support to drive up standards, use their resources most effectively and deliver more good school places.
- £50 million school improvement, monitoring and brokering grant<sup>iv</sup> (2 years from Sept 2017) fund for local authorities to continue to monitor and commission school improvement for low-performing maintained schools<sup>v</sup>. This will be a minimum of £1800 per year for each maintained school when it starts in September 2017, but it is understood will be for two years.
- Pupil premium funding<sup>vi</sup>. The rates per pupil for pupil premium in 2017 to 2018 will be maintained at their current rates.
- PE & Sports Grants<sup>vii</sup>.
- Universal Infant Free School Meals<sup>viii</sup>.

These are mostly outside of the scope of this report, although the impact of ESG changes is covered.

## E. EDUCATION SERVICES GRANT

The reduction in ESG will impact on services provided to support schools. The overall summary of funding (not including “Strategic School Improvement Fund”) is set out below:

	16/17	17/18	18/19	19/20	20/21+
<b>ESG or replacement</b>					
1. ESG General Funding allocation	3,909	1,392	0	0	0
2. ESG Retained Duties Funding	1,221	1,178	1,154	1,131	1,108
3. School Improvement, Monitoring and Brokering Grant	0	172	279	110	0
<b>Total Funding</b>	<b>5,130</b>	<b>2,742</b>	<b>1,433</b>	<b>1,241</b>	<b>1,108</b>
<b>Change c.f. 2016/17</b>		<b>-2,388</b>	<b>-3,697</b>	<b>-3,889</b>	<b>-4,022</b>

The approval of Schools Forum is needed for the retained ESG retained duties funding transferred to the DSG (line 2 above) to be allocated to the Authority. The functions covered by this include:

### Statutory & regulatory Duties

- Director of children’s services and personal staff for director
- Planning for the education service as a whole
- Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education & administration of grants
- Authorisation and monitoring of expenditure not met from schools’ budget shares
- Formulation and review of local authority schools funding formula
- Internal audit and other tasks related to the authority’s chief finance officer’s responsibilities under s151 of LGA 1972 except duties specifically related to maintained schools
- Plans involving collaboration with other LA services or public/voluntary bodies
- Standing Advisory Committees for religious Education (SACREs)

### Education welfare

- Functions in relation to the exclusion of pupils from schools, excluding any provision of education of excluded pupils
- School Attendance and responsibilities regarding employment of children

### Asset Management

- Management of the LA’s capital programme and general landlord duties for all buildings owned by LA including those leased to academies

The sum of activities above exceeds £1.178m.

### **Recommendation 1**

***That the School Forum notes the implications of the ESG proposals and agrees the allocation of the £1.178m ESG retained duties funding to the Authority.***

## F. 2018-19 NATIONAL FUNDING FORMULAE AND HIGH NEEDS PROPOSALS

The DfE proposals for 2018/19 are set out in their consultations<sup>ix</sup>, launched on December 14<sup>th</sup> 2016 and running until 22<sup>nd</sup> March 2017. Stakeholders are strongly encouraged to respond to this.

The implications for Buckinghamshire schools are generally positive, with Buckinghamshire gaining one of the highest levels of increases (of F40 members) and 85% of schools gaining from the proposals.

Some changes in the proposals will benefit Buckinghamshire schools further, for example changes to lump sum funding proposals. F40 have a meeting in January 2017 to consider the consultation further and would welcome the views of F40 members on the proposals.

The direction of travel suggested by the consultation also gives the Schools Forum some issues to consider about any changes necessary in the formulae for 2017-18. The proposal indicates that 2018-19 will be the last year in which the authority and Schools Forum have any influence on funding for schools, as from 2019-20 schools will move to the agreed National Funding Formulae.

The High Needs funding consultation proposed that no authority will lose funding, Buckinghamshire will therefore receive protected funding to maintain the current funding levels for high needs.

### **Recommendation 2**

***The School Forum considers the consultation and provides a collective response to the F40 group (notwithstanding Schools and stakeholders may wish to provide individual or other collective responses)***

A short report on the consultation proposals is available to support this and a link to the consultation is included in the end notes.

## G. SCHOOLS FUNDING FORMULAE 2017-18

The Schools Block per the final DSG is shown in the table in the section above. Schools Block is not yet ring-fenced and the pressure on High Needs Block will require a transfer of funding from the Schools Block. This was raised at the November Schools Forum<sup>x</sup> meetings.

The modelling of the Schools Funding Formulae using the final December Authority Proforma Tool (APT) data shows the following:

Scenario	DSG requirement to fund the Schools Funding Formulae £m	Saving compared to As IS (scenario 1) £m
1 – Use current funding formulae factors and current 2% capping	£293.624m	NIL savings, although c £0.7m of savings are built in from MFG reductions  (this is £3.124m more than 2016/17 due to growth in pupils)
2 – Use current funding formulae factors but reduce capping to 0.5%	£293.123m	£0.501m
3 – Reduce all pupil led funding formulae factors and reduce capping to 0.5%	£291.499m	£2.125m
4 - Target funding factors changes in light of DfE proposals for 2018-19 and reduce capping to 0.5%	£291.388m	£2.236m

As the table shows, the additional saving for DSG of options 3 and 4 are significant. In November the Schools Forum was advised that reducing funding factors might be needed to balance the DSG overall.

Due to the additional funding received the Authority is able to propose a balanced DSG budget overall without having to change the funding factors for schools, only the capping level.

### **Recommendation 3**

***The School Funding Formulae agreed in 2016/17 are unchanged but that capping of gains is set at 0.5% (per scenario 2)***

## H. HISTORIC COMMITMENTS

Schools Forums need to be able to make informed decisions about historic commitments on a line by line basis each year<sup>xi</sup>. Evidence must include:

- Minutes from the schools forum prior to 1st April 2013 - schools forum should have agreed the commitment prior to 2013.
- Proof that the commitment extended at least as far as the 2017 to 2018 financial year. Evidence can include reports which indicated an end date into 2017 to 2018 or beyond, or where the commitment has no specific end date.
- Where budgets relate to non-staffing costs, there must be a contractual commitment (such as a PFI agreement or lease agreement) which extends into the relevant financial year.
- Schools forum papers and minutes that show that approval has been granted for the financial year. The forum is expected to approve each spending line annually. It is important that schools forums have sufficient information to be able to make an informed decision.

