



WOKINGHAM BOROUGH COUNCIL

A Meeting of the **SCHOOLS FORUM** will be held in Bohunt School, Sheerlands Road, Arborfield, RG2 9GB on **WEDNESDAY 18 OCTOBER 2017 AT 9.30 AM**

A handwritten signature in black ink, appearing to read 'Manjeet Gill'.

Manjeet Gill
Interim Chief Executive
Published on 10 October 2017

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WOKINGHAM BOROUGH COUNCIL

Our Vision

A great place to live, an even better place to do business

Our Priorities

Improve educational attainment and focus on every child achieving their potential

Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth

Ensure strong sustainable communities that are vibrant and supported by well designed development

Tackle traffic congestion in specific areas of the Borough

Improve the customer experience when accessing Council services

The Underpinning Principles

Offer excellent value for your Council Tax

Provide affordable homes

Look after the vulnerable

Improve health, wellbeing and quality of life

Maintain and improve the waste collection, recycling and fuel efficiency

Deliver quality in all that we do

MEMBERSHIP OF THE SCHOOLS FORUM

Schools Representatives

Paul Miller	Governor - St Crispins - Chairman
John Bayes	Governor - Foundry College - Vice-Chair
Ian Head	Governor - Aldryngton Primary
Helen Ball	Primary Head - Polehampton Infant
Ali Brown	Primary Head - Nine Mile Ride Primary
Sally Hunter	Primary Head - Wescott Infant
Brian Prebble	Primary Head - Rivermead Primary
Elaine Stewart	Primary Head - Aldryngton Primary
Sylvia Allen	School Business Manager - Hawkedon Primary
Julia Mead	School Business Manager - St Sebastian's CE Primary
Carol Simpson	School Business Manager - Colleton Primary
Ginny Rhodes	Secondary Head - St Crispins
Derren Gray	Academy Headteacher - The Piggott School
Janet Perry	Academy Business Manager - The Holt School
Corrina Gillard	Headteacher - Emmbrook Infant School
Kerrie Clifford	Maintained Nursery Acting Headteacher
Jay Blundell	Pupil Referral Unit Headteacher - Foundry College
Sara Attra	Special School Head - Addington School
Ben Godber	Academy Headteacher - Bohunt
Jonathon Peck	Director of Finance and Operations - Maiden Erlegh
Keith McConaghy	School Business Manager - Oakbank
Emma Clarke	Primary Head - Farley Hill

Non School Representatives

Anne Andrews	Oxford Diocese
Vacancy	Roman Catholic Diocese
UllaKarin Clark	Wokingham Borough Council
James Taylor	Wokingham and Bracknell College
Mary Parker	Early Years Representative
Gail Prewett	Early Years Representative

Observers

Funding Reform Team	Education Funding Agency, Maintained Schools Division
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From the Primary Representatives only 10 votes are allowed.

From the Secondary Representatives only 2 votes are allowed.

From the Academy Representatives only 5 votes are allowed.

From the Special School Representatives only 1 vote is allowed.

From the Early Years only 2 votes are allowed.

From the Pupil Referral Unit only 1 vote is allowed.

ITEM NO.	WARD	SUBJECT	PAGE NO.
1		ELECTION OF CHAIRMAN To elect a Chairman of the Forum for the 2017/18 academic year.	
2		ELECTION OF VICE-CHAIRMAN	

To elect a Vice-Chairman for the 2017/18 academic year.

3	APOLOGIES To receive any apologies for absence.	
4	MINUTES OF PREVIOUS MEETING To confirm the Minutes of the Meeting held on 19 July 2017.	7 - 14
5	DECLARATION OF INTEREST To receive any declarations of interest.	
6	BUDGET RECONCILIATION To receive and consider a report outlining details of the Budget reconciliation.	15 - 20
7	FINAL SETTLEMENT AND VARIANCE To receive and consider a report outlining the final settlement and variance.	21 - 22
8	REVENUE MONITORING To receive and consider a report giving details of the current financial position.	23 - 26
9	2018/19 GROWTH SPEND CRITERIA To receive and consider a report containing detailed information on the growth spend to date and a proposal for 2018/19.	27 - 34
10	HIGH NEEDS BLOCK To receive and consider a report analysing the High Needs Block expenditure.	35 - 38
11	CONSULTATION ON MOVING FUNDS To consider a proposal to move budget from the School Block Budget to the High Neds Block at the permitted half a percent.	39 - 42
12	CONTINGENCIES BREAKDOWN To receive and consider a report containing the contingencies breakdown.	43 - 44
13	2018/19 FORMULA CHANGES To receive and update on the proposed formula changes.	45 - 48
13.1	Task and Finish Groups update	Verbal Report
14	FORWARD PROGRAMME To consider the Forums work programme for the remainder of the academic year.	49 - 50

Any other items which the Chairman decides are urgent

A Supplementary Agenda will be issued by the Chief Executive if there are any other items to consider under this heading.

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**MINUTES OF A MEETING OF THE
SCHOOLS FORUM
HELD ON 19 JULY 2017 FROM 9.30 AM TO 10.50 AM**

Schools Representatives

Helen Ball	Primary Head - Polehampton Infant
Ali Brown	Primary Head - Nine Mile Ride Primary
Sally Hunter	Primary Head - Wescott Infant
Brian Prebble	Primary Head - Rivermead Primary
Elaine Stewart	Primary Head - Aldryngton Primary
Julia Mead	School Business Manager - St Sebastian's CE Primary
Carol Simpson	School Business Manager - Colleton Primary
Ginny Rhodes	Secondary Head - St Crispins
Derren Gray	Academy Headteacher - The Piggott School
Janet Perry	Academy Business Manager - The Holt School
Jay Blundell	Special School Headteacher - Foundry College
Sara Attra	Special School Head - Addington School
Keith McConaghy	School Business Manager - Oakbank
Paul Miller	Governor - St Crispins - Chairman
John Bayes	Governor - Foundry College - Vice-Chair

Non School Representatives

James Taylor	Wokingham and Bracknell College
Mary Parker	Early Years Representative
Gail Prewett	Early Years Representative

Also Present

Jane Winterbone, Interim Head of Learning and Achievement
Luciane Bowker, Senior Democratic Services Officer
Coral Miller, Interim Schools Finance Manager

Councillor Mark Ashwell, Executive Member for Children's Services attended as an observer.

59 APOLOGIES

Apologies for absence were submitted from Anne Andrews, Emma Clarke, Ian Head and Jonathan Peck.

60 MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of the Forum held on 24 May were confirmed as a correct record and signed by the Chairman subject to the correction of a typing error on page 6.

