

Members of the Schools Forum are asked to attend a meeting to be held on

Wednesday 18th January 2017

18:00pm – 20.00pm

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**Hitherfield Primary School ,
Hitherfield Road,
Streatham,
SW16 2JQ**

for the transaction of the business set out below.

Agenda

Time*	Item	
18.00	1.	Apologies & welcome
	2.	Draft minutes from the Schools Forum meeting held 15th November 2016
	3.	Matters Arising
	4.	Membership
	5.	Register of Interests and Declaration of New Interests
	6.	Forward Plan
18:20	7.	2017-18 School Funding Arrangements
18:40	8.	2018-19 School Funding Arrangements
19:50	9.	2017-18 Early Years NNF Funding Formula
19:20	10.	2017-18 Education Services Grant
19:30	11.	Any Other business (AOB)

Next meeting: 28th February 2017

1. **Welcome & apologies**

Chair to note the apologies as listed on the sign-in sheet

2. **Draft minutes from the Schools Forum meeting held 15th November 2016**

Draft minutes to the previous meetings are separately attached. These need to be considered by the Schools Forum for accuracy

3. **Matters Arising**

None

4. **Membership**

Expiry of Term of Office

Jan Shadick 4 year term has expired in Feb 2016 and has expressed an interest to continue.

New Members

Welcome and ratification of Joe Blacker Principal at PLT and Linda Collins governor at La Retraite RC School

Vacancies Remaining

School Members

- 1 x VA 'Headteacher
- 1 x Primary Community Governor representative
- 1 x Primary VA representative

Action:

- ***Schools Forum agreement of Jan Shadick 2nd term***
- ***Ratification of New members 1st Term members***

5. **Register of Interests and Declaration of New Interests**

All members are asked to declare any new interest at the start of the meeting and sign new declarations in relation to the 2016-17 financial year

Action:

- ***All new members to submit declaration of interests for 2016-17***

Lambeth Schools Forum meeting papers: 18th January 2017

LAMBETH SCHOOLS FORUM MEMBERSHIP									
	TYPE OF MEMBER	GROUP	SUB GROUP	SUB SUB GROUP	NAME	SCHOOL	MEMBERSHIP START DATE	MEMBERSHIP EXPIRY DATE	POSITION OCCUPIED
1	School	Primary	C	Headteacher	Alexandra Hardy	Henry Cavendish	03 November 2010	03 November 2018	1
2	School	Primary	C	Headteacher	Chris Ashley-Jones (Vice-Chair from May 2015)	Hitherfield Primary	14 May 2014	14 May 2018	1
3	School	Primary	C	Headteacher	Richard Thornhill (Chair from May 2015)	Loughborough	06 December 2011	06 December 2019	1
4	School	Primary	VA	Headteacher	VACANT	VACANT			0
5	School	Primary	VA	Headteacher	Jayne Mitchel	St Andrews CE	14 May 2014	14 May 2018	1
6	School	Primary	C	Governor	Kate Mason	Stockwell Primary	14 May 2014	14 May 2018	1
7	School	Primary	C	Governor	Matthew Green	Telferscot	06 December 2011	06 December 2019	1
8	School	Primary	VA	Governor	VACANT	VACANT			0
9	School	Primary	C	Governor	VACANT	VACANT			0
10	School	Primary	C	Governor	Tony Andrews	Wyvern Federation	13 July 2016	13 July 2020	1
11	School	Secondary	VA / VC	Headteacher	Nick Butler	St Gabriel's College	01 October 2014	30 September 2018	1
12	School	Secondary	A	Principal	David Boyle	Dunraven Academy	29 September 2015	29 September 2019	1
13	School	Secondary	VA	Governor	Roger Bowdery	Bishop Thomas Grant	29 September 2015	29 September 2019	1
14	School	Secondary	VA/C	Governor	Linda Collins	La Retraite RC School	18 January 2017	18 January 2021	1
15	School	Secondary	A	Principal	Jan Shadick	Lambeth Academy	21 February 2012	21 February 2016	1
16	School	Special	C	Headteacher	Marilyn Ross	Michael Tippet	29 September 2015	29 September 2019	1
17	School	Nursery	C	Headteacher	Glenda King	Ethelred	12 January 2016	12 January 2020	1
18	Non School	PRU		Principal	Joe Blacker	Parallel Learning Trust	12 January 2016	12 January 2020	1
19	Non School	PVI		Manager	Raymond Smith	Pre-School Learning Alliance	02 October 2014	01 October 2018	1
20	Non School	PVI		Manager	Marcia Hosain	Horizons Day Nursery	02 October 2014	01 October 2018	1
21	Non School	16-19 Partnership		Vice Principal	Paul Cox	Lambeth College	29 September 2015	29 September 2019	1
22	Non School	Faith Body			Maksud Gangat	Orchard School	12 November 2014	12 November 2018	1
TOTAL									19
LAMBETH SCHOOLS MEMBER SUBSTITUTES POOL MEMBERSHIP									
	TYPE OF MEMBER	GROUP	SUB GROUP	SUB SUB GROUP	NAME	SCHOOL	MEMBERSHIP START DATE	MEMBERSHIP EXPIRY DATE	POSITION OCCUPIED
	School Sub			Headteacher	Magdalin Babiker-Clancy	Lambeth Academy	21 February 2012	21 February 2016	1
	Non School Sub	PVI		Manager	Sade Okocha	Oaktree Day Nursery	02 October 2014	01 October 2018	1
TOTAL									2