A decision was made by Schools Forum in May 2016<sup>xii</sup> to agree the historic commitments submitted to the EFA. This included £4.756m of historic commitments. The baseline figures included in the DSG calculations total £4.654m instead of £4.756m.

Block	Subset	DSG allocation £m	Recommended budget	Notes
Central spend on historic commitments	Contribution to combined budgets	£2.675m	<ul style="list-style-type: none"> <li>• £2.311m Combined Contributions</li> <li>• £0.224m Practical Learning Opportunities</li> <li>• £0.139m Raising Participation</li> </ul> £2.675m Total	BLT currently delivers services on behalf of the Authority.  ASPIRE (Secondary PRU) deliver vocational Programmes
	Termination of employment costs.	£0.271m	£0.271m	Costs are higher but increases not allowed.
	Capital expenditure from CERA	£1.708m	£1.650m + £58k other contributions	Capital contribution disappears in 2018-19.
<b>Total historical commitments</b>		<b>£4.654m</b>	<b>£4.654m</b>	<b>Needs to be allocated in full</b>

If the spend on historical commitments is less than the funding provided by the DfE, the DfE will reduce the funding, it will not be available to offset other DSG blocks.

### **Recommendation 4**

***The Schools Forum agrees the full use of the historical commitments proposed.***

## I. CENTRAL ONGOING COMMITMENTS

The central ongoing commitments require the approval of the Schools Forum on a line by line basis. These have been included in the DSG allocation baselines as set out in the overall DSG table at the start of this report.

From 2018-19 the proposal in the DfE consultation is to move these to a formula basis but protect authorities from reductions greater than 2.5% per annum. Any underspend or efficiencies in these is expected to be used to contribute to Schools Block or High Needs Block budgets

The services funded included are listed below:

<b>DSG allocation</b>	<b>DSG Amount</b>	<b>Recommended Budget</b>	<b>Notes</b>
School admissions	£1.286m	£1.209m	Proposed budget is £890k for admissions + £319k (legal). This does not include the overheads for admissions which are included below.
Servicing of Schools Forum	£0.002m	£0.002m	The cost of this is not fully shown, as democratic support costs are included within the BCC central overheads below.
Fees to independent schools without SEN	£0.389m	£0.250m	Proposed £250k budget for 2017/18 reduced from £585k budget in 2016/17
Other items	£0.622m	£0.555m	Includes £115k BASL, £210k safeguarding in education, £230k central overheads
<b>Total</b>	<b>£2.300m</b>	<b>£2.016m</b>	<b>Contribution to offset high needs pressures.</b>

### **Recommendation 5**

***The Schools Forum agrees the ongoing commitments recommended above.***

## J. HIGH NEEDS

The Final DSG allocation for High Needs Block is £76.444m including a £602k sum that will be clawed back. This is £1.490m higher than the base line funding and goes some way to offsetting pressures in high needs caused by growth. It is assumed that this will be the final figure for 2018/19 onwards, when the proposed high needs formulae begins under which Buckinghamshire will receive significant protection funding.

The wider SEND change programme being led by the Authority will have limited impact on pressure in 2017-18 budgets.

The Government has recognised the impact challenges on Authorities and announced a new grant<sup>xiii</sup> to support strategic reviews of high needs. As Buckinghamshire has already recognised this issue and commenced a programme, the funding (being given to the Authority in January 2017) will be used to offset the significant cost of managing and facilitating this programme already planned.

Block	Subset	Indicative allocation £m <sup>xiv</sup>	Final allocation £m	Change £m	Notes
6. High Needs	High Needs	£74.352m	£75.842m	£1.490m	Uplift for growth
	Post 16 transfer adj.	£0.602m	£0.602m	£-	Recouped by the EFA
<b>Total</b>		<b>£74.954m</b>	<b>£76.444m</b>	<b>£1.490m</b>	

The budget proposals for high Needs Block in 2017/18 (set out below) exceed the amount set in the DSG for High Needs significantly and therefore use of Schools Block funding is needed. The recommended budgets for High Needs are as follows:

Ref	Activity	Final budget recommendation 2017-18	change compared to Nov Schools Forum report	change explained
H1	Additional Resourced Units	£4,690,000	-£71,000	efficiencies
H2	Alternative Provision	£431,000	£0	
H3	BLT - Specialist Teaching Service	£2,057,000	£0	
H4	Early Years EHC Plans	£290,000	£0	
H5	Educating Children in Public Care (ECPC)	£700,000	-£17,000	efficiencies
H6	Education Psychology	£650,000	-£32,000	efficiencies
H7	Educational Equipment	£240,000	-£10,000	efficiencies
H8	Independent Schools	£15,000,000	-£219,000	
H9	Kiteridge specialist boarding PRU for 11-19 year olds	£1,086,000	-£1,000	rounding



Ref	Activity	Final budget recommendation 2017-18	change compared to Nov Schools Forum report	change explained
H10	Other Support	£650,000	-£12,000	efficiencies
H11	Portage	£200,000	£10,000	Inflation
H12	Post-16 High Needs	£5,910,000	£85,000	further growth
H13	PRU place funding	£2,380,000	£0	
H14	PRUs & EOTAS	£2,487,000	-£77,000	efficiencies
H15	Recoupment	£2,500,000	-£46,000	efficiencies
H16	Re-integration	£360,000	-£2,000	rounding
H17	Schools EHC Plans	£5,490,000	£109,000	further growth
H18	Schools Inadequate Notional	£150,000	£0	
H19	Schools post-16 £6k for EHC Plans	£324,000	£0	
H20	Special Schools - Place	£14,100,000	-£510,000	Updated assumptions.
H21	Chiltern Way Academy project	£426,000	£0	15 places @£28k
H22	Special Schools - top up	£14,350,000	-£77,000	Revised assumptions plus efficiencies
H23	Therapies (SALT and OT)	£1,631,000	£150,000	ESG funded £150k, now part of High Needs
H24	Vulnerable children attainment intervention	£935,000	£0	
H25	High Needs Block Funding Schools	£700,000	-£12,000	Growth pressure contained to 2016/17 levels
H26	High Needs Block Funding Early Years (early years inclusion fund)	£50,000	-£428,000	Mostly included within early years inclusion fund
H27	High Needs overheads	£1,968,000	£0	
	<b>Total</b>	<b>£79,755,000</b>	<b>-£1,160,000</b>	<b>Still growth of £5.5m compared to original budget for 2016/17</b>

### **Recommendation 6**

***The Schools Forum support the High needs budget proposals.***

## K. EARLY YEARS

The DSG includes funding for 3 and 4 year olds and now also includes funding for 2 year olds.

