

(BARKING AND DAGENHAM SCHOOLS FORUM)
15 January 2019

Title: Schools' Forum Report	
Open	For Decision / For Information
Wards Affected: All	Key Decision: No
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<p>Summary: The purpose of this report is to update the Barking and Dagenham Schools Forum on:</p> <ul style="list-style-type: none"> • Constitution • DSG outturn 2018/19 • Dedicated Schools Grant 2019/20 allocations • Schools block and National Funding Formula, incl. consultation results • Growth • De-delegation • Central Schools Services Block (CSSB) • High needs estimated budget 2019/20 • Early years • Scheme of financing for schools • Pay award – information only • AOB – Ripple Primary loan advance, note sugar tax levy report 	
<p>Recommendation(s)</p> <p>The schools forum are asked to:</p> <ul style="list-style-type: none"> (i) Note revised constitution and approve consultation with key members (ii) Note DSG forecast outturn 2018/19 (iii) Note DSG budget for 2019/20 and approve transfer of £750k (iv) Agree the proposed FFF model (v) Approve centrally held growth fund, revised rates and policy (vi) Vote on de-delegation rates and note amounts chargeable to academies (vii) Vote and approve CSSB (viii) Note high needs estimated budget 2019/20 (ix) Approve early years 2019/20 allocations, hourly rates and 5% central retention (x) Approve the scheme of financing schools (xi) Note pay award update (xii) AOB – approve loan advance, note sugar tax levy report 	

Reason(s)

The Schools Forum Regulations 2012 requires that the schools forum meets regularly and is consulted by the local authority concerning the dedicated schools budget and various related matters.

1. Introduction and background

- 1.1 The schools forum is a decision making and consultative body in relation to matters concerning schools' budgets as defined in the school finance (England) regulations 2012 and the schools forums (England) Regulations 2012. The forum is required to meet at least four times a year.

2. Constitution

- 2.1 The schools forum is largely made up of representatives from the maintained and academy sectors, along with those from governors, early years, diocese, 14-19 year-old sector and trade unions.
- 2.2 The number of representatives from the maintained and academy sectors should be, in broad terms, proportionate to the total number of pupils on roll. However, these proportions can change as a result of changes in pupil intake and academy conversions. Therefore, number of representatives from each of these sectors requires review from time to time.
- 2.3 The October 2018 pupil census data is as follows:

	KS1&2	KS3&4	Total	Percentage
Maintained:				
Primary	20,801	-	20,801	54%
Secondary	-	6,941	6,941	18%
All-through	354	2,438	2,792	7%
Recoupment Academies:				
Primary	3,141	-	3,141	8%
Secondary	-	2,256	2,256	6%
All-through	698	2,040	2,738	7%
Total	24,994	13,675	38,669	100%

Table 1

- 2.4 The existing and proposed number of representatives from the schools sector are set out below. The updated number of representatives (see unshaded rows below) are based on October 2018 census.

Representing:	Existing number of reps	Proposed number of reps	Elected by:	Ratio of pupils to reps
Maintained Primary Schools	7	7	Primary Heads Forum	2,971
Maintained Secondary Schools	2	2	Secondary Heads Forum	3,470
Maintained All-through	-	1	Formal Election process with all schools	2,792
Academies & Free Schools	2	(split, as below)	Formal Election process with Academy Schools	
Academies & Free Schools (Primary)	-	1	Formal Election process with Academy Schools	3,141

Academies & Free Schools (Secondary)	-	1	Formal Election process with Academy Schools	2,256
Academies & Free Schools (All-through)	-	1	Formal Election process with all Academies	2,738
Maintained Special Schools	1	1 (no change)	Maintained Special School	
Governors (1 Primary, 1 Secondary)	2	2 (no change)	Governor Services to administer a formal process	
Maintained PRU	1	1 (no change)	Automatic	
Academy Special Schools	1	1 (no change)	Formal Election process with Academy Special Schools	
Early Years Representative	1	1 (no change)	Local Authority	
Church of England Representative	1	1 (no change)	Formal Process with Diocese	
Catholic Representative	1	1 (no change)	Formal Process with Diocese	
14-19 Representative	1	1 (no change)	Automatic	
Trade Union Representative	1	1 (no change)	Formal process with Trade Unions	
Total	21	23		

Table 2

- 2.5 The composition will be reviewed from time to time to ensure that primary schools, secondary schools and academies are proportionately represented on the forum, having regard to the total number of pupils registered at them.