Lambeth Schools Forum meeting papers: 18th January 2017

Pro-Forma Register of Business Interests 2016-17

Name of Schools Forum Member: _____

Name of Business	Nature of Business	Nature of Interest	Date of Appointment or Acquisition	Date of Cessation of Interest	Date of Entry

I certify that I have declared all beneficial interests, which I or any person closely connected with me, have with businesses or other organisations which may have dealings with the Lambeth Schools Forum.

If any member has a direct personal financial interest (or other interest) in any item under discussion they should declare this at the beginning of the meeting and withdraw from the discussion of that item.

Signed Date

Responsible Officer Checklist and Record Log:

For the year beginning 1 April 2016

6. Forward Plan

REF	MEETING DATE	SUBJECT	SF ACTION	SF ACTION DATE
6	12 Jan 2017	APT Proforma submitted to DfE	Decision	12 Jan 2017
7	12 Jan 2017	Proposed changes to the Early Years Single Funding Formula for 2017-18	Noting	Noting
8	12 Jan 2017	Full-time (30 hours) Nursery place funding from April 2017 (2017-18)	Noting	Noting
9	12 Jan 2017	Agree EY 17-18 Indicative Budgets	Decision	12 Jan 2017
10	12 Jan 2017	Lambeth Schools Partnership Education Services	Noting	Noting
11	12 Jan 2017	Additional SEN funding support for disproportionate numbers of EHCPs and statements	Decision	12 Jan 2017

7. 2017-18 School Funding Arrangements (Appendix 1-3)

In December 2016, the DfE announced the 2017/18 allocations of the Dedicated Schools Grant; Lambeth's allocation is £278.98m:

	£m
2017-18 schools block (£million)	209.33
2017-18 provisional early years block (£million)	29.43
2017-18 high needs block allocation (£million)	40.22
2017-18 total DSG allocation (£million)	278.98

Lambeth continues to be one of the best funded boroughs receiving £6,404.26 for each eligible pupil counted in the October'16 census. Only Southwark, Hackney & Tower Hamlets receive a higher level of per pupil funding. The allocation is based on a pupil count of 32,686. In cash terms, the allocation is 2% higher than 2016/17 as a result of an additional 517 pupils

Oct'15	Oct'16	
32,169	32,686	517

The distribution of the DSG to local authorities will continue to be set out in 3 spending blocks for each authority: a schools block, a high needs block and an early years block. The minimum funding guarantee continues at -1.5% per pupil.