The Early years block is not currently ring-fenced but the proposals below assume that all of the early years funding within the DSG will be spent on early years, but there will be no use of other blocks (as has been the case in the past) to support higher rates for early years providers, as the new DSG funding for early years includes increases.

A new inclusion fund within Early Years is proposed that means low level SEN support funded by High Needs Block historically will now be covered within Early Years Block. Those with more complex needs will be met by the High Needs block.

Within the new arrangements an element of funding will be held for central costs. The proposals are subject to final consultation with providers but small increases in rates to providers will be possible.

The DSG allocation for Early Years is as follows:

DSG funding area	DSG allocation £m	Proposed budget 2017/18	Notes
3 & 4 year old universal entitlement	£22.402	£22.402	4,828,000 hours @ £4.64 of which at least 95% will be passed through to providers
3 and 4 year old additional entitlement for eligible working parents	£4.189m	£4.189m	903,000 hours @ £4.64 of which at least 95% will be passed through to providers
Entitlement funding for disadvantaged 2 year olds	£3.519m	£3.519m	616,000 hours @£5.71 of which at least 95% will be passed through to providers
Pupil premium	£0.114m	£0.114m	Ring fenced
Supplementary funding for maintained schools	£0.173m	£0.173m	Less than 2016/17, but ring-fenced
Disability access fund	£0.092m	£0.092m	Ring fenced
<b>Total</b>	<b>£30.489m</b>	<b>£30.489m</b>	

A separate paper with details of proposed funding to providers and amounts in central budgets is available.

### **Recommendation 7**

***The Schools Forum supports the Early Years budget proposals***

## L. EXISTING DE-DELEGATIONS

De-delegation is where maintained schools collectively agree to give back some school funding allocated to fund ongoing activities on behalf of all maintained schools.

Voting is by sector (maintained schools only) at the Schools Forum.

Primary schools have 38,104 pupils and secondary 5,893 (Total 43,997). There are 172 maintained schools (165 primary schools and 7 secondary including 1 all through).

De-delegation has historically been agreed for:

- Contingency (schools in financial difficulties and deficits of closing schools)
- Supply cover for union activity and small schools

Existing de-delegation areas:

De-delegation area	2016-17 budget £	20176-17 rates	Notes	2017-18 proposals
A. Contingency - schools in financial difficulties	£462k	£10.61 per pupil.	This is administered by the Contingency panel using the rules agreed by the Schools Forum.	£10 per pupil. Pot to be split and ring-fenced between secondary and primary schools.  This would provide primary schools with £381k contingency and secondary £59k. Other schools are not eligible for contingency.
B. Contingency - deficits of closing schools	£360k	£3.59 per pupil plus £1,164.88 per school (the lump sums were increased to compensate for this)	<ul style="list-style-type: none"> <li>• This is used to offset the cost of writing off deficit budgets at point of maintained schools becoming sponsored academies and the old school in effect closing.</li> <li>• The contingency fund terms of reference include this. The Deficit amounts are calculated by the LA at point of closure.</li> <li>• The EFA has confirmed that deficits for sponsored schools</li> </ul>	£3.50 per pupil plus £1,000 per school. Pot to be used for both sectors as needed. This would provide a budget of £326k, of which £27k is from secondary and £299k from primary.

			must be written off (e.g. converting deficits to loans is not permitted).	
C. Union facilities	£53k	£1.21 per pupil	This contributes to the cost of supporting Union activity relating to schools collectively for all maintained schools.	There has been an underspend in 2016/17 so a budget of only £31k is needed in 2017/18. This equates to 70p per pupil.
D. Cover for small schools	£12k	£0.28 per pupil	This contributes to the cost of supporting small schools in covering jury service and attendance at key meetings.	30p per pupil generating a budget of £13k.

**Recommendation 8**

***The Schools Forum (maintained schools) considers and votes on the proposed existing delegations.***

## M. NEW DE-DELEGATIONS

Following changes in ESG arrangements additional categories of de-delegation are being allowed:

- Additional school improvement services
- Statutory and regulatory duties (previously funded by ESG) for maintained schools

De-delegation only applies to maintained schools. The guidance is for a single rate per pupil for these new de-delegations for both primary and secondary maintained schools and allows a higher charge (per place not pupil) for special schools and PRUs. The ESG for special schools and PRUs is c. 4x mainstream schools and in the proposals below, each place will be charged at 4x the per pupil rate in mainstream maintained schools. The proposals below are based on

Based on 44,000 pupils and c 1100 places in maintained PRUs and Special Schools, each £1 per pupil (or £4 per place) would generate a budget of c £48,400.

Academies will pay for these services directly and this would continue.<sup>xv</sup>

The ex ESG functions included are as follows:

Area	Reasons for supporting	Recommended de-delegated rate per pupil	Budget created
1. Procurement advice to schools	Not traded and schools frequently need support from procurement and contracts team	£1 per pupil / £4 per place	£48,400 to maintain c 1 FTE
2. Budgeting and accounting advice to schools, functions relating to financing of maintained schools, monitoring of compliance with Scheme for financing schools	Not traded, part of Finance Team role, alongside funding formulae, administration of grants etc	£1 per pupil / £4 per place	£48,400 to maintain c 1 FTE
3. Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets and related financial administration	BLT Schools Financial Management Advisory team plus budget held by Education Champion where delegation removed or IEB put in place	£4 per place / £16 per place	£193,600 of which £107,000 is SFMA and balance held by Education Champion
4. Internal audits and other tasks relating to maintained schools	Not traded, part of internal audit.	£1 per pupil / £4 per place	£48,400 to maintain c 1 FTE
5. Educational visits advice (compliance under health and safety)	Not charged to maintained schools.	£1 per pupil / £4 per place	£48,400 to maintain c 1 FTE

Area	Reasons for supporting	Recommended de-delegated rate per pupil	Budget created
6. Premature retirement and redundancy, when not possible to charge to maintained school	Rare occurrence, normally dealt with through contingency (only if there is no contingency budget in existing de-delegation)	£2 per pupil / £4 per place	£96,800 to maintain small pot to cover costs
7. Monitoring national curriculum assessments	Provided by BLT.	£2 per pupil / £4 per place	£96,800 to cover approximate costs
<b>Total ex statutory functions paid for by ESG, if all agreed</b>		<b>£12 per pupil / £48 per place</b>	<b>£580,800 total</b>
8. Additional School Improvement	Additional school improvement to provide basic support to all maintained schools.	£6 per pupil / £24 per place	£290,400. Roughly matches amount provided by DfE for two years.
<b>All new de-delegation items if agreed</b>		<b>£18 per pupil / £72 per place</b>	<b>£871,200 total</b>

The above areas are all at risk due to the ESG reduction. Services will have to either stop or reduce or be paid for differently. Moving some of these to a trading basis is possible, alongside other traded services for schools

By de-delegating, these services can be accessed by all maintained schools when needed and the continued viability of these services is secured. Trading risks the services not being sustainable and schools needing support potentially finding none available.