Matters arising

Early Years votes

It was noted that the Agenda template had not been updated to reflect the Forum's decision to allow two votes from the Early Years representation. Luciane Bowker, Democratic and Elections Specialist agreed to change the Agenda template accordingly.

Funding mechanism for primary schools

Jane Winterbone, Interim Head of Learning and Achievement explained that the difference between an additional 30 pupils in a maintained school and 30 pupils in a new school was that there was a diseconomy of funding in relation to new schools. A report containing an analysis of Growth Spend with the updated position would be submitted to the next meeting of the Forum. Jane circulated a Growth Spend 2017/18 – Current Forecast Expenditure paper.

Recoupment of business rates investigation

Coral Miller, Interim Schools Finance Manager agreed to carry forward this action and report back to the Forum at the next meeting. The Chairman, Paul Miller agreed to meet with Coral outside of the meeting to discuss this issue.

The position of academies seeking help with redundancy costs

Jane stated that there were no funds within the budget to help academies with redundancy costs. Funds could be used from the de-delegated pot, however this was only available to maintained schools.

Consistency of figures

It was asked that reports be more consistent and that a clearer format be used in the monitoring reports. The Forum asked that this action be continued.

61 DECLARATION OF INTEREST

There were no declarations of interest.

62 BUDGET 2017-18 AND REVENUE MONITORING

Coral Miller stated that the report provided details of the schools revenue monitoring 2017/18. She explained that the report was due to be updated to include the schools' submissions at the end of the summer term. At this stage it was anticipated that the Centrally Retained and the De-delegated budgets would be fully spent year end.

Coral stated that as shown in Appendix A, the only variance was a forecast overspend of £385k in the High Needs Block, although the service was looking to contain this.

During the discussion of the item the following comments were made:

- Janet Perry, Holt School Business Manager stated that she had looked at past papers submitted to the Forum and she had noticed that the papers submitted in December projected a surplus for the March 2018 budget. Also, the report in Agenda Item 54.1 showed a column D that had not been presented to Forum before and this showed a projected outturn of zero. Janet noticed a significant difference between this report and previous reports, with this report presenting a deficit of £385k at the end of next March. Janet was seeking clarification as to why the numbers had shifted so substantially;
- Coral stated that she was reviewing with senior officers the 2017/18 financial position to ensure the forecast was correct. The current position was as stated in the report;
- Jane stated that the £385k deficit was due to the High Needs Block, she was working to contain this deficit;
- Janet emphasized that a predicted surplus in previous reports seemed to have disappeared and she was looking for an explanation as this was a significant amount of money. Jane agreed to investigate this with John Ogden, Head of Finance and ensure that there was a report back to Forum with the minutes;
- Paul summarised that what seemed to have happened was that between the draft budget that was submitted in December and the column called 'Revised 2017/18

Budget as at April 2017' there looked to have been a movement of about 1.3 million which was the balance that was being carried forward supposedly at the end of March from the December figures;

- Carole Simpson, Colleton Primary School Business Manager noted that the new format of the report was easier to read and interpret;
- Paul stated that it was important to have consistency in the report formatting;
- The Forum asked for the addition of a row that summed up Total Expenditure in the same way as for Total Income so that the totals for each could be seen;
- It was agreed that there would not be report format changes from meeting to meeting unless agreed by the Forum;
- John Bayes, Vice-Chairman stated that he would like to have more clarity between the positive and negative figures;
- Ginny Rhodes, St Crispins School Headteacher asked to ascertain if there was a critical issue or not. Jane stated that she would get more clarity on the points raised with John Ogden, but any projections were also dependent on the final settlement from the government. Jane stated that the final settlement normally arrived by the end of July, so it may be possible to give a final position with the minutes;
- Paul stated that he would investigate the issue raised by Janet with John, Coral and Jane;
- Derren Gray, Piggott School Headteacher asked what was the narrative behind the following:
 - The decrease from £250k to 0 in the 'additional school grants' row in Total Income from column C to D;
 - The decrease in 'support costs' in the Centrally Retained Schools Block from £265k to 0;
 - The disappearance of the miscellaneous row which was £97k;
 - The disappearance of the cost of servicing Schools Forum which was £4k.

Paul asked Jane and Coral to investigate all the issues raised.

Jane stated that she had discovered that there had been an agreement with Northern House that the Local Authority would pay for top ups for children, including for children from outside of the Borough. However, the normal funding agreement was that the host funding authority would pay for the place funding and each local authority would pay for top ups. When Northern House became an academy an agreement was made that this local authority would pay all for tops and then recoup the top up money from the other authorities. It appeared that at the moment Northern House had charged a greater amount of top up to Wokingham Borough Council than the likely recoupable amount from other authorities, therefore there was a risk to the High Needs Block budget in terms of that amount, which was included in the £385k.

Jane stated that additionally, there was an agreement of a £200k payment to the Oaks resource base Autism Spectrum Disorder (ASD) provision which had not been profiled in the budget.

John Bayes noted the variance in the High Needs Block row in the Total Income block that also needed clarification.

RESOLVED That:

- 1) Jane Winterbone would investigate with senior officers about the discrepancies between budget monitoring reports and ascertain the real budget position and report back to the Forum as soon as possible;
- 2) The new report format was adopted and any changes in formatting would be subject to approval by Schools Forum;
- 3) Future reports would clearly identify positive and negative figures.

63 HIGH NEEDS BLOCK REVIEW AND PROJECTION

Jane Winterbone went through the High Needs Block report which was set out in Agenda pages 15-18. Jane stated that all the figures contained in the report had been provided by the Finance department. Jane explained that work was being undertaken to address the significant growth in the High Needs Block budget of the Dedicated Schools Grant over the last year. Since 2014 the age range had been extended to include 0 to 5 and 18 to 25 year olds. This age range extension had led to a significant increase in funding requests. Wokingham Borough had seen an increase of 9% of Education Health Care Plans (EHCP).

Jane pointed out that the Local Authority was not expecting an increase in the High Needs Block based funding on the figures released to date. The final arrangements for 2018/19 were still out for consultation, but the range of disparity between authorities in the 2017/18 settlement was significant. As an example, Nottingham was allocated 20.5% growth whilst Wokingham was allocated 7%.

Jane stated that she was carrying out a comprehensive analysis of the core function, including a review of staffing which amounted to a cost of half a million pounds. Once this review was complete she would report back to Schools Forum with recommendations.

Jane stated that in terms of school placements, including Looked After Children, there were a number of measures to be taken. An SEN specialist was auditing all EHCP thresholds and process around the decision making of those. Jane stated she was personally reviewing any proposals for new independent specialist places.