Lambeth Schools Forum meeting papers: 18th January 2017

	2017-18 schools block unit of funding (SBUF) (£)	2017-18 schools block pupil numbers (headcount) *	2017-18 schools block (£million)
Tower Hamlets	£6,965.12	37,228	£259.3
Hackney	£6,847.43	29,869	£204.5
Southwark	£6,412.68	36,604	£234.7
Lambeth	£6,404.26	32,686	£209.3
Hammersmith and Fulham	£6,336.50	16,492	£104.5
Camden	£6,252.37	18,983	£118.7
Islington	£6,181.79	21,222	£131.2
Kensington and Chelsea	£6,098.99	10,982	£67.0
Newham	£6,085.13	53,663	£326.5
Westminster	£6,003.47	18,665	£112.1
Greenwich	£5,880.96	36,130	£212.5
Lewisham	£5,874.88	36,660	£215.4
Haringey	£5,835.24	33,467	£195.3
Wandsworth	£5,689.26	27,389	£155.8
Barking and Dagenham	£5,542.64	37,181	£206.1
Brent	£5,522.69	41,879	£231.3
Ealing	£5,150.00	45,646	£235.1
Enfield	£5,050.35	50,386	£254.5
Barnet	£4,954.78	48,864	£242.1
Hounslow	£4,954.20	36,257	£179.6
Harrow	£4,845.80	32,076	£155.4
Hillingdon	£4,825.44	43,715	£210.9
Croydon	£4,794.79	50,424	£241.8
Merton	£4,758.68	24,465	£116.4
Havering	£4,712.65	36,055	£169.9
Redbridge	£4,702.75	47,118	£221.6
Bromley	£4,649.44	43,018	£200.0
Kingston upon Thames	£4,616.93	21,172	£97.7
Bexley	£4,567.79	38,334	£175.1

The early years block comprises funding for the 15 hours entitlement for 3- and 4-year-olds: the additional 15 hours for 3- and 4-year-old children of eligible working parents from September 2017; participation funding for 2-year-olds from the most disadvantaged backgrounds; the early years pupil premium; and the disability access fund.

The ESG transitional grant for local authorities will be set at a financial year rate of £66 per pupil and paid for the period April to August 2017. The DfE is to provide a protection to limit the reduction of academies' budgets as a result of the ending of ESG from September 2017.

The pupil premium per pupil amounts for 2017-18 will be protected at the current rates, which are:

Lambeth Schools Forum meeting papers: 18th January 2017

Pupils	Per pupil rate
Disadvantaged pupils: primary	£1,320
Disadvantaged pupils: secondary	£935
Pupil premium plus: looked-after children (LAC) and those adopted from care or who leave care under a special guardianship order or child arrangements order (formally known as a residence order)	£1,900
Service children	£300

Lambeth 2017/18 Funding Arrangements: (Appendix 1)

The Schools Forum has agreed that for 2017/18, the

- funding factors will remain unchanged
- £1m is to be moved from the Schools Block to the High Needs Block. This will have the impact of reducing the budget shares as the awpu unit values have been reduced to enable the transfer to be made. The 2017/18 proposed unit values are set out below and will be used to populate the APT based on affordability.