Schools Forum could consider agreeing to de-delegation but owing to some uncertainty over the new arrangements, could delegate a working group to agree any specifics with the Authority. If changes are needed this can be taken back to Schools Forum and adjustments made (or de-delegated funds returned to schools accordingly).

- For a school with 100 pupils, the impact of the above would be £1,800 per year. This is c 0.5% of budgets.
- For a school with 1000 pupils, the impact would be £18,000. This would be c 0.5% of budgets.
- For a special school with 100 places, the impact would be £7,200 per year. This is c 0.5% of budgets

### **Recommendation 9**

***The Schools Forum (maintained schools) considers and votes on the proposed new de-delegations.***

## N. GROWTH FUND

- The Authority may top-slice the DSG in order to create a growth fund to support schools which are required to provide extra places in order to meet basic need within the Authority.
- A separate paper on growth fund was shared with the Schools Forum in November 2016<sup>xvi</sup> covering the specifics of the growth fund and the circumstances when this applies and a case for start-up funding, which is a subset of the Growth Fund.
- Having taken on board the decisions of the Schools Forum in November 2016 regarding growth fund, the final growth fund requirements proposed is £1.9m for 2017-18, including £200k for falling rolls. This also allows a small contingency for growth.

### **Recommendation 10**

***The Schools Forum supports the recommended £1.9m growth fund budget to be top-sliced from DSG and agree the final criteria for use of the growth fund before year end.***

## O. LICENSES

- The Government has bundled all licenses for all schools into a national arrangement and each year advises the Authority of the cost of this. This means that schools do not need to obtain separate licenses for the vast majority of circumstances in which a license is needed.
- The license request is top-sliced from the DSG as this is for the benefit of all schools, including academies.
- The total license cost for Buckinghamshire Schools in 2017/18 is approximately 2% higher than in 2016/17, at £397k.

### **Recommendation 11**

***The Schools Forum notes the license proposals and the top-slice of DSG as a result.***



## References

---

<sup>i</sup> <https://www.gov.uk/government/publications/schools-funding-arrangements-2017-to-2018>

<sup>ii</sup> <https://www.gov.uk/government/publications/dedicated-schools-grant-dsg-2017-to-2018>

<sup>iii</sup> [education services grant \(ESG\) transitional grant.](#)

<sup>iv</sup> The [school improvement monitoring and brokering grant](#) was announced on 30 November 2016. This grant of £30 million (pro rata of £50 million per annum) will be allocated to local authorities from September 2017. Local authorities will receive an allocation of at least £1,800 per the number of maintained schools in their authority as at September 2017, subject to a total minimum allocation of £50,000 for each authority.

<sup>v</sup> <https://www.gov.uk/government/news/new-funding-for-school-improvement--2>

<sup>vi</sup> [pupil premium conditions of grant for 2017 to 2018](#)

<sup>vii</sup> The primary PE and sport premium continues in 2017 to 2018. DfE will continue to advise schools on sustainable and effective ways to use the premium and will announce further details in the new year.

<sup>viii</sup> The grant for universal infant free school meals (UIFSM) continues at a meal rate of £2.30 for the 2017 to 2018 academic year

<sup>ix</sup> <https://consult.education.gov.uk/funding-policy-unit/schools-national-funding-formula2/>

<sup>x</sup> <https://democracy.buckscc.gov.uk/ieListDocuments.aspx?CIId=461&MIId=6813&Ver=4> Agenda item 8

<sup>xi</sup>

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/570143/2017\\_to\\_2018\\_schools\\_funding\\_historic\\_commitments\\_FINAL\\_V4.1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/570143/2017_to_2018_schools_funding_historic_commitments_FINAL_V4.1.pdf)

<sup>xii</sup> <https://democracy.buckscc.gov.uk/ieListDocuments.aspx?CIId=461&MIId=6810&Ver=4> Agenda item, 8

<sup>xiii</sup> <https://www.gov.uk/government/publications/high-needs-strategic-planning-fund>

<sup>xiv</sup> <https://www.gov.uk/government/publications/schools-funding-arrangements-2017-to-2018>

<sup>xv</sup> <https://schoolsweb.buckscc.gov.uk/> Traded Services directories

<sup>xvi</sup> <https://democracy.buckscc.gov.uk/ieListDocuments.aspx?CIId=461&MIId=6813&Ver=4> agenda item 8



## Formulae now v Proposed in NFF

Factor	BCC 2016-17 Primary	BCC 2016-17 Secondary	NFF proposal Primary	NFF Secondary	Notes
AWPU	KS1 £2646 KS2 £2646	KS3 £3758 KS4 £4335	KS1 £2712 KS2 £2712	KS3 £3797 KS4 £4312	Increases in AWPU KS1-3, decrease KS4
Ever6FSM Current FSM	n/a £850	n/a £1050	£540 £980	£785 £1225	Higher amounts in FSM.
IDACI Band					Slightly higher amount in deprivation bands
A	£585	£720	£575	£810	
B	£560	£560	£420	£600	
C	£470	£470	£360	£515	
D	£470	£470	£360	£515	
E	£380	£380	£240	£390	
F	£290	£290	£200	£290	
Low prior attainment	£1500	£1500	£1050	£1550	Slightly higher in secondary but much lower in primary
EAL	£460	£1100	£515	£1385	Higher for both
Mobility	£500	£500	n/a	n/a	Allocated based on historic spend
Lump Sum	£126,400	£126,400	£110,000	£110,000	Reduction in both. Small schools affected most.
Sparsity	N/a	N/a	£0-£25000	£0-£65000	New, but few likely to trigger.