Jane pointed out that there were risks around parental preferences which also needed to be considered. Jane believed that it was important to stimulate the local market.

Jane believed that part of the solution was to utilize the residential provision at Northern House to reduce costs. Jane explained that the Local Authority was already funding 69 places at Northern House. If a child that could go to Northern House did not go there but elsewhere, the Council was effectively double funding that child. Not only was it more cost effective to use local providers, it was also part of the SEN strategy to keep children in the local community.

Jane stated that an analysis of the 0-5 cohort was being undertaken in order to predict the expenditure needs.

Jane explained that resource spaces were funded by various different arrangements. It was necessary to undertake an analysis of all the resource spaces and their level of usage, and to make important, potentially difficult decisions in relation to places that were funded but not fully utilised.

Ginny asked if Northern House as an academy could refuse a place to the Local Authority, she wondered if this was another risk. Jane agreed to investigate and report back.

James Taylor, Wokingham and Bracknell College Vice-Principal asked Jane how the Council intended to use the SEN capital build money. Jane stated that this information had been released after the production of this report, and confirmed that there was £297k capital build money per year for three years, she expected it would form part of the plan in capital funding.

Members of the Forum asked, for comparison purposes, what the growth in EHCP in Nottingham was. Jane would find out and report back.

Jane stated that a review SEN banding and of the exceptional needs funding process, decision making and impact was proposed. Some work had already started, including the review of pathways. Jane believed that all necessary work would be ready in time for December, which would give the Forum the background information to make the decisions for the 2018/19 Budget. The Chairman asked that this information be presented in October.

Jane informed that she had met with each of the headteachers of resource spaces and they were aware that some difficult decisions may be taken following the reviews mentioned above.

In response to a question Jane clarified that the £200k to the Oaks resource centre was an ongoing annual commitment.

In response to a question Jane stated that she was trying to find out how long the agreement for top ups with Northern House was for. It may be necessary to clawback, however it was important to be careful to retain specialist staff and guarantee stability in the school.

Jane explained that the High Needs Block review involved a circle of improvement which could be put into a diagram with the following parts:

- The Strategy – our ambition for pupils with SEND
- Analysis of the current cohort data
- To define the provision that we currently have, test it against resources in a gap analysis
- To develop a plan to move forwards

RESOLVED That:

- 1) The report be noted and
- 2) The Forum would continue to review the High Needs Block and receive further updates during the year.

64 FOUNDRY COLLEGE

Jay Blundell, Foundry College Headteacher stated that the report which was set out in Agenda pages 21-24 had been written in March, and the numbers listed in the appendix had now increased from 71 to 82. Jay reported that there were 44 pupils on roll for September, and this was a worrying position. Of these 44 pupils:

- 7 pupils were SEN and awaiting for places at other schools on the completion of EHCP processes,
- 6 pupils were under managed moves with both secondary and primary schools,
- 20 pupils were from permanent exclusions, but the school was only funded for 15 permanent exclusion places.

Jay stated that Foundry College provided a service for all Wokingham schools, and it was important to plan strategically based on schools' needs and the capacity to deliver the service. Jay proposed a review of the commissioning level. Jay stated that the budget was stretched and that the current financial year was projecting an overspend approaching £200k, this was manageable for this year but not for subsequent years.

Jay explained that the Virtual School had been able to contribute to this year's budget, however it was not certain if this would continue in future years.

Jay stated that there had been plans in the past for capital development of the school which did not happen, therefore there was a capital fund available which was helping with the school's finances.

In response to a question Jay stated that the school needed new premises and that there was no physical capacity to meet its needs. A short term solution had been found for this year, but would not be available for next year. A building of a small primary school size was needed to meet the needs of the school. Jay stated that she had contacted Wokingham Borough Council, but there were no funds for a new build or properties available.

John Bayes confirmed the need for new premises and added that due to space pressures most classrooms held two lessons at the same time. He pointed out that given that the children had a tendency to disruptive behaviour, it was a very challenging situation.

Ginny Rhodes pointed out that Foundry College used to be at Foxwood House and asked what happened to the funds raised from the release of that site. John Bayes explained that that building belonged to the Council and it just returned to the Council when Foundry College left it, the College made no financial gain from it.

Jane Winterbone stated that since the introduction of the academies programme by the government, local authorities were not allowed to dispose of sites until permission was given by the Department of Education. Jane agreed to investigate the current status of this particular site and report back.

RESOLVED That the Forum noted Jay Blundell's concerns and asked Jane Winterbone to undertake the necessary work to find a solution for the issues raised.

65 DE-DELEGATED AND CENTRALLY RESTRAINED BUDGETS

Coral Miller went through the report which was set out in Agenda pages 25-26. The report clarified the budget relating to de-delegated funds and the centrally retained budget, and also proposed use of the contingency funding.

Coral stated that the contingency fund was to support schools in financial difficulties not of their own making. Schools in this situation should contact her for an assessment. Any decision would need the agreement of the Director of People Services and would be communicated to the Schools Forum.

During discussion of the item the following points were made:

- In response to a question Jane stated that the £321k shown in column F (Behaviour support services – Primary only) was a decision made by the phase;
- Jay Blundell stated that the £321K had been factored in her budget planning. She was seeking clarification in relation to the fact that some schools listed in the report were in the process of becoming academies;
- Coral explained that if a school became academy between April and August the de-delegated money was given back to the school. If a school become academy after 1 September the Local Authority was allowed to retain the money. Coral believed that there were two schools that had converted to academy status since April. Jane stated that the Local Authority would absorb the cost, potentially from contingencies, and would not clawback from Foundry College;
- Jay Blundell stated that she may have to charge academies for places at Foundry College;
- Jane agreed to inform Jay of conversion dates;
- Members felt that the amount charged for Insurance and Staff Supply Cover were too high and were not good value for money;
- Coral agreed to investigate and report back.

Paul Miller stated that he remembered conversations with Alan Stubbersfield, Jane Winterbone's predecessor about an Early Years move to a traded services set of arrangements. It was agreed that Paul and Jane would discuss this outside of the meeting.

RESOLVED That:

- 1) There would be no detriment to Foundry College's Budget plan for 2017/18 as a result of schools' academisation in the year;
- 2) The report be noted.

66 FORWARD PROGRAMME

The Forum considered and noted the Forward Programme of work and dates of future meetings as set out on Agenda page 29.

Coral confirmed that a Task and Finish Group had been set up to look at the new funding formula, this would be discussed at the October meeting.

Jane stated that the new secondary school strategy was being submitted to Executive on 27 July, she would communicate with secondary federations about the proposals. Paul asked that the relevant reports, including current and future Borough forecasts of pupil numbers by age be submitted as background papers to the Growth report.