Recommendation (i): Schools forum are requested to note revised constitution, based on October 2018 census and approve consultation with key members.

3. DSG outturn for 2018/19

- 3.1 The following table shows the overall forecast outturn position for budget period 8. The DSG is reporting an overspend of £2,106k, representing a favourable net movement of £564k compared to the position reported in October 2018. This is a net effect of £108k additional expenditure on falling rolls and additional funding for high needs of £672k, announced December 2018.
- 3.2 The October schools forum meeting agreed the falling rolls fund policy and approved the use of £300k of underspend on centrally held growth fund for this purpose. There were 6 schools that qualified for funding of £68k each totalling £408k. The balance of £108k is being offset against brought forward growth fund.
- 3.3 At period 8 the high needs block forecast £2,670k overspend, this was £456k more than reported at October schools forum (£2,214k). The additional pressure relates to ARP expansions and alternative provision.

- 3.4 The revised high needs funding settlement includes the additional allocation of £672k, the budget is now £26,539k. Despite the increased budget, the block is reporting an overspend of £1,998k.

	Revised funding forecast £'000	Expenditure forecast £'000	Variance over/(under) £'000
Schools block	167,924	168,032	108
Early years block	21,319	21,319	0
High needs block	26,539	28,537	1,998
Central block	2,559	2,559	0
Total	218,341	220,447	2,106
Brought forward DSG balance (excl. growth fund)			(3,048)
Growth fund			(500)
DSG balance forecast for 31st March 2019			(1,442)

Table 3

- 3.5 Early years is reporting a breakeven position, and any reductions in expenditure arising from reduced take up is clawed back by the DfE. Based on current trends in take up of places, it is likely that there would be reduction of £1,196k to early years block and would be offset by a corresponding reduction in expenditure. This is in part due to the low take up of additional 15 hours, which is being hampered by the problems with the HMRC eligibility assessments website.

Recommendation (ii): Schools forum are requested to note 2018/19 DSG forecast outturn.

4. Dedicated Schools Grant 2019/20 allocations

- 4.1 The schools revenue funding settlement for 2019/20 was announced by the Department for Education (DfE) on 17 December 2018. The Dedicated Schools Grant (DSG) is £271.369m before recoupment from schools and high needs block. The allocation for early years is provisional and will be updated based on January 2019 and 2020 census data.

	2018/19 NOR	2018/19 Base (£000's)	Adjustments (£000's)	2018/19 Net Base (£000's)	2019/20 NOR	2019/20 Base (£000's)	Adjustments (£000's)	2019/20 Net Base (£000's)
Schools block	38,220	212,261	(44,337)	167,924	38,661	216,640	(46,813)	169,827
Central block		2,559		2,559		2,575		2,575
High needs block		28,770	(2,231)	26,539		30,838	(2,685)	28,153
Early years block		22,223	(904)	21,319		21,316		21,316
Total	38,220	265,813	(47,472)	218,341	38,661	271,369	(49,498)	221,871

Table 4

- 4.2 The NFF has been used to set notional allocations for each school, which has been aggregated, and used to calculate the total schools block for the local authority. Within the schools block settlement, a minimum of 1% per pupil funding increase has been factored in for 2019/20 through the NFF compared to 2017/18 baseline (known as Funding Floor Factor (FFF)). The main factor driving the increase in funding is higher pupil numbers.
- 4.3 The funding available for the formula after applying high needs and provision for centrally held growth fund (discussed elsewhere in this report) is as follows:

	2019/20 Base (£)
Schools block base	216,640
Transfer to high needs	(1,039)
Centrally held growth fund	(1,536)
Total available for formula	214,065