Factor	2017/18 Amount Distributed through the Factor	2017/18 Factor Unit Value	2016/17 Factor Unit Value	Movement
AWPU – Primary	£87,313,480	£3,958	£4,058	-£100
AWPU – Secondary KS3	£39,813,875	£5,825	£6,060	-£235
AWPU – Secondary KS4	£25,796,595	£6,002	£6,240	-£238
Deprivation – Primary	£7,181,157	£780	£780	£0
Deprivation - Secondary	£4,864,568	£780	£780	£0
SEN – Prior Attainment - Primary	£3,895,609	£739	£739	£0
SEN – Prior Attainment - Secondary	£4,447,975	£1,894	£1,894	£0
EAL Primary	£4,249,332	£682	£682	£0
EAL Secondary	£1,768,339	£2,309	£2,309	£0
Mobility	£226,808	£1,532	£1,532	£0
Lumpsum	£13,260,000	£170,000	£170,000	£0
PFI	£200,000	N/A	N/A	N/A
Split-Site	£444,045	N/A	N/A	N/A
Rates	£3,085,761	N/A	N/A	N/A

% Distributed through Basic Entitlement: 77.81%
 % Pupil Led Funding 91.36%

The allocations by factor are divided by the number of eligible pupils to derive the corresponding factor unit value.

The proposed 2017-18 budgets based on the Oct-16 census data is shown in the appendix.

Action Forward Plan Ref 6: SF to review the proposed 2017/18 allocations for comment.

8. School Funding Arrangements 2018/19 (Appendix 5)

The DfE launched its second consultation on the implementation of the National Schools Funding Formula on 14th December'16. The link to the documents is:

<https://www.gov.uk/government/news/plans-to-end-the-postcode-lottery-of-school-funding-revealed>

The consultation closes on the 22nd March'17 and a full briefing on the proposals will be provided for the next meeting. However a summary taken from the **London Councils Member Briefing: The Future of Schools Funding, is printed below:**

- The government has launched the second stage of its schools National Funding Formula (NFF) consultation, providing local authorities and schools with a guide of how much funding they stand to gain or lose. The new formula aims to address wide gaps in school funding between different geographical areas by using a new method to distribute cash.
- The new consultation states that under the proposed funding formula changes, a total of 10,740 schools (54 per cent) in England would be funded at a higher level than in 2016-17. However, it also confirms that 9,128 schools (46 per cent) would be funded at a lower rate. It is the intention of the DfE to move towards this new funding formula in 2018-19, which will be a transitional year, with a view that the hard formula will be implemented for 2019-20. A total of 101 local authority areas will see gains and 49 will see reductions.
- Set out within the consultation, the DfE has also committed to allocating an additional £200m in 2018-19 and 2019-20 (a total of £400m over a two year period) on top of the current value of the schools block. This money has been found to provide protections for schools facing reductions and rapid increases for those set to gain.

In addition, the consultation sets out:

1. Funding floor – ensuring no school will see their per pupil funding amount decrease by more than 3%

2. Funding gains - schools that will see their per pupil funding amount increase will receive gains of up to 3% per-pupil in 2018-19, and then up to a further 2.5% in 2019-20. So a school could see its per pupil amount increase by a maximum 5.5 % compared to current levels within a two year period.

Regional breakdown

- According to London Councils' analysis, each region will have schools that gain and lose funding under government proposals. Table 1 provides a regional overview of total number of schools and whether their allocations decrease, increase or do not change when compared to 2016-17 allocations.
- More schools in London will see reductions in their allocations in 2019-20 compared to all other regions. A total of 1,536 schools (70 per cent) will receive less funding, followed by 58 per cent of schools in the North West and 53 per cent of schools in the West Midlands.

Region	No of Schools Losing Funding	No of Schools that Gain/ No Change	Total % Losses
London	1,536	634	70%
England	9,047	10,821	48%

A total of 19 London boroughs will lose funding under the proposed schools national funding formula when compared to their current allocations. The table below shows that losses range from -0.1 per cent to -2.8 per cent, offset by gains of 5.6%.

Lambeth, together with Camden, Hackney and Lewisham, all see the biggest reduction in percentage terms of -2.8%. Southwark has its funding reduced by 2.7%. However the biggest gainers are Croydon 5.6 per cent and Merton 4.3 per cent. Although these figures are an aggregate of individual school allocations by local authority area, school allocations will vary within each area.