# Cabinet Member for Education & Skills

---

**Decision to be taken on or after 17 January 2017**

**Decision can normally be implemented at least  
3 working days after decision has been signed.**

**Cabinet Member Report No. ED.01.17**

**Title:** Dedicated Schools Grant 2017-18

**Date:** 09 January 2017

**Author:** Nick Wilson

**Contact officer:** John Huskinson, 01296 382384  
Finance Director, Children's Social Care & Learning  
[jhuskinson@buckscc.gov.uk](mailto:jhuskinson@buckscc.gov.uk)

**Local members affected:** All

*For press enquiries concerning this report, please contact the media office on 01296 382444*

## **Summary**

The Council needs to take a decision on the use of the Dedicated Schools Grant (DSG) and report the outcome to the Department for Education (DfE) by 20th January 2017.

Due to the delay by the DfE this year in providing guidance and information the proposals for 2017-18 cannot be discussed at the Schools Forum until 17<sup>th</sup> January 2017. Schools Forum support for this decision is desirable overall and explicitly needed for some aspects.

This report (per DfE guidance) sets out a proposed decision for the Cabinet Member to ***in principle*** agree to the proposals set out for the use of the Dedicated Schools Grant, with final details delegated to the Managing Director for Children's Social Care & Learning, in consultation with the Cabinet Member.

## Recommendation

1. That the proposals set out in the appended report for the use of school funding (state years) are agreed in principle subject to consultation with the Schools Forum.
2. To give delegated authority to the Managing Director for Children's Social Care & Learning to submit a final proposal to the DfE amending the proposal as needed, following consultation with the Schools Forum and Cabinet Member.

### Resource implications

The DSG for 2017-18 is £412m. The report set out in the appendix sets out the full details of the allocations.

### Legal implications

The recommendations follow the guidance issued by the Department for Education. Legal advice has been provided by the Council's legal advisors.

### Other implications/issues

The recommendations affect the funding for all schools in Buckinghamshire and early years providers and Local Authority managed and provided services.

Appendix 2 sets out an Equalities Impact Assessment on the implications of this funding decision. Can you confirm there is no adverse impact on groups following your EIA?

### Feedback from consultation, Local Area Forums and Local Member views (if relevant)

Feedback has been sought through the Schools Forum, Bucks Academies and Secondary Heads and Primary Executive Board. Final feedback will be given by Schools Forum on 17<sup>th</sup> January.

---

### ***Your questions and views***

*If you have any questions about the matters contained in this paper please get in touch with the Contact Officer whose telephone number is given at the head of the paper.*

*If you have any views on this paper that you would like the Cabinet Member to consider, or if you wish to object to the proposed decision, please inform the Democratic Services Team by 5.00pm on 16 January 2017. This can be done by telephone (to 01296 387969) or e-mail to [democracy@buckscc.gov.uk](mailto:democracy@buckscc.gov.uk)*

## Buckinghamshire County Council

Visit [democracy.buckscc.gov.uk](http://democracy.buckscc.gov.uk) for councillor information and email alerts for local meetings

# Schools Forum

---

**Title:** Buckinghamshire Early Years Single Funding Formula (EYSFF) - Version 2

**Date:** 9<sup>th</sup> January 2017

**Author:** Jane Nicholls, Commissioner - Early Years & Childcare

**Contact officers:** Jane Nicholls – ex. 3179

**Local members affected:** All

### Summary

In December 2016, government confirmed the outcome from the Early Years National Funding Formula (EYNFF) consultation, confirming the funding allocation for Buckinghamshire from April 2017. Buckinghamshire County Council (BCC) is now required to consult with the sector and agree a local formula – EYSFF.

A [consultation was launched on 12<sup>th</sup> December](#), closing on 3<sup>rd</sup> January to allow time to summarise and bring results to School Forum Funding Group (SFFG) on 6<sup>th</sup> January. BCC shared the indicative allocation and possible illustrations with the sector through a series of meetings in the summer term; the final allocation has not changed with the exception of the additional allocation for maintained nursery schools (MNS) which has decreased by £40,125k (18.8%). A meeting was also held with Early Years Forum on 19<sup>th</sup> December where the local consultation questions were debated and responses recorded.

Government has confirmed the final payment and funding arrangements for a new fund – Disability Access Fund (DAF). The disability access fund aids access to early years places by, for example, supporting providers in making reasonable adjustments to their settings and/or helping with building capacity (be that for the child in question or for the benefit of children as a whole attending the setting). Three- and four-year-olds eligible for the DAF will be entitled to receive a one-off payment of £615 per year. The DAF is not based on an hourly rate and is an additional entitlement. Early years providers are ultimately responsible for identifying eligible children. Local authorities must record details about DAF allocations on the annual s251 budget return to the EFA.



## Summary of responses:

Question	On line responses	EY Forum response	Total responses
<b>Number of responses</b>	42 (65%)	23 – 3 groups (35%)	65

The response rate is very low in comparison to previous EY consultations and this is likely to be indicative of the short timetable given by DfE and time of year due to the holiday period.

## Deprivation Supplement – Mandatory:

	On line responses	EY Forum response	Total responses
<b>1. Do you agree that BCC allocates the right amount of funding to deprivation?</b>			
<b>Too much</b>	17%	9%	14%
<b>About right</b>	71%	33%	78%
		33%	
		24%	
<b>Not enough</b>	12%	0	8%

	On line responses	EY Forum response	Total responses
<b>2. Which deprivation model do you support?</b>			
<b>Current model</b>	21%		14%
<b>Model 1</b>	12%		8%
<b>Model 2</b>	57%	YES	72%
<b>Other - specify</b>	10%		7%
Other options were not explained by the respondents.			

Model 1 - Reduce all deprivation rates by 10p, increase base rate 9p

Model 2 - Reduce all deprivation rates proportionally - increase base rate by 9p

Although 78% of providers agreed that the current level of funding for deprivation is about right, allocating £623k to deprivation, 72% of providers then agreed that Model 2, which reduces the overall budget to £212,522 but with all providers getting some allocation, as the most appropriate model. Model 2 would allocate an average of 5p per hour to deprivation, increasing the money available for the base hourly rate by 9p.

Local authorities can choose the amount of funding to channel through this supplement as long as the total value of all supplements used does not exceed the 10% cap.