Table 5

- 4.4 Early years block consists of funding for universal 15 hours for all 3 and 4 year olds, funding for additional 15 hours for eligible working parents, early years pupil premium, Disability Access Funding (DAF), and funding for eligible 2 year olds. The total provisional allocation is £21.316m. The final settlement, taking account of January 2020 census is likely to be finalised around June 2020. Detailed breakdown is set out in table 13.
- 4.5 Central schools services block is allocated to carry out central functions on behalf of pupils in both maintained schools and academies. There are two different elements to the funding: ongoing responsibilities (£1.418m) and historic commitments (£1.157m). The funding for ongoing responsibilities is allocated according to a per-pupil factor (90%) plus an element of the deprivation factor (which equates to £36.67 per pupil). The levels of historic commitments are expected to reduce over time as the commitments come to an end.
- 4.6 The high needs block supports the provision for children and young people with special educational needs and disabilities (SEND) from their early years to age 25. It provides local authorities with resources for place funding and top-up funding for institutions, and funding for high needs services delivered directly by the authority or under a separate funding agreement with institutions. Nationally, the government has made available an additional £120m on top of the main High Needs Block formula funding. Barking and Dagenham will receive £0.672m of this allocation.
- 4.7 There have been ongoing pressures in the provision for high needs as result of historic under funding. This is being compounded by demographic changes and the demand for high needs continues to out-strip resources available in the foreseeable future. In 2018/19, schools forum agreed a transfer of £750k or 0.35% from the schools block to the high needs block to partially offset the pressure. However, there is still an outstanding pressure of £1.920m, after factoring in £750k in 2018/19 as at period 8.

- 4.8 October schools forum approved the transfer of 0.5% from the schools block to high needs block. As part of additional funding being made available nationally, the authority is being allocated £672k for high needs in 2019/20. Even with the additional budget allocation, the growth in demand is outstripping the available resources. (Please see section 9 for high needs pressures). The revised proposal is to transfer £1,039k from the schools block.

Block	2019/20 Base (£000's)	Transfers in / (out) (£000's)	Revised 2019/20 Base (£000's)
Schools block	216,640	(1,039)	215,601
High needs	30,838	1,039	31,877

Table 6

Recommendation (iii): Schools forum are requested to:

- (a) note the DSG budget for 2019/20.
- (b) approve the transfer of £1,039k from schools block to high needs block.

5. Schools block and NFF, including consultation results

- 5.1 DfE have calculated the DSG Schools Block allocations to local authorities on the basis of NFF and the newly introduced Funding Floor Factor (FFF) protection.

Funding Floor Factor (FFF) was introduced to allow increases of 1% per pupil baselined to 2017/18. The purpose of FFF is to provide a greater level of protection than MFG alone:

- by reducing funding turbulence in respect of schools that have seen their funding fall back in previous years under the formula. Application of MFG by itself is insufficient to bridge the larger funding gaps that have opened up under the NFFF.
- to schools that are experiencing significant reductions in funding arising from changes in pupil characteristics.
- and without this protection, an increasing number of primary schools are likely to fall into financial difficulties.

- 5.2 October 2018 schools forum agreed the FFF with 1:1.34 ratio with funding floor protection as the basis for allocating the 2019/20 individual school budgets. The subsequent consultation with schools provided two options:

- Model 1 is to remain at 1:1.34 with funding floor protection, in accordance with formula applied by the DfE to calculate the notional schools block DSG.
- Model 2 is to move towards 1:1.36, also with funding floor protection.

Seven percent of schools responded, and all were in favour of model 1.

The 2019/20 provisional allocations have been modelled with FFF protection as agreed by schools forum and recommended by the Department for Education. The following rates have been applied:

- National Funding Formula (NFF) AWPU with 1.3% reduction (for primaries and Key Stage 3 and 4 to remain within the cash limit).
- NFF pupil led funding factors and lumpsum
- Premises – actuals / estimates / historic
- Mobility – as per 18/19 rates

Appendix A sets out the rates used.

- 5.3 The resulting ratio under the FFF model, with the above rates, is 1:1.31. This means that secondary pupils are funded 31% more than the primary pupils compared to 34% more in 2018/19. This is due to a combination of how the ratio is calculated under FFF, the protection budget requirements, changes in pupil profile data, and the interaction of non-pupil led funding allocations (e.g. lump sum) and movements in pupil numbers.
- 5.4 Under FFF, it is no longer possible to achieve a 1:1.34 ratio as the ceiling on ratio is reached at 1:1.33 because of the higher level of built-in protection. To achieve a ratio of 1:1.34 will require the sole application of MFG protection, at the expense of lowering the level of protection afforded to schools experiencing the greatest funding turbulence.
- 5.5 Under the FFF model, the minimum funding guarantee is left unchanged at 0% with capping at 3.01% (on per pupil gains). This means (a) no school will see a cash reduction on a per pupil basis compared to 2018/19 (b) schools are allowed to retain per pupil gains of up to at 3.01%.
- 5.6 The provisional 2019/20 post-MFG school level budgets under FFF, MFG model with 1:1.34 ratio, along with 2018/19 budgets are set out in appendix B. The total funding passing through under FFF for each of the factors, along with 2018/19 comparisons, are set out in appendix C.