The Chairman encouraged Forum members to consider hosting the next meeting on 18 October at one of the Borough schools. Luciane Bowker would contact Forum members about the venue for the next meeting.

RESOLVED That the Forward Plan be noted.

67 ANY OTHER BUSINESS

National Funding Formula Task and Finish Group

A Task and Finish group had been established to ascertain the implication of the new funding formula proposed by the government to Wokingham Borough schools. It was expected that by the time the Forum met again in October, a lot of activity would have taken place over the summer in relation to the new funding formula. The Chairman asked that the group report back to Schools Forum with its findings and suggestions at the next meeting.

Beechwood Primary School

The Chairman reported that the Beechwood Primary School's headteacher had approached him and asked that due to the difficulties the school was facing, that Schools Forum allow for a grant to the school. Paul had written back explaining that Schools Forum did not have the ability to release grants to individual schools. However, he had advised the school to contact the Schools Finance Team at the Council who would be able to assess the situation and maybe use the contingencies budget to help the school.

Change of meeting time

It was proposed by Derren Gray that it would be better to start the meetings later. Forum Members agreed to change the starting time to 10am.

SCHOOLS FORUM

Budget Reconciliation - Reconciliation between 2017/18 Budget figures presented in January/March 2017 and a Revised 2017/18 Budget as at July 2017

1 Purpose of the Report

This note is seeking to provide a reconciliation between the Budgets approved at Schools' Forum (SF) in January/March and those figures reported in July 2017. Following an explanation of this reconciliation it is intended that the SF will be able to adopt the revised budget position in October.

2 Suggested Action

The Schools' Forum members note the contents of this report and request further clarity where felt necessary.

3 Background

The budgets presented to SF in January and March are the same, with one small exception; the School Admissions line (1.4.2) was reduced from £304k to £281k.

The budget figures presented in July contained numerous changes to those presented in January and March. There are various reasons for this including; new DfE grant notifications, additional budget approvals by SF, grossing up of figures to provide greater transparency and re-alignment between the budgets to be more representative of the latest position e.g. maintained schools to Academies.

The reconciliation to July is fairly complex, and Appendix A has been produced to assist with explanation. It shows the January/March Budgets presented to SF, the 2016/17 outturn figures and the July figures restated in the common format. Each budget line is given a reference number to aid explanation and it is indicated on the schedule where budget lines are referred to in notes included later in this report.

In recognition of the unavoidable complexity and the need for SF members to assure themselves of the revised figures, an invitation was offered to SF members for a face to face explanatory session.

The figures presented in July included some subjective forecast assessments (line 16, 17, 28) and it has been agreed with the Chair and Deputy Chair of SF that that these would be restated at the previous January approved Budget levels. Only revisions that were considered to be unavoidable (e. g. imposed by DfE or based on new SF specific approvals) are put forward as the Revised Budget.

4 Financial Analysis

A high level analysis shows that the approved January Budget was calculated with an in-year deficit of £689k, and a carry forward deficit of £137K, which increased to £159k in the March SF report. These carry forward budgeted deficits would not have been apparent to SF when the Budget figures were approved due to a mis-statement of the line 'total in year (surplus)/deficit' (which stated £261k deficit as opposed to £689k deficit). Further, neither report took account of the new Education Support Grant line item, which was approved by SF at the January 2017 meeting of £373k. Line 56 of the Appendix A shows the effect on the

budgeted carry forward balances when this amount is included. The January SF report would have increased to a £510k deficit and the March SF report to £532k deficit.

The recast and recalculated Revised 2017/18 Budget July SF report together with the larger than estimated carry forward from 2016/17 now shows a carry forward deficit of £309k. This is a 'like for like' £223k smaller deficit than the recalculated January and March figures had anticipated.

In arriving at this Revised 2017/18 Budget carry forward deficit, an additional £603k (line 54 £1,665k less £689k less £373k ESG) of balances have been used. This is largely explained by a £521k reduction in Schools block allocation (line 44) that was transferred by the DfE to High Needs Block (line 46).

The line by line variances in Appendix A are explained below:

(Note A) There are significant variances between lines 1 and 3, but a minor variance when both figures are added together (see table). These variances are as result of using the most up to date figures regarding Academy transfers. It has not been possible to ascertain the data behind the original calculation but the data behind the latest July calculation can be verified.

Description	January 2017	July 2017	Variance
	£000	£000	£000
Line 1 School block allocation excl de-delegated	63,628	62,053	1,575
Line 3 Academy recoupment	28,968	30,675	(1,707)
Variance	92,596	92,728	(132)

(Note B) Line number 5, 7 & 10 have been updated with the latest information provided to us from the DfE. These grant items are passported to the schools by the LA on behalf of the DfE. The Income corresponding to the additional PE Grant funding is still awaiting notification. Line number 7 Pupil Premium excluding Academies of £2,420k plus the amounts in lines 11 and 12 of £129k and £37k, respectively, now balance the passported income from line 51 Pupil Premium 5-16 years (£2,586k). The Line 7 January and March Budget figures of £2,573k was a calculation error which would have resulted in passporting out more than was passported in.

(Note C) The School Block Allocation budget income (line 44) has decreased from January 2017 to the final DSG in March 2017 by £521k which has been transferred into the High Needs Block budget by the DfE (see below). The assumption is that DfE have based this on the estimated 2016/17 outturn which would have revealed pressures in the High Needs Block. The figures shown in the variance column do not agree because the DfE have incorporated census figure updates.

Description	January DSG	July DSG	Variance
	£000	£000	£000
Line 44 Schools Block Allocation including academies	(95,385)	(94,864)	521
Line 46 High needs block includes Academies	(17,092)	(18,944)	
Line 4 High needs academy recoupment*	0	1,386	
High needs net of academy recoupment	(17,092)	(17,558)	(466)

*Line 4 represents Place funding for the Special School academy (Northern House) which transitioned to academy status during 2016/17.

(Note D) The table below shows the full allocation of the £18.9m High Needs Block (line 46). As indicated above, the £17,092k previously reported has been increased by Line 4 (now shown gross) and £466k additional funding. In allocating out the full £18.9m (as required by the DfE), line 22 (*) £692k is introduced as an additional as yet 'unallocated' budget item.