**Recommendation:** Adopt Model 2





### Optional Supplements:

	On line responses	EY Forum response	Total responses
<b>3. Do you agree that BCCs local formula should include an optional supplement for:</b>			
<b>Rurality</b>	71% - No	NO	81% - No
<b>Flexibility</b>	74% - No	NO	83% - No
<b>Quality</b>	57% - No	YES x 2 NO x 6  NO NO	66% - No
<b>EAL</b>	52% - No	YES x 4 NO x 4  No  YES/NO – 50/50	57% -No

The sector has responded not to include any optional supplements. EAL was the most closely contested option in response to the growing pressures that EAL presents to providers. Government has included EAL as part of EYNFF universal formula calculation in determining the overall EYNFF rate for Buckinghamshire.

**Recommendation:** No optional supplements

### Maintained Nursery Schools:

Buckinghamshire has two maintained nursery schools, one of which has an annexe. EYNFF states that LAs must fund all providers through the same base hourly rate except for maintained nursery schools (MNS) who can be funded at a higher level until the end of this government meaning all providers will be on the same base hourly rate by no later than 2019-20.

MNSs in Buckinghamshire are currently funded through a lump sum of £55k per site plus £30k for the annexe plus an enhanced hourly rate of £4.59. The MNS additional funding is not sufficient to maintain funding at this level. MNS allocations have been calculated as the difference between current MNS LA funding and the new LA rate less central spend.

<b>DfE MNS allocation calculation</b>		Comments
MNS budget 16-17	638,064	Lump sums , hourly rate, deprivation
MNS hours 16-17	105,077	184.35 PTEs
Hourly rate 16-17	£6.07	
Provider hourly rate: Central spend based on 16-17	5.67%	
EYNFF 17-18 inc. 30H	26,590,530	£1,507,683 central spend 5.6%



EYNFF less central spend	25,082,847	
PTEs 17-18	10,053	Inc. 30H
Provider equivalent hourly rate for 17-18	£4.38	
MNS less provider hourly rate	£1.69	
MNS lump allocation	£177,580	£173,229 – actual allocation based on Jan 16 census

The formula assumes that MNS funding will not increase in line with new LA allocations.

BCC has rebuilt our two nursery schools and added an annexe to Bowerdean Nursery School to meet demand for new places. The MNS allocation affords the LA to continue to fund the lump sums but needs to reduce the enhanced hourly rate to 30p which would equate to a base rate of £4.55.

**Recommendation:**

MNSs receive a lump sum of £55k per school per year and £30k for Mapledean annexe. MNS 3 & 4 year olds are funded at the base hourly rate of £4.55.

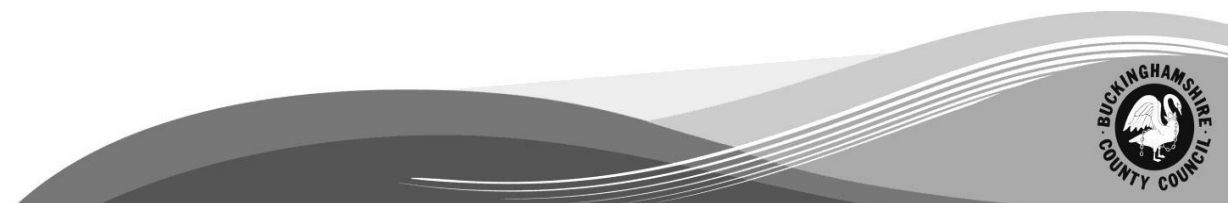
BCC will provide support to the MNSs to support future budget forecasting.

**High Needs Funding – Inclusion Fund:**

	On line responses	EY Forum response	Total responses
<b>4. How strongly do you agree that the current criterion for High Needs Funding (HNF) is appropriate to improve outcomes for children?</b>			
Very strongly agree	17%		11%
Strongly agree	17%	√ ↑	29%
Agree	48%	↓	37%
Disagree or strongly disagree	19%	√	24%

	On line responses	EY Forum response	Total responses
<b>5. Does BCC allocate an appropriate amount of funding to HNF?</b>			
Too high	2%	↑	7%
About right	69%	√ ↓	68%
Too low	29%	↓	25%

77% of responders agreed that the criterion for HNF is appropriate and 68% agreed that the amount of funding is also appropriate.



Comments generally requested that funding be made available sooner to support swift intervention and staff training and recruitment. Consideration should be given to funding the provider to manage interventions and training rather than to a particular child would be helpful. Some responders felt that the criteria for HNF should be reviewed and funding more proportionate depending on the level of need.

**Recommendation:** Local authorities (LAs) are required to introduce an Inclusion Fund. In Buckinghamshire this will replace the current HNF allocations for children with emerging SEN. More complex and EHCPs will continue to be funded from the HNF Block. An Inclusion Fund will be established from the EY Block. The current spend of £428k should be increased to £475k to support those children who will be eligible for 30 hours from September 2017. Any underspend will be carried forward and ring fenced to EY Block.

The criteria for funding and the process should be reviewed as part of the wider BCC SEN review programme.

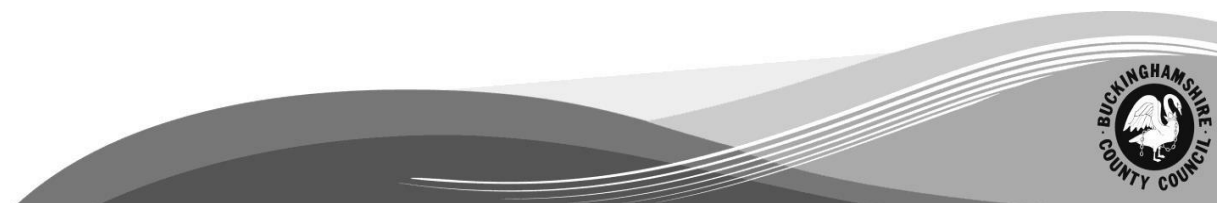
### **Central Spend – High Pass-Through Funding:**

	On line responses	EY Forum response	Total responses
<b>6. How much does your setting feel is an appropriate amount for BCC to use for central spend for 3 &amp; 4 year olds in 2017/18?</b>			
<b>7%</b>	21%		14%
<b>6%</b>	29%	√√√	33%
<b>5%</b>	40%	√√√√	44%
<b>4%</b>	5%	√	8%
<b>Less than 4%</b>	2%		1%

The greatest number of providers supported 5% central spend which would allow BCC to keep central spend in line with current expenditure whilst also meeting government monitoring policy for compliance of High Pass Through.