<p>Recommendation (iv): Schools forum are requested agree the proposed FFF model with 1% uplift baselined to 2017/18.</p>

6. Growth Funding

- 6.1 Between October 2017 and October 2018 census, primary phase is showing a net reduction of 334 pupils and secondary a net increase of 782 overall. However, these movements disguise the localised nature of the growth driven by housing developments, transient movements and other demographic factors.
- 6.2 Schools with additional new classes opening in October 2019 would be funded through centrally held growth fund as these are not reflected in the October 2018 census used to calculate the 2019/20 budget. Growing schools that have opened in the last seven years are being funded through the APT attracting AWPU plus other pupil led funding factors.

- 6.3 In previous years, local authorities were lag funded. This is no longer the case starting from 2019/20, when allocations to local authorities are made on a formulaic basis based on growth in pupil numbers between October census. The effect of this has been a significant reduction in funding from £4,044k in 2018/19 to £2,983k including £891k of protection. Local authorities are being funded £1,370 for each primary and £2,050 for secondary growth pupil.

	2018/19 Schools block base (£)	2019/20 Schools block base (£)	Movement (£)
Pupil Led	199,847,513	204,525,261	4,677,748
Premises and Mobility	8,369,331	9,131,949	762,618
Growth Funding	4,044,032	2,982,728	(1,061,304)
Total Schools Block	212,260,876	216,639,938	4,379,061

Table 7

- 6.4 There are 39 new classes scheduled to be opened (excluding 5 bulge classes that are dropping out at the end 2018/19 academic year) opening in September 2019. Of these 16 (4 are primary and 12 secondary) are being funded through the APT. The remaining 23, consisting of 9 primary and 14 secondary classes are to be funded from the centrally held growth fund. The projected centrally held growth fund requirement is £1,536. The difference between growth allocated to the local authority and the amount centrally held is funding growth that is passing through the APT in respect of growing schools.
- 6.5 Table 8 sets out the expansions and shows the upper end of permanent expansions feeding through the year groups. Goresbrook, Greatfields and Riverside Primary are growing schools that have opened in the last 7 years without full year groups. Therefore, growth funding for these are allocated through the APT.

School	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Total
Barking Abbey School						3			3
Dagenham Park Cof E School					1				1
Eastbrook School	1				1				2
Eastbury Community School	2								2
Gascoigne Primary	1								1
Goresbrook (Free School)		3					4		7
Greatfields (Free School)				3	1		4		8
Jo Richardson Community School								2	2
Manor Junior School			1						1
Marsh Green Primary			1						1
Riverside Primary (Free School)	1								1
Riverside Secondary (Free School)					3		2		5
Robert Clack School of Science								2	2
The Sydney Russell School	2								2
Warren Junior			1						1
Total	7	3	3	3	6	3	10	4	39

Table 8

- 6.6 The gap in funding means AWPU plus 20% premium model applied to growth in 2018/19 is no longer affordable. Therefore, it is proposed to fund these at effective AWPU rate for the year.
- 6.7 The growth policy has been updated in view of how 2019/20 growth is funded, and the revised growth policy is set out in appendix E.

Recommendation (v): Schools forum are requested to approve the:

- (a) centrally held growth fund
 (b) revised growth fund rates
 (c) revised growth policy – see appendix E

7. De-delegation

- 7.1 The existing and revised de-delegation rates are set out in the table below. The updated figures are based on October 2018 census. De-delegated amount is top sliced from LA maintained individual school budget share to provide the respective services. Funding for trade union duties is distributed back to designated schools that require staff who are on official trade union duties. The de-delegation quantum has been maintained at 2018/19 level. As result of change in pupil numbers, the per pupil unit rates have changed.