% change total allocations between current rate and NFF rates	
Barking and Dagenham	-0.1%
Barnet	1.0%
Bexley	1.0%
Brent	-1.9%
Bromley	-0.3%
Camden	-2.8%
Croydon	5.6%
Ealing	2.3%
Enfield	2.5%
Greenwich	-2.3%
Hackney	-2.8%
Hammersmith and Fulham	-2.7%
Haringey	-2.7%

Harrow	-0.7%
Havering	0.6%
Hillingdon	2.6%
Hounslow	0.3%
Islington	-1.5%
Kensington and Chelsea	-2.6%
Kingston upon Thames	1.0%
Lambeth	-2.8%
Lewisham	-2.8%
Merton	4.3%
Newham	-2.6%
Redbridge	4.1%
Richmond upon Thames	1.2%
Southwark	-2.7%
Sutton	1.9%
Tower Hamlets	-2.7%
Waltham Forest	-2.0%
Wandsworth	-1.5%
Westminster	0.7%

Schools forums

- There is no clear position on schools forums, despite proposals in the first consultation to distribute funding directly to schools and by-pass schools forums completely. However, DfE will consult further on the precise arrangements for 2019-20 when the hard national funding formula will be implemented. This consultation is likely to include proposals for legislative changes and the future role of schools forums. London Councils argued strongly for the retention of schools forums as the means of distributing the DSG to schools, as they provide local flexibility to be able to respond swiftly to changing circumstances.

Central services funding block

- The DfE is proposing to create a new funding block known as central services funding block to distribute funding to local authorities to discharge their education statutory duties in relation to all local children. It will be formed from two existing government funding streams: the schools block funding that is currently held centrally by local authorities and the retained duties element of the Education Services Grant (ESG) and will be distributed to local authorities on a simple formulaic basis.

High needs

- The DfE has also published a high needs national funding formula consultation on the 14th December, which will run until the 22nd March. Under DfE proposals, no school will lose any funding for their high needs per pupil funding.

Commentary

- The publication of the second stage schools and high needs funding consultation by the DfE provides further clarity about their proposals. While the picture is positive for many parts of the country and within London, it is not the case overall in the capital.
- With 70 per cent of London schools set to receive less money, by as much as 3 per cent, from 2018/19, there will be considerable concern amongst school leaders about

how this can be managed and the possible impact on school standards. While some may argue this is a relatively small amount and schools should be able to absorb this easily, it is unlikely they will be able to do so in addition to the wider budgetary pressures highlighted recently by the National Audit Office (NAO)¹.

- The NAO's report into the financial sustainability of schools found that schools in England face a £3billion funding shortfall by 2020 (8 per cent of the current schools block) as a direct result of per pupil funding being protected in real terms since 2010, but not increasing with the rate of inflation. In addition schools are facing extra costs including salary increases, higher employment contributions to national insurance and the teachers' pension scheme, non-pay inflation and the cost of the apprenticeship levy.
- Consequently current DfE funding levels are not sufficient to cover costs in the majority of schools. The NAO estimates that over 60% of secondary academies had a budgetary overspend in 2014/15. Therefore, even a school that will have an uplift as a result of the introduction of the NFF is likely to have an overall budgetary deficit in this financial climate.

9. Early Years Funding Arrangements 2017/18

There are now a number of new requirements on how local authorities are able to allocate funding to providers from 2017-18. The main changes are:

- minimum amount of funding to be passed through to providers.
- local universal base rate for all types of provider, to be set by local authorities by 2019-20 at the latest.
- supplementary funding for maintained nursery schools, for the duration of this Parliament.
- introduction of a disability access fund.
- requirement for authorities to establish a special educational needs inclusion fund.