High pass-through (amount passed to providers through the formula) requirement is 93% in 2017-18 moving to 95% from 2018-19. This means that centrally retained funding (for central services or services in-kind) combined with any funding movement out of the early years block will be constrained to a maximum of 7% in 2017-18 and 5% from 2018-19. (Compliance will be monitored by the EFA on outturn data).

**Recommendation:** a budget allocation of 5% for central spend is agreed. Individual budget lines will be approved by School Forum.



## **Charging for services:**

	On line responses	EY Forum response	Total responses
<b>7. Would your setting be willing to pay for the following service support to reduce central spend?</b>			
<b>Training, reduction in subsidy</b>	55% - Yes	YES, YES, NO	59%
<b>Quality Improvement</b>	55% - Yes	YES, No, YES	59%
<b>Business &amp; regulation support</b>	43% - Yes	YES/NO, NO, NO	34%
<b>Safeguarding advice</b>	17% - Yes	NO	11%
<b>Qualifications – reduction to bursaries</b>	55% - Yes	No reduction Needs reviewing* YES	47%
<b>Charge for network meetings</b>	5% - Yes	NO	3%

Most providers commented that they could only contribute towards central services if the base hourly rate increases significantly.

Safeguarding, network meetings and business advice were generally considered to be essential core requirements and in the interest of BCC to maintain these free of charge to meet our statutory functions.

Overall there was a strong consensus valuing central services and support to providers. Some providers raised concerns about some duplication between BCC and BLT and the need for some support to be better targeted and more responsive to need.

**Recommendation:** BCC will continue to provide or commission support services to providers. BCC will undertake a further review of EY central support and report back to EY and School Forum on future options.

## Contingency Fund:

	On line responses	EY Forum response	Total responses
<b>8. Do you agree that BCC should set up a contingency fund?</b>			
<b>Yes</b>	79%	10	81%
<b>No</b>	21%	2	19%

	On line responses	EY Forum response	Total responses
<b>9. If an allocation is established, how much should be allocated?</b>			
<b>£500,000</b>	10%	Didn't ask this question	10%
<b>£300,000</b>	31%		31%
<b>£150,000</b>	38%		38%
<b>£0</b>	21%		21%

There was strong support (81%) to set up a contingency fund with a value between £150-300k.

**Recommendation:** A contingency fund of £200k will be established and ring fenced to EY providers. Any underspend will be carried forward and ring fenced to EY Block.

## Payment Timetable:

	On line responses	EY Forum response	Total responses
<b>10. What is your preferred payment timetable?</b>			
<b>Monthly</b>	33%	2	27%
<b>Half-termly in advance</b>	60%	9	65%
<b>Other</b>	7%	1	7%
Comment: - Termly in advance			

The majority of providers, 65%, prefer to remain with the existing half-termly in advance for payments. Government strongly recommends that LAs fund childminders on a monthly basis. Operating two different payment systems could be problematic so it is recommended that this decision is delayed until the revised LA Statutory Guidance for Early Years is published in the New Year to consider the wording of the regulation.

**Recommendation:** Early years providers on non-domestic premises will continue to be funded half-termly in advance.

Schools will nursery provision will continue to have an annual indicative budget with monthly payments. School payments will be adjusted termly based on head count. Schools with community nursery services which have previously been funded on a half termly basis will move to this model from April 2017 as they no longer have a separate Ofsted registration.

Childminders – if the updated LA Statutory Guidance allows the LA discretion to pay childminders half-termly in advance, this model will continue. If the LA is required to move to a monthly model then we will have to implement the requirement.

### **Two Year Old Central Spend:**

	On line responses	EY Forum response	Total responses
<b>11. How much do you feel is an appropriate amount for BCC to use for central spend for 2 year olds in 2017/18?</b>			
<b>7%</b>	24%	Didn't ask this question	24%
<b>6%</b>	2%		2%
<b>5%</b>	41%		41%
<b>4%</b>	17%		17%
<b>Less than 4%</b>	15%		15%

The greatest number of providers supported 5% central spend which would allow BCC to keep central spend in line with current expenditure.

**Recommendation:** a budget allocation of 5% for central spend is agreed. Individual budget lines will be approved by School Forum.

#### **Other Comments:**

Many providers have raised the priority of having the hourly rate as high as possible whilst maintaining some LA support. Providers feel that government has not increased funding sufficiently to meet increases in costs.

Some provider feel that locally purchased bulk training by the setting may support better team learning as the message is consistently received across staff and is sometimes more affordable. Otherwise providers feel they don't have sufficient income to purchase support.

#### **Overall Recommendation:**

School Forum is asked to agree each of the recommendations outlined above.

The recommended changes have now been modelled. 3 settings will have a decrease in excess of 1%. I recommend that an MFG change of 1% is agreed at a cost of £11,818 and funded from the contingency fund.

Implementing the recommendation would produce the following position:

	<b>Budget Allocation</b>	<b>Hourly Formula</b>	<b>Comments</b>
Universal 3 & 4 year olds	£22,401,519		
Additional 30 Hours – 7/12ths	£4,189,011		
<b>Total</b>	£26,590,529	£4.64	Amount to LA
<b>Buckinghamshire's EYSFF:</b>			
Base hourly rate	£24,373,481	£4.25	
Deprivation	£212,522	0.05	Allocated on family economic criteria
Optional supplements	0	0.0	
Contingency	£200,000	0.03	Allocated on setting criteria
Inclusion Fund	£475,000	0.08	Allocated on child criteria
Central spend 5%	£1,329,526	0.23	
<b>Total</b>	£26,590,529		
High pass through rate		£4.41	
<b>Additional 3 &amp; 4 YO allocations:</b>			
Maintained Nursery School	173,229	£140,000 0.30	Lump sum Enhanced hourly rate
EY Pupil Premium	£114,365	£0.53	Per pupil per hour
Disability Access Fund	£92,250	£615	Per pupil per year
<b>2 year old funding:</b>			
LA Allocation	£3,518,785	£5.71	Amount to LA
5% central spend	£175,939	0.28	
Provider rate	£3,342,846	5.43	Provider rate
<b>Central spend:</b>			
	2016-17	2017-18 3 & 4 s	2017-18 2 year olds
Central overheads	44,180	39,735	5,265
Data and payments	124,800	128,035	16,965
Place Development	610,974	565,000	50,000
Qualification grants	304,000	200,000	50,000
Staff support for place development and to maintain existing places	217,550	396,756	53,709
<b>Total</b>	£1,301,504	£1,329,526	£175,939