Description	2016/17 per pupil (£)	2017/18 per pupil (£)	2018/19 Total (£)	2018/19 per pupil (£)	2018/19 Total (£)	2019/20 per pupil (£)	2019/20 Total (£)	2019/20 Primary Phase	2019/20 Second Phase	2019/20 All-through
Schools in financial difficulty	7.96	-				-				
Schools specific contingency	5.02	3.49	108,490	3.57	108,600	3.56	108,600	73,982	24,688	9,931
Free school meals eligibility	1.59	0.8	24,869	0.82	25,013	0.82	25,013	17,040	5,686	2,287
Support for trade Union duties	8.55	8.02	249,310	8.19	249,180	8.16	249,180	169,749	56,646	22,786
Local safeguarding board	1.36	1.33	41,344	1.36	41,477	1.36	41,477	28,255	9,429	3,793
Total	24.48	13.64	424,013	13.94	424,270	13.90	424,270	289,026	96,448	38,796

Table 9

- 7.2 Both academies and local authority maintained schools benefit from the arrangements in respect of trade unions and local safeguarding board. Academies will be invoiced as there is no provision to de-delegate academies budgets. The following table presents the revised rates and the rates chargeable to academies:

	2018/19 per pupil (£)	2018/19 Total (£)	2019/20 per pupil (£)	2019/20 Total (£)	Primary Phase 2019/20	Second. Phase 2019/20	All- through 2019/20
Local safeguarding board	1.36	10,607	1.36	11,051	25,634	18,411	22,345
Support for trade union duties	8.19	63,874	8.16	66,390	4,267	3,065	3,719
Total	9.55	74,480	9.52	77,441	29,901	21,476	26,064

Table 10

Recommendation (vi):
(a) Respective representatives of the schools forum by sector are requested to vote on the:
(i) revised de-delegation rates for maintained schools,
(ii) and note the amounts chargeable to academies in respect of local safeguarding and trade union duties.

8. Central Schools Services Block (CSSB)

8.1 CSSB funding is made up of two elements: ongoing responsibilities and historic commitments. Funding for historic commitments have been allocated at the similar level as 2018/19. Reduced funding for historic commitments is expected to start in 2020/21 in order to remove disparities between different levels of funding for local authorities. During the transition period it is proposed to maintain funding allocations in line with previous years. Services funded through this block are developing longer term plans to ensure their future sustainability.

Description	2017/18 Budget	2018/19 Budget	2019/20 Budget	Notes
Admissions	536,800	536,800	536,800	(a)
Service of schools forum	60,000	60,000	60,000	(b)
Licences / subscriptions	157,400	185,340	185,340	(c)
Statutory / regulatory duties	607,100	614,300	635,559	(d)
Ongoing:	1,361,300	1,396,440	1,417,699	
School improvement	113,800	113,800	107,948	(e)
Schools estates	150,000	150,000	150,000	(f)
School games organiser funding	50,000	50,000	50,000	(g)
Trewern outdoor education centre	209,000	209,000	209,000	(h)
Community music service	310,000	310,000	310,000	(i)
Advisory teachers	330,000	330,000	330,000	(j)
Historic commitments:	1,162,800	1,162,800	1,156,948	
Total	2,524,100	2,559,240	2,574,647	

Table 11

Notes:

- (a) Expenditure incurred in connection with the LA's functions including administration of the system of admissions
(b) Expenditure incurred in connection with the LA's functions of running the schools forum meetings
(c) DfE managed licences means that these no longer need to be procured separately but recharged to schools through the central licences by DfE as charged to LA

- (d) The Education Services Grant ceased in September 2017. From 2018/19 onwards this now becomes part of the CSSB.
- (e) Funding for core school commissioner role within the LA with the set up of BDSIP.
- (f) For capital investment team to support and project manage builds. Due to the level of expansion and inward investment required in future years, schools forum on 10/10/11 agreed to support this on an ongoing basis
- (g) Funding for a previously agreed post (sports co-ordinator). Schools forum agreed on 21/02/12 to fund this on an ongoing basis
- (h) & (i) Schools forum approved on 20/01/11
- (j) The cost of funding Barking & Dagenham in support of School Improvement Partnership priorities.