Description	July DSG
	£000
Line 4 Academy recoupment	1,386
Line 6 High needs block allocations	6,143
Line 18 Provision for pupils with SEN	2,517
Line 19 Moderating Panels	150
Line 20 Provision for pupils with SEN not inc. line 18	20
Line 21 Support for inclusion – HNB	507
Line 22 Unallocated inc. in the HNB*	692
Line 23 Fees for independent special schools	6,119
Line 24 SEN transport	230
Line 26 Pupil referral units	470
Line 28 Education out of school	710
Total amount allocated	18,944

(Note E) The Early Years Block grant funding (Line 47) varies from January's SF Budget because items such as the 30 hours for working parent funding and the increase in funding for providers was not known at the time of budget preparation. The DfE are still changing the allocation in this area with another notification given at end of July17. The DfE regulation states that 95% of the funding goes to providers and the LA is allowed to retain 5% for statutory obligations. SF agreed to transfer £370k for these duties (line 17). The revised EY allocation (line 8) is as a result of the increased grant (line 47). The full allocation of the grant is shown below.

Description	July DSG	Percentage
	£000	
Line 47 Early year block	(9,546)	100%
Allocation		
Line 8 EY allocation	8,947	94%
Line 16 EY contingency for providers only	229	2%
Sub TOTAL minimum of 95%	9,176	96%
Line 17 Centrally retained amount agreed at SF	370	4%
TOTAL	9,546	100%

(Note F) Line ref 14, 27, 30, 35, 37, and 40 represent de-delegated items. A table of de-delegation was presented to SF in July this has been used for the Revised 2017/18 Budget July figures. The only figure unchanged from the January/March budgets is line 27. The figures that have changed represent a more precise calculation, taking into account in-year

Academisation, than that made in January and March. The effect has been to reduce the budgeted total for de-delegated items from £2,120k to £1,722k.

(Note G) The figure in the January SF assumed the continuation of the NQT grant (line 15). Late notification by the DfE in the DSG allocated grant at the end of March 2017 confirmed that this grant would no longer be given to the LA.

(Note H) The ESG (line 42) was approved by SF in January School forum and is now included in the Revised 2017/18 Budget July figures (column F).

5 Minimum Funding Guarantee (MFG)

Incorporated in the January and March Budgets is a MFG payment to schools of £832k, to protect all schools year-on-year income levels at a maximum of minus 1.5%. The effect of this is that £832k funding had to be found outside of the Individual Schools Budget. This is the major explanation behind the £689k use of balances on Line 54. Although the MFG payment is included in the School Block Allocation presented to SF in January, its effect is not apparent as a result of the mis-stated 'total in-year (surplus)/deficit' figure previously referred to. The impact of the MFG payment should have been more transparent to SF.

There is no choice but to fund the £832k MFG, which could be supported from either brought forward balances or the HNB Budget. The HNB is an area under significant cost pressure and already forecasting an overspend in 2017/18. The use of brought forward balances to fund the MFG effectively 'buys time' to take the necessary actions required to meet the HNB in year expenditure pressures and address the MFG. One possible consideration for SF to avert a similar future pressure on funds is the introduction of capping of MFG increases.

6 Next Steps

SF members are invited to raise any queries to assure themselves regarding the proposed Revised 2017/18 Budget. Once the Revised 2017/18 Budget is agreed, budget monitoring and forecast variances will be reported against the revised figures.

Work will continue to reduce HNB expenditure pressures.

Graham Ebers
Director of Finance
August 2017

APPENDIX A								
			Schools Budget 2017/18 - Revised					
				A	B	C	F	
Note	Line Ref	S251 line no.	S251 title	1617 Out-turn - SF page 25 May 2017	First draft presented to December Forum 2017/18 Budget - SF 18-1	First draft presented to December Forum 2017/18 Budget - SF 29-3	Revised 2017/18 Budget Forecast - July SF (as at April 2017)	Variance against C-F
			TOTAL EXPENDITURE					
A	1	1.0.1	Schools Block Allocation excl Academies net of de-delegated funds including HNB allocations	61,492	63,628	63,628	62,053	1,575
	2	1.7.4	6th form funding from EFA	3,194	3,258	3,258	3,258	-
A	3	1.8.1	Academy Recoupment from Schools Block	28,999	28,968	28,968	30,675	(1,707)
C	4	1.0.1	High needs academy recoupment		-	-	1,386	(1,386)
B	5	UIFSM	UIFSM Revenue / Start Up	2,163	2,228	2,228	2,227	1
D	6	1.0.1.	High Needs Block allocations	6,529	6,143	6,143	6,143	(0)
B	7	PPG	Pupil Premium excl Academies	2,381	2,573	2,573	2,420	153
E	8	1.0.1	Early Years Block Allocation inc exp for Education of Children under 5s in Private/voluntary/independent settings	6,498	6,963	6,963	8,947	(1,984)
	9		Sub Total of ISB and PVI allocations	111,257	113,760	113,760	117,109	(3,349)
B	10		PE Grant - Additional school grants				250	(250)
B	11	1.0.2	Pupil Premium allocated to schools - mainstream	112	129	129	129	-
B	12	1.0.3	Pupil Premium in non-mainstream settings	36	37	37	37	-
E	13		Pupil Premium 3-4 years	39	42	42	42	(0)
F	14	1.1.2	School-specific contingencies	275	340	340	129	211
G	15		NQT Induction	32	32	32	-	32
E	16	1.3.1	Early Years Contingency - Providers only	104	229	229	229	-
E	17	1.3.1	Early years Centrally Retained for statutory LA duties				370	(370)
D	18	1.2.1	Provision for pupils with SEN (including assigned resources)	2,415	2,517	2,517	2,517	0
D	19	1.2.1	Moderating Panels	183	150	150	150	-
D	20	1.2.2	Provision for pupils with SEN, provision not included in line 1.2.1	18	20	20	20	-
D	21	1.2.3	Support for inclusion - HNB	401	507	507	507	-
D	22		Unallocated increase in the HNB special school budget				692	(692)
D	23	1.2.4	Fees for pupils at independent special schools & abroad	6,155	6,119	6,119	6,119	-
D	24	1.2.5	SEN transport	230	230	230	230	-
	25	1.2.7	Inter-authority recoupment			-	-	-
D	26	1.2.1	Pupil Referral Units	470	470	470	470	-
F	27		Behaviour Support Services	321	321	321	321	0
D	28	1.2.6 and 1.2.7	Education out of school	638	710	710	710	-
F	30	1.4.1	Support to under-performing ethnic minority groups and bilingual	151	146	146	143	3
	31	1.4.10	Pupil growth/ Infant class sizes	1,339	1,300	1,300	1,300	0
F	35	1.6.1	insurance	573	598	598	547	50
	36	1.4.2	School admissions	268	304	281	304	(23)
F	37	1.6.4	Licenses and subscriptions	318	346	346	220	126
	38	1.4.13	Miscellaneous (not more than 0.1% total of net SB)	185	97	97	97	-
	39	1.4.3	Servicing of schools forums	4	4	4	4	-
F	40	1.6.7	Staff Costs - supply cover	324	369	369	362	7
H	42		ESG Services		-		373	(373)
			Total Central Expenditure	14,592	15,017	14,994	16,273	(1,279)
			TOTAL SCHOOLS BUDGET	125,849	128,777	128,755	133,382	(4,628)