High pass-through requirement

- set at 93% in 2017-18, increasing 95% in 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.
- The EFA will monitor outturn data to ensure compliance with requirement

DfE is willing to consider requests to dis-apply the high pass-through requirement in exceptional circumstances only, until 2019-20, while early years funding changes bed in. "Such requests will be judged against very tightly defined criteria, including evidence that local providers are content to deliver the entitlements if the local authority passes on less than 93% (in 2017-18) and 95% (from 2018-19)". Further details are set out in accompanying operational

Local universal base rate

- Requirement to set a universal base rate in their local single funding formulae, meaning there must be a base rate the same for all types of provider, by no later than 2019-20.

Maintained nursery school (MNS) supplementary funding

- supplementary funding for maintained nursery schools.
- local authorities will be allowed to continue to provide a higher level of funding to maintained nursery schools.
- EFA will be undertaking a data assurance exercise to verify current expenditure levels in those authorities with MNSs. This will take place in the early part of 2017. More information to local authorities in due course.

Funding supplements

Mandatory supplements

- **Deprivation** - 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.

Discretionary supplements

- **Rurality/sparsity**- n/a for Lambeth
- **Flexibility**
- **Quality**
- **English as an additional language**

Provision for disabled children and children with special educational needs (SEN)

Disability access fund (DAF)

Eligibility: Three- and four-year olds will be eligible if they meet the following criteria:

- the child is in receipt of child disability living allowance and;
- the child receives free early education.

Four-year olds in primary school reception classes are not eligible for DAF funding. Children become eligible for free early education at different points in the year depending on when they turn 3.

Entitlement

- Settings 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.
- Children do not have to take up the full 570 hours of early education they are entitled to in order to receive the DAF. Children in receipt of the DAF will be eligible where they take-up any period of free entitlement. 15

Identifying eligible children

- Providers are responsible for identifying eligible children.
- Providers will be able to use the parent declaration form template, due to be published alongside the Model Agreement in early 2017. The template is for parents whose child is attending their setting and is due to include a box for parents to tick if their child is in receipt of disability living allowance.

Eligibility checking

- Local authorities must check that the DAF eligibility requirements are met. Local authorities should be satisfied that the child in question is receiving disability living allowance. They may wish to see evidence of the child's disability living allowance award letter. Local authorities should keep a copy of this evidence on file.

Funding local authorities for DAF

- For 2017/18, funding will be based on the latest available data (February 2016) from the Department for Work and Pensions on the number of children entitled to DLA aged three and four in England. The DfE have adjusted the number of four-year-olds in this dataset to account for the estimated percentage of four-year-olds in each local authority who are in reception year instead of taking up the free entitlement.
- From January 2018, DfE will collect data from local authorities about DAF take-up via the school census and early years census. Therefore we will be required to record the children taking up the DAF.

Distributing DAF funding to early years providers

- Local authorities must fund all early years settings providing a place for each child eligible for the DAF in their area at the fixed annual rate of £615 per eligible child.
- DAF should not be offset against any other funding which an authority may ordinarily be providing for children eligible for the DAF.
- DAF is payable as a lump sum once a year per eligible child. If a child eligible for the DAF is splitting their free entitlement across two or more providers, local authority should ask parents to nominate the main setting. This setting will be where local authorities should pay the DAF for the child.
- If a child receiving DAF moves from one setting to another within a financial year, the new setting is not eligible to receive DAF funding for this child within the same financial year. DAF funding received by the original setting will not be recouped.
- In cases where a child who lives in one authority area attends a provider in a different local authority, the provider's local authority is responsible for funding the DAF for the child and eligibility checking.
- All early years providers who are eligible to receive funding for the 3- and 4-year-old early entitlement education are also eligible to receive the DAF.

Compliance

- Local authorities must record details about of DAF allocations on the annual s251 budget return to the EFA.

SEN inclusion fund

- Requirement to establish an inclusion fund for 3- and 4-year olds with SEN taking the free entitlement

Eligibility

- SEN inclusion fund is for 3- and 4-year-olds who are taking up any number of hours of free entitlement. 2-year-olds are not eligible to receive this funding⁵⁷. Local authorities should target the fund at children with lower level or emerging SEN. Children with more complex needs and those in receipt of an Education, Health and Care Plan (EHCP) continue to be eligible to receive funding via the high needs block of the DSG.