Recommendation (vii): Schools forum are requested to:

- (a) note the allocation for license subscriptions and,
 (b) approve the remaining budget allocations

9. High needs 2019/20 estimated budget

- 9.1 The high needs block allocation includes an additional allocation of £672k from the DfE, which is part of national response to the pressures being reported across local authorities. The estimated expenditure is based 2018/19 forecast and factors in a conservative increase of 2%.

	£000's
High needs block grant allocation	30,838
Less: Academy recoupment (provisional)	(2,685)
Total – Indicative grant allocation	28,153
Less: Estimated 2019/20 budget (based on 2018/19 spend plus 2% growth)	29,108
2019/20 projected overspend	(955)
Less: transfer from schools block	1,039
Balance (to transfer to reserves)	84

Table 12

Recommendation (viii): Schools forum are requested to note the high needs estimated budget for 2019/20

- 9.2 Although there is sufficient funding in the reserve to cover the current projected overspend this will not be sustainable in future years and action is required to identify how pressures on this budget can be reduced. The March forum report will include an update on the high needs budget for 2019/20 including any potential cost reduction measures.

10. Early years national funding formula

- 10.1 The early years national funding formula for 3 and 4 year olds was announced in December 2016. The local authority is compliant in respect of the following requirements:

- (a) set a single funding for universal and additional hours.
- (b) plan to pass on a minimum of 95% of their three and four year old funding to providers.
- (c) use a universal base rate for all types of providers.

- (d) use a deprivation supplement.
- (e) other supplements used must fall within one of the allowable categories
- (f) not to channel more than 10% of their funding supplements
- (g) provide a Special Educational Needs Inclusion Fund (SENIF)
- (h) pass on Early Years Pupil Premium (EYPP) in full to providers for eligible 3 and 4 year olds
- (i) pass on disability access fund

10.2 The funding requirement for 2 year olds is different. There is no 'pass through requirement', any compulsory supplements, or the need to establish a SEN Inclusion Fund (SENIF). The guidance states that local authorities may wish to set up a SENIF for the provision for children with special educational needs.

10.3 The 2019/20 provisional DfE early years funding allocations are based on January 2018 census. However, the actuals would be based on 5/12ths January 2019 and 7/12ths January 2020. The table includes funding based on local authority estimates of pupil numbers taking into account previous year's growth trajectory. The provisional DfE allocation is £21.315m.

	2019/20 PTE NOR used in Provisional Allocation	2019/20 Provisional Funding (£'s)	2019/20 LA PTE NOR Estimates	2019/20 LA Estimated Funding (£'s)
Universal (3 & 4)	4,481	14,046,495	4,263	13,366,193
Additional hours	862	2,701,325	1,058	3,316,830
EY PP	468.75	141,609		137,361
Disability access fund (£615 per child)		80,565		80,565
Total 3 & 4 year olds		16,969,994		16,900,949
2 year olds	1,347	4,345,556	1,400	4,516,680
Total (3 & 4 and 2 year olds)		21,315,550		21,417,629

Table 13

10.4 There is no uplift in the hourly rate, which remains at £5.50 per hour for both universal and additional hours. The Early Years Pupil Premium (EYPP) gives providers additional funding to support disadvantaged 3 and 4 year old pupils, payable only in respect of the universal hours. Funding for early years pupil premium also remains unchanged at 53p per eligible child (or £302.10 per PTE). The Disability Access Fund (DAF) was introduced to support disabled children's access to the entitlements for 3 and 4 year olds. Providers receive £615 per eligible child per year, and the funding could be used to support providers in making reasonable adjustments to their settings and/or helping with building capacity. However, it should be noted there are low numbers of eligible children accessing the early years provisions.

10.5 Table 14 sets out the funding distribution. Given that there has been no increase in funding from the DfE, uplift to the base rate is not affordable. It is therefore proposed

retain the base rate for funding providers at £4.70 an hour (in line with 2018/19 rates). The deprivation and flexibility supplements will also remain unchanged.

- 10.6 Likewise, there has been no uplift to the rate at which 2 year olds are funded by DfE, and it remains at £5.70 per hour, and providers would continue to be paid at the existing rates in 2019/20.