				A	B	C	F	
Note	Line Ref	S251 line no.	S251 title	1617 Out-turn - SF page 25 May 2017	First draft presented to December Forum 2017/18 Budget - SF 18-1	First draft presented to December Forum 2017/18 Budget - SF 29-3	Revised 2017/18 Budget Forecast - July SF (as at April 2017)	Variance against C-F
			TOTAL INCOME					
C	44	DSG	Schools Block Allocation includes Academies	(92,947)	(95,385)	(95,385)	(94,864)	(521)
	45		NQT	(32)		-		-
C	46	DSG	High Needs Block includes Academies	(16,900)	(17,092)	(17,092)	(18,944)	1,852
E	47	DSG	Early Years Block 3-4 year olds	(6,997)	(7,249)	(7,249)	(9,546)	2,297
			Dedicated schools Grant total	(116,876)	(119,726)	(119,726)	(123,355)	3,629
	48	DFE	Additional School Grants	(250)	(250)	(250)	(250)	-
	49	DFE	UIFSM Revenue	(2,163)	(2,227)	(2,227)	(2,227)	0
	50	EFA	Education Funding Agency 6th Form Funding	(3,194)	(3,258)	(3,258)	(3,258)	0
B	51	EFA	Pupil Premium 5-16 years	(2,504)	(2,586)	(2,586)	(2,586)	0
E	52	DFE	Pupil Premium 3-4 years	(40)	(42)	(42)	(42)	0
			TOTAL FUNDING	(125,027)	(128,088)	(128,088)	(131,718)	3,630
J	54	Funding	Variance between the Expenditure and Income (I & E) (surplus)/deficit	821	689	667	1,665	(998)
	55		Brought Forward (surplus) /Deficit balance	(2,177)	(552)	(508)	(1,356)	848
			ESG services			373	-	
	56		Total Year-end (surplus)/Deficit	(1,356)	137	532	309	223

SCHOOLS FORUM

2017/18 Final Settlement and Variance

1 Purpose of the Report

This report is to update the Forum on the latest Dedicated School Grant (DSG) adjustments and to give the Schools' Forum confirmation of the 2017-18 School Block budget allocation. See Appendix A.

2 Suggested Actions

The Forum is asked to note the contents of this report.

3 Background

The Department for Education (DfE) allocate the DSG budget to the Local Authority (LA) in December in order for the schools to set their School Block budget, however the High Needs Block (HNB) funding and the Early Years (EY) funding is indicative at this stage and is finalised in the following July. The DfE did update the DSG allocation in April, this is shown below, and have now finalised the allocation in the July update. The latest update should be the final version.

4 Financial Summary

Please see Appendix A

These figure are included in the Revenue monitoring report on Line 8 and Line 47 Early year funding.

5 Conclusion

The change from the April 2017 DSG is a reduction in the Early Years funding of £260k. The expectation is that the Early Years budget will balance by the end of the financial year.

Coral Miller
Interim School Finance Manager
October 2017

John Ogden
Head of Finance
October 2017

APPENDIX A - CHANGES IN THE DEDICATED SCHOOLS GRANT 2

As per July 2017 updates

Variance between april & jul

	£M	£M	£M	£M
Reduction from April	0.00	0.26	0.00	0.26

Dedicated schools grant: 2017-18 allocations local authority summary

2017-18 DSG allocations prior to deductions for academies recoupment and direct funding of high needs places by ESFA

	2017-18 schools block (£million)	2017-18 provision al early years block (£million)	2017-18 high needs block allocatio n (£million)	2017-18 total DSG allocatio n (£million)
872 Wokingham	94.86	9.33	18.94	123.14

As per April 2017 updates

Dedicated schools grant: 2017-18 allocations local authority summary

2017-18 DSG allocations prior to deductions for academies recoupment and direct funding of high needs places by EFA

	2017-18 schools block (£million)	2017-18 provision al early years block (£million)	2017-18 high needs block allocatio n (£million)	2017-18 total DSG allocatio n (£million)
872 Wokingham	94.86	9.59	18.94	123.40

SCHOOLS FORUM

2017/18 Schools Revenue Monitoring Report

1 Purpose of the Report

This report provides the Schools' Forum with details of the revenue budget position as at 31st August 2017.

2 Suggested Action

The Forum is asked to note the contents.

3 Background

This report shows the expected out-turn for the Dedicated Schools Grant (DSG) in financial year 2017-18. It makes the assumption that the centrally retained amount will be fully spent.

The de-delegated items funding comes from the contribution from maintained schools and subsequently any underspend belongs to the maintained schools. The underspend will be held for the maintained schools unless the maintained school vote on having that funding return back to them when the out-turn is reported next year.

4 Financial Summary

The forecast as at 31st August 2017 shows an overspend of approximately £1.332m. Most of which is attributable to an overspend in Special Education Needs.

Please refer to Appendix A Summary of Schools revenue monitoring report, and Appendix B Schools revenue monitoring report.