Value

- Local authorities to combine funding early years block and high needs block of the DSG.
- Must consult with early years providers to set the value of their local SEN inclusion fund.
- The value of the fund must take into account the number of children with SEN in the local area, their level of need, and the overall capacity of the local childcare market to support these children.

Allocating SEN inclusion funding to early years providers

- Must consult with early years providers, parents and SEN specialists on how the SEN inclusion fund will be allocated, as part of the 'Local Offer'.
- 'Local Offer', must detail how the SEN inclusion fund is supporting the early years SEN cohort. These details must include the eligibility criteria for the fund, the planned value of the fund at the start of the year, and the process for allocating the fund to providers.
- LAs should pass the majority of their SEN inclusion fund to providers in the form of top up grants on a case by case basis. LAs can also use part of their SEN inclusion fund to support specialist SEN services in their local area. However, any funding used in this way will not count towards the high pass-through.

Eligible providers

- All early years providers who are eligible to receive funding for the 3- and 4-year-old early education entitlement are also eligible to receive support from the SEN inclusion fund.

Compliance

- LAs must record the value of their SEN inclusion fund in their s251 return. We will consult on the necessary changes to the early years proforma in due course.

2017/18 Lambeth Funding Arrangements (Appendix 5)

The provisional DSG allocation is set at £29.43 which will be adjusted for the actual participation recorded in the January'17 census:

	£m
Universal Entitlement	21.30
Additional Hours Working Parents	3.80
	<hr/>
	25.10
Additional Funding for Nursery Schools	0.42
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	25.52
2 Year Old Entitlement	3.50
EYPP	0.36
DAF	0.05
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	29.43

The allocation for the £3.8m 30hrs extension is being confirmed with the EFA to verify if this represents a full year allocation (April – March) or the 7 months commencing

Lambeth Schools Forum meeting papers: 18th January 2017

Sept'17. If this is full year allocation, it will have to be pro-rated down for the 7mths £2.2m. Our current workings are based on the figure being £2.2m for our funding allocation:

LBL Initial indicative budgets:-		
Universal Entitlement		£21,301,437
Additional Hours Working Parents		<u>£2,218,961</u>
		£23,520,398
Less: 7% LA Retention	-£1,646,428	
Less: New Starters Contingency	<u>-£546,849</u>	
		-£2,193,277
Available for Distribution		<u><u>£21,327,121</u></u>
Funding 'pot' for Supplements 10%		£2,132,712
Funding 'pot' for Supplements 90%		<u>£19,194,409</u>

Modelling is currently being undertaken to set the provider rates. The aim is to set a basic rate in the range of £5.75-£5.95, based on affordability.

	2016/17	2017/18
Basic Hourly Rate	£4.08	£5.75-£5.95
Nursery School hourly rate	£8.35	

- The current aim is to fund providers for the period April -August 2017 at the prevailing 2016/17 rates and then fund the remaining 7 months at the higher base hourly rate. This is in order to meet the commitment on the full time places, which will be c£1.4m for the period April-August'17. Providers who have allocated full time places will not be in a position to remove these from parents until August'17. In 2018/19 this funding will be released into the formula.
- The DfE has confirmed that maintained nursery schools can continue to receive a higher basic hourly rate in recognition of the higher costs related to the employment of headteachers and teaching staff; this commitment is guaranteed to the end of this current Parliament. Consequently the Lambeth EYFF will continue to have a higher rate for maintained nursery schools for the years 2017/18 and 2018/19.
- The LA retention is limited to 7% and will be used to support the Early Years Quality Improvement.
- 10% of the funding available for delegation will be set aside of the funding of the supplementary factors; deprivation and quality of the settings. We are currently

working on the unit values which will be deprived from the total funding pot divided by the number of units to be funded.