	PTE NOR	Provider hourly rate (£)	Distribution EY funding (£)
Central			834,151
Universal entitlement 3 & 4 year olds	4,481	4.70	12,003,369
Plus 15 PTE 3 & 4 year olds from Sept 17	862	4.70	2,308,405
Deprivation (estimate)		(30p-22p)	911,198
Flexibility (estimate)		21	205,292
SEN inclusion fund			400,000
Contingency for growth, deprivation and SEN			82,165
EY pupil premium		53	141,609
Disability access fund			80,565
Total 3 & 4 year olds			16,969,994
2 year old allocation 2017/18	1,347	5.35	4,107,548
Balance (contingency for growth and SENIF)			238,008
Total 2 year olds			4,345,556
TOTAL			21,315,550

Table 14

- 10.7 In line with previous years, it is proposed that 5% of the 3 and 4 year old funding is retained centrally to meet central support costs. This is to fund home portage scheme (home visiting), early years teacher service (qualified teachers working with settings to raise standards, childminding development officer, and commissioning costs).

	2018/19 DSG Centrally retained £	2019/20 DSG centrally retained £
Amount allowable at 5%	882,785	834,151
Childminding development officers	68,285	69,309
Early years commissioning costs	217,400	158,785
Early years teachers service	427,100	433,507
Home portage scheme	170,000	172,550
Total	882,785	834,151

Table 15

<p>Recommendation (ix): Schools forum are requested to:</p> <p>(a) Note the distribution of early years funding.</p> <p>(b) Note the hourly provider rates for 3 and 4 year olds, and 2 year olds.</p> <p>(c) approved the 5% centrally retained budget.</p>

11. Scheme of financing

- 11.1 The Department for Education's statutory guidance to local authorities state that "any proposed revisions to the scheme will be the subject of consultation with the governing body and the head teacher of every school maintained by the local authority before they are submitted to the schools forum for their approval."
- 11.2 The local scheme for financing schools should be regularly reviewed to ensure it continues to be fit for purpose and compliant. As part of the consultation process, the revised scheme for financing schools, was circulated to schools for comment.
- 11.3 The consultation period closed 7th December 2018. Twelve percent of schools responded with queries, the LA responded to all queries. The final scheme of financing is attached at appendix D.

Recommendation (x): Schools forum are requested to approve the scheme of financing for schools.

12. Pay award

- 12.1 The revised pay grant allocations were published by DfE in November 2018 for period covering September 2018 to March 2019. The local authority is funded at the inner London rate of £19.51, and total allocation is £891k consisting of £846k and £45k for maintained and high needs providers respectively. Academy allocations of £232k are paid direct to the institutions.

Recommendation (xii): Schools forum are requested to note the update.

13. AOB

- 13.1 Following the Finance Monitoring Group (FMG) meeting held on 14th November, schools finance met with Ripple Primary headteacher together with their finance consultant to discuss their deficit recovery plan. To manage the cash flow and implement the recovery plan, the schools will require a loan of £250k. Schools finance have agreed with the school that their recovery plan will be reviewed every quarter to ensure that progress is tracked.

Recommendation (xiii): Schools forum are requested to approve the loan of £250k to Ripple

13.2 Sugar tax levy

Paper tabled and presented by Andrew Carr, Group Manager for Admissions and Schools Investments.

14. Financial implications

As presented in this document.

15. Legal implications

The schools forums (England) regulations 2012 govern the constitution and conduct of meetings of the forum. The schools finance (England) regulations 2012 determine those matters on which the local authority must or may consult the schools forum and those in respect of which the schools forum can make decisions. These regulations make provision for the financial arrangements of local authorities in relation to the funding of maintained schools and providers of prescribed early years provision in England.

16. Other implications

- a. **Risk management** - None
- b. **Contractual issues** - None
- c. **Staffing issues** – None
- d. **Customer impact** – None
- e. **Safeguarding children** - None
- f. **Health Issues** - None
- g. **Crime and Disorder Issues** – None
- h. **Property / Asset Issues** – None

Background papers used in the preparation of the report:

None.

List of appendices:

Appendix A: NFF Rates

Appendix B: Post MFG budget 2018/19 vs. 2019/20

Appendix C: Funding factor total 2018/19 vs 2019/20

Appendix D: Scheme of financing for schools

Appendix E: Growth policy