Coral Miller
Interim School Finance Manager
October 2017

John Ogden
Head of Finance
October 2017

Appendix A				
Summary of 1718 school revenue budget monitoring				
	INCOME			
Ref	Description	A	B	C
		Budget	Forecast	Variance
		Forecast	Sept.	(B - A)
		£	£	£
	Brought forward school block surplus	(1,356)	(1,356)	-
	School block budget is the allocation to school based in the number of children in the school, the areas the children live i.e. rate of deprivation, children on free school meals, school academic achievement etc. This produces a unit cost per child per school and that unit cost is times by the number of children in that school.	(94,864)	(94,864)	-
	High needs block funding is for funding Special needs children in all our education establishments this includes commissioned services from other boroughs and independent schools.	(18,944)	(18,944)	-
	Early Years Block Allocation including funding for Education of Children under 5s in Private/voluntary/independent settings as well as nursery provision and Primary schools with nursery provision.	(9,546)	(9,286)	260
	Sub Total	(124,711)	(124,450)	260
	Government specific grant the the LA pass to the schools on behalf of DFE			
	Estimate for other grants like PE grant (actual allocation will be announce nearer October)	(250)	(250)	-
	UFSM Revenue / Start Up	(2,227)	(2,227)	-
	Pupil Premium excl Academies	(2,628)	(2,628)	-
	6th form funding from EFA for Secondary school with a 6th form.	(3,258)	(3,258)	-
	Sub Total	(8,363)	(8,363)	-
	TOTAL INCOME	(133,074)	(132,813)	260
	EXPENDITURE			
	Description	£	£	£
A	Academy Allocated budget	30,675	32,461	1,786
A	School allocated budget	62,053	60,267	(1,786)
F	School block budget - De-delegated items from maintained schools to council for central services like insurance for school, staff cover for maternity in schools etc.	1,723	1,723	-
	Centrally retained activities for both Academies and Maintained schools like school improvement, council statutory duties etc. School admissions, School Forum costs, ESG and Growth fund. Support cost will be funded by the Council for one year only.	1,981	1,981	-
E	Early year excluding grant	9,176	8,916	(260)
E	Centrally retained activities for Early years statutory duties.	370	370	-
B	Grant allocation to schools	8,363	8,363	-
D	High need grant allocated budget	18,944	19,967	1,023
	Miscellaneous	97	97	-
	TOTAL EXPENDITURE FORECAST	133,382	134,145	763
	Surplus () Deficit +	309	1,332	1,023

APPENDIX B								
		Schools Budget 2017/18 - Revised						
Line Ref	S251 line no.	S251 title	A	B	C	F	G	H
			1617 Out-turn - SF page 25 May 2017	First draft presented to December Forum 2017/18 Budget - SF 18-1	First draft presented to December Forum 2017/18 Budget - SF 29-3	Revised 2017/18 Budget - July SF (as at April 2017)	September Forecast 2017-18	Variance against G-F
		TOTAL EXPENDITURE						
1	1.0.1	Schools Block Allocation excl Academies net of de-delegated funds including HNB allocations	61,492	63,628	63,628	62,053	60,267	(1,786)
2	1.7.4	6th form funding from EFA	3,194	3,258	3,258	3,258	3,258	-
3	1.8.1	Academy Recoupment from Schools Block	28,999	28,968	28,968	30,675	32,461	1,786
4	1.0.1	High needs academy recoupment		-	-	1,386	1,386	-
5	UIFSM	UIFSM Revenue / Start Up	2,163	2,228	2,228	2,227	2,227	-
6	1.0.1.	High Needs Block allocations	6,529	6,143	6,143	6,143	7,147	1,004
7	PPG	Pupil Premium excl Academies	2,381	2,573	2,573	2,420	2,420	-
8	1.0.1	Early Years Block Allocation inc exp for Education of Children under 5s in Private/voluntary/independent settings	6,498	6,963	6,963	8,947	8,687	(260)
9		Sub Total of ISB and PVI allocations	111,257	113,760	113,760	117,109	117,853	744
10		PE Grant - Additional school grants				250	250	-
11	1.0.2	Pupil Premium allocated to schools - mainstream	112	129	129	129	129	-
12	1.0.3	Pupil Premium in non-mainstream settings	36	37	37	37	37	-
13		Pupil Premium 3-4 years	39	42	42	42	42	-
14	1.1.2	School-specific contingencies	275	340	340	129	129	-
15		NQT Induction	32	32	32	-	-	-
16	1.3.1	Early Years Contingency - Providers only	104	229	229	229	229	-
17	1.3.1	Early years Centrally Retained for statutory LA duties				370	370	-
18	1.2.1	Provision for pupils with SEN (including assigned resources)	2,415	2,517	2,517	2,517	2,642	125
19	1.2.1	Moderating Panels	183	150	150	150	150	-
20	1.2.2	Provision for pupils with SEN, provision not included in line 1.2.1	18	20	20	20	20	-
21	1.2.3	Support for inclusion - HNB	401	507	507	507	507	-
22		Unallocated increase in the HNB special school budget				692	-	(692)
23	1.2.4	Fees for pupils at independent special schools & abroad	6,155	6,119	6,119	6,119	6,778	658
24	1.2.5	SEN transport	230	230	230	230	230	-
25	1.2.7	Inter-authority recoupment			-	-	-	-
26	1.2.1	Pupil Referral Units	470	470	470	470	470	-
27		Behaviour Support Services	321	321	321	321	321	-
28	1.2.6 and 1.2.7	Education out of school	638	710	710	710	638	(72)
30	1.4.1	Support to under-performing ethnic minority groups and bilingual	151	146	146	143	143	-
31	1.4.10	Pupil growth/ Infant class sizes	1,339	1,300	1,300	1,300	1,300	-
35	1.6.1	insurance	573	598	598	547	547	-
36	1.4.2	School admissions	268	304	281	304	304	-
37	1.6.4	Licenses and subscriptions	318	346	346	220	220	-
38	1.4.13	Miscellaneous (not more than 0.1% total of net SB)	185	97	97	97	97	-
39	1.4.3	Servicing of schools forums	4	4	4	4	4	-
40	1.6.7	Staff Costs - supply cover	324	369	369	362	362	-
42		ESG Services		-		373	373	-
		Total Central Expenditure	14,592	15,017	14,994	16,273	16,292	19
		TOTAL SCHOOLS BUDGET	125,849	128,777	128,755	133,382	134,145	763

Line Ref	S251 line no.	S251 title	1617 Out-turn - SF page 25 May 2017	First draft presented to December Forum 2017/18 Budget - SF 18-1	First draft presented to December Forum 2017/18 Budget - SF 29-3	Revised 2017/18 Budget - July SF (as at April 2017)	September Forecast 2017-18	Variance against G-F
		TOTAL INCOME						
44	DSG	Schools Block Allocation includes Academies	(92,947)	(95,385)	(95,385)	(94,864)	(94,864)	-
45		NQT	(32)		-			-
46	DSG	High Needs Block includes Academies	(16,900)	(17,092)	(17,092)	(18,944)	(18,944)	-
47	DSG	Early Years Block 3-4 year olds	(6,997)	(7,249)	(7,249)	(9,546)	(9,286)	260
		Dedicated schools Grant total	(116,876)	(119,726)	(119,726)	(123,355)	(123,094)	260
48	DFE	Additional School Grants	(250)	(250)	(250)	(250)	(250)	-
49	DFE	UIFSM Revenue	(2,163)	(2,227)	(2,227)	(2,227)	(2,227)	-
50	EFA	Education Funding Agency 6th Form Funding	(3,194)	(3,258)	(3,258)	(3,258)	(3,258)	-
51	EFA	Pupil Premium 5-16 years	(2,504)	(2,586)	(2,586)	(2,586)	(2,586)	-
52	DFE	Pupil Premium 3-4 years	(40)	(42)	(42)	(42)	(42)	-
		TOTAL FUNDING	(125,027)	(128,088)	(128,088)	(131,718)	(131,457)	260
54	Funding	Variance between the Expenditure and Income (I & E) (surplus)/deficit	821	689	667	1,665	2,688	1,023
55		Brought Forward (surplus) /Deficit balance	(2,177)	(552)	(508)	(1,356)	(1,356)	-
		ESG services			373	-		
56		Total Year-end (surplus)/Deficit	(1,356)	137	532	309	1,332	1,023

School Forum

2018/19 Growth Fund Criteria Report

1 Purpose of the Report

This report is to obtain agreement from the Schools' Forum on the criteria for the Growth fund for 2018-19 to meet basic need within the authority.