- The workplan is to have the EYFF funding in its full form for the next SF meeting.

10. Education Services Grant (ESG) Appendix 4

- The November 2015 Spending Review announced that further savings of around £600 million would be made from the Education Services Grant (ESG). It has now been confirmed that the ESG will cease from September 2017 with transitional funding being provided for local authorities from April to August 2017.
- The general duties rate is ending and funding previously allocated through the ESG retained duties rate (£15) will be transferred into the schools' block (DSG); local authorities will need to use other sources of funding to pay for elements of central education services, once the general funding rate has been removed. The current level of ESG in 2016/17 is £2.9m but will fall to £1.5m in 2017/18.

Impact of Funding Reduction

2016/17 Allocation	£2,869,168
ESG Retained Duties Funding Rate transferred to DSG	£550,000
Transition funding April - Aug 2017	<u>£839,558</u>
2017/18 Allocation	<u>£1,389,558</u>
Shortfall	-£1,479,610

The ESG was calculated on the number of pupils in each of the settings below plus funding for retained duties:

- ESG General Funding Rate for mainstream schools
- ESG General Funding Rate for special schools
- ESG General Funding Rate for PRUs
- ESG Retained Duties Funding Rate

The general funding rate is ending after August 2017 and the retained duties funding is being transferred to the DSG Schools Block funding allocation. This will leave a £1.5m shortfall in the Education Services budget for 2017/18 which is in addition to the £0.5m cash limit savings already agreed (the ESG is fully passported to ELS).

Changes to the Schools Funding Regulations

- The DfE recognises that local authorities will need to use other sources of funding to pay for education services once the general funding rate has been removed. As proposed in the first stage of the national funding formula consultation, the regulations have been amended to allow local authorities to retain some of their schools block funding to cover the statutory duties that they carry out for maintained schools which were previously funded through the ESG.

Lambeth Schools Forum meeting papers: 18th January 2017

- The amount to be retained by the local authority will need to be agreed by the relevant maintained schools members of the schools forum (primary, secondary, special and PRU). If the local authority and schools forum are unable to reach consensus on the amount to be retained by the local authority, the matter will need to be referred to the Secretary of State.
- Local authorities should set a single rate per 5 to 16 year old pupils (in other words, this will be deducted from basic entitlement funding) for all mainstream maintained schools (both primary and secondary).

Proposal for Discussion

- The Council is proposing a de-delegation of £9.75 per pupil to create a vulnerable schools fund of £250k.
- All urban schools are vulnerable: rapid staff turnover or change of circumstance can destabilise a school and Lambeth's school improvement team have worked very closely with schools to support, and intervene if necessary, in a timely and supportive way to ensure the vast majority of our schools are highly successful. The network of support is open to all Lambeth schools, however governed. The Council has been working with Schools to ensure that as funding reduces that a new means of keeping the family of schools together and ensuring that schools continue to succeed has been developed: The Lambeth Schools Partnership.
- The Partnership will work to continue to ensure that all Lambeth schools are well supported and work together effectively.
- However, at times any school may need additional support and a request is made to Schools Forum to provide a fund that can be called on to provide that support.
- The fund would be set aside to support schools that are identified via the School improvement Monitoring Group as likely to require significant additional support to avoid causing Ofsted or the LA concern. These schools may also be self-identified. They would receive support via an action group co-ordinating a range of input from services from within the Lambeth School Partnership. This might include support for leadership and governance, HR, teaching and learning and could involve brokered support from another school. Timely and sensitive intervention has been critical to maintaining the success of our schools in recent years and a clear set of criteria for judging schools that are likely to need additional support is outlined in the Educational Improvement and Quality Assurance policy.
- The use of the fund would be reported to School's Forum on a termly basis.

11. AOB

12. Future Meeting (proposed) Dates

Proposed Early Feb 2017

- 28th Feb-17
- 16th May 17 – Provisional depending on announcements
- 27th June 17