	Total hours for 2016/17	2016/17 actual rate	Payment due 2016/17	2017/18 proposed rate	Payment due on 17/18 rates	Difference	% change	1% MFG	Difference
<b>2's, 3's and 4 Year olds</b>									
Henry Allen Nursery School	31254	4.71	147206.3	4.59	143455.9	-3750.48	-2.61%	145734.3	2278.42
Bowerdean Nursery School	71854	4.8	344898.5	4.62	331964.8	-12933.69	-3.90%	341449.5	9484.71
Disraeli School	33945	4.32	146642.4	4.33	146981.9	339.45	0.23%		
Oak Green School	31454	4.37	137454.6	4.34	136511	-943.62	-0.69%		
Buckingham Park CE School	30536	4.26	130083.1	4.3	131304.5	1221.44	0.93%		
Cedar Park School	13707	4.13	56609.91	4.26	58391.82	1781.91	3.05%		
Millbrook Combined School	31293	4.36	136438.4	4.34	135812.6	-625.86	-0.46%		
Chalfont Valley E-Act	5850	4.17	24394.5	4.32	25272	877.50	3.47%		
Princes Risborough Primary Sch	2085	4.18	8715.3	4.28	8923.8	208.50	2.34%		
Lace Hill Academy	13726	4.24	58196.12	4.3	59019.65	823.53	1.40%		
Chalfont St Giles Infant School	20713	4.18	86579.74	4.28	88651.03	2071.29	2.34%		
Denham Village Infant School	1365	4.3	5869.5	4.32	5896.8	27.30	0.46%		
Marsh School	23184	4.34	100617.6	4.33	100385.8	-231.84	-0.23%		
Ley Hill School	15182	4.15	63005.3	4.27	64827.14	1821.84	2.81%		
Little Kingshill Combined School	8991	4.15	37312.65	4.27	38391.57	1078.92	2.81%		
Booker Hill	19430	4.32	83937.29	4.33	84131.59	194.30	0.23%		
Ash Hill Primary School	12592	4.39	55277.31	4.35	54773.65	-503.67	-0.92%		
Little Chalfont Primary	12040	4.14	49844.12	4.26	51288.88	1444.76	2.82%		
Haydon Abbey School	35384	4.33	153214	4.33	153214	0.00	0.00%		
Grendon Underwood Combined	15603	4.16	64908.48	4.27	66624.81	1716.33	2.58%		
Bedgrove Infant School	56641	4.21	238458.9	4.29	242990.2	4531.29	1.86%		
Elmhurst School	26176	4.33	113342.4	4.33	113342.4	0.00	0.00%		
Oakridge School	30110	4.34	130679	4.33	130377.8	-301.10	-0.23%		
John Hampden School Wendov	5460	4.19	22877.4	4.28	23368.8	491.40	2.10%		
Chestnut Lane School	10878	4.16	45252.48	4.27	46449.06	1196.58	2.58%		
Thomas Hickman School	28871	4.37	126164.1	4.34	125298	-866.12	-0.69%		
Lane End Primary School	12672	4.21	53349.12	4.33	54869.76	1520.64	2.77%		

Claytons Primary	16965	4.22	71592.3	4.29	72779.85	1187.55	1.63%
Waterside Combined School	4763	4.3	20478.75	4.32	20574	95.25	0.46%
Stokenchurch Primary School	23102	4.23	97722.97	4.29	99109.11	1386.14	1.40%
Iver Heath Infant School and Nu	26034	4.28	111423.7	4.31	112204.7	781.01	0.70%
Farnham Common Infant Schoo	13802	4.18	57692.96	4.28	59073.17	1380.21	2.34%
Ashmead Combined School	37708	4.19	157995.9	4.34	163652.1	5656.18	3.46%
Robertswood School	21941	4.2	92151	4.28	93906.26	1755.26	1.87%
Iver Village Infant School	4221	4.1	17307.86	4.25	17941.07	633.21	3.53%
Halton Community Combined Sc	8705	4.1	35691.96	4.25	36997.77	1305.80	3.53%
Bourton Meadow Academy	25828	4.21	108734.4	4.29	110800.6	2066.21	1.86%
Highworth Combined School anc	27360	4.33	118469.7	4.33	118469.7	0.00	0.00%
St Mary's School	5545	4.1	22733.04	4.25	23564.73	831.70	3.53%
St Mary's Farnham Royal CE Pri	11490	4.1	47109	4.25	48832.5	1723.50	3.53%
Twyford CE School	7254	4.16	30176.64	4.27	30974.58	797.94	2.58%
Great Horwood CE Combined S	3731	4.2	15668.1	4.28	15966.54	298.44	1.87%
Westcott CE School	4215	4.16	17534.4	4.27	17998.05	463.65	2.58%
Winslow CE Combined School	2535	4.21	10672.35	4.29	10875.15	202.80	1.86%
St Peter's CofE Cobined	21006	4.3	90325.8	4.32	90745.92	420.12	0.46%
Marsworth CE Infant School	780	4.21	3283.8	4.29	3346.2	62.40	1.86%
St Mary's CE Primary School An	1560	4.17	6505.2	4.32	6739.2	234.00	3.47%
Cadmores End CE School	2505	4.24	10621.2	4.3	10771.5	150.30	1.40%
Hazlemere CE Combined Schoc	10603	4.22	44743.15	4.29	45485.34	742.19	1.63%
Radnage C of E Infant School	3754	4.18	15692.91	4.28	16068.34	375.43	2.34%
Speen CE School	780	4.12	3213.6	4.26	3322.8	109.20	3.29%
St Paul's CE Combined School	23442	4.21	98689.92	4.29	100565.3	1875.34	1.86%
King's Wood School	26235	4.39	115171.7	4.35	114122.3	-1049.40	-0.92%
Overstone Combined School	9902	4.23	41884.25	4.29	42478.35	594.10	1.40%
Hamilton Academy	16695	4.32	72122.4	4.33	72289.35	166.95	0.23%
Castlefield School	32395	4.37	141564.6	4.34	140592.8	-971.84	-0.69%
St Michaels RC	16380	4.31	70597.8	4.32	70761.6	163.80	0.23%
Aylesbury Vale Academy	28028	4.24	118836.6	4.3	120518.3	1681.65	1.40%