2 Background

In the March 2017 Schools' Forum report Agenda item 36, there was a paper on the growth fund and the methodologies for distributing funding. Each year the Local Authority will calculate the amount of funding required which will be deducted from the school block funding. The growth fund contains 3 sources of funding, pre-opening grant, post opening grant and new classes (in September where the children were not present on the October Census and schools are not funded by estimated numbers).

Each year the Schools' Forum will be asked to agree the amount and any changes in the criteria to be used.

The funding is required to ensure Wokingham BC can fulfil its statutory duty to ensure there are sufficient school places. To achieve this it works with schools to provide temporary and permanent increases in capacity. Where a new school is required there is a statutory presumption that this will be an academy or Free School, established by Section 6a of the Education and Inspection Act 2006 (inserted by the Education Act 2011). These are known as Free School Presumption or S6a Schools. Other new Free Schools receive all their funding (including start-up funding) directly from the DfE, but new Free School Presumption schools only receive the formulaic payments (including payments based on estimated rolls, rather than purely lagged funding as is ordinarily the case). Start-up funding, including additional revenue funding for setting up new classes and diseconomy funding (funding for central costs that would be drawn from the funding for all year groups in an established school) is provided by the local authority responsible for promoting the school, from the Growth Fund.

3 Suggested Action

This paper aims to put the methodology suggested in March into a criteria for allocating funding. All options for creating new places are being explored by Wokingham Borough Council.

The criteria proposed will cover:

1. Bulge classes – classes of 30 pupils, opened to provide capacity or new arrivals and supported by the Growth Fund usually for 1 year only.
2. Permanent expansions –full or part form of entry added to an existing

school by the LA. They require ongoing commitment from the Growth Fund to deal with the lag in revenue funding for new classes for pupils which are not on the October census.

3. New Free School Presumption Schools (new Free Schools established to meet Basic Need) also known as Section 6a Schools from S6a of the Education and Inspection Act 2006) which will continue to be funded on estimated numbers but will require some gap funding (diseconomies of scale) while they continue to grow.

The LA is seeking to devise a payment method that covers all 3 types of funding with a criteria, that can be used for most growth fund cases. Please see Table A and the rates proposed for Pre and Post-opening grant (basic need only) in Table B Section 6 below.

Level of Funding – Age Weighted Pupil Unit (AWPU)

The methodology for distributing funding is for new classes in September will be based on AWPU per pupil times by the number of expected children.

This is the AWPU times the number of children from September 2018 to March 2019 7/12th and for Academies and free schools who are funded on an Academic year, funding will be from April 2018 to August 2018 (5/12th) and then from September 2018 to March 2019 (7/12th). The LA will claim the additional 5 month funding for Academies from the DFE.

Table A - Criteria

Description	Criteria	Funding examples
Funding new classes for pupil not on the October census or not already funded via estimated numbers (growing schools).	Primary 17/18 AWPU 2780.81 X the planned growth	Examples below using 17/18 AWPU rate. $15 \times 2780.81 \times 7/12 = \text{£}24,332$ $30 \times 2780.81 \times 7/12 = \text{£}48,664$.
	** Academies and free schools additional 5 months funding	As above plus $15 \times 2780.81 \times 5/12 = \text{£}17,380$ $30 \times 2780.81 \times 5/12 = \text{£}34,760$
Funding for new mid-phase classes (classes that open for Year groups other than the normal entry year for the school)	Funding for the first 7 months as set out above (7/12 X AWPU X the planned additional roll. Continued payments for the gap between the funding for the actual roll for the expanded year group and	$30 \times 2780.81 \times 5/12 = \text{£}34,760$ Example where new Year 1 class had recruited 18 children over the original

Description	Criteria	Funding examples
	<p>funding that would be generated by 95% of the planned additional roll.</p> <p>((Planned additional roll X 95%) - Actual Additional Roll on the October census day) x AWPU</p> <p>The payment will be reviewed annually as it may be necessary to agree to the creation of new mixed age classes where growth did not continue as expected and sustainable long term provision requires new mixed age class.</p>	<p>roll of 60 children by census day.</p> <p>$(30 \times 95\% - 18) \times 2780.81 = £29,198.51$</p>
This applies to Section 6A schools. Pre-opening support for a new school.	<p>An initial payment of £30K then a 2nd phase payment to a maximum of £90k.</p> <p>One off Lump sum to support the schools with basic setting up costs.</p>	<p>The initial funding will be £30,000 after it has been sign off from the Sec. of State.</p> <p>The balance against a pre-agreed funding release scheme between WBC paid to the Trust running the school for the period until opening.</p>
<p>This applies to Section 6 A schools. Post-opening grant.</p> <p>Diseconomy of scale (funding the gap)</p>	<p>Academies and free schools are funded on estimates therefore they can be funded via the APT on estimated numbers.</p> <p>Sliding scale support payments until all planned year groups have opened.</p>	<p>The gap will be funded on a sliding scale bases, using a DFE model of funding non basic need schools. Please See Table B.</p>
Exceptional funding	Mixed age group classes.	Each case will be assessed individually.

Please see extract from the DFE suggested funding of Academy that are growing and the proposal is that the LA adopts the same guidance.

Post-opening grant

46. Free schools are provided with a post-opening grant to reflect the additional costs in establishing a new publicly-funded school which cannot be met through the GAG. The post-opening grant provides funding in two elements as the free school grows: non-staffing resources, paid on a per-pupil basis; and a leadership grant. These titles reflect the basis on which the funding is calculated, but the grant can be spent on any legitimate purpose of the school.

47. The first element (resources) is paid each year that the school builds up to capacity for each new pupil expected to be on roll. It is paid at the following rates:

- £250 for each new mainstream pupil in the primary phase (years R to 6)
- £500 for each new mainstream pupil in the secondary and 16 to 19 phases (years 7 to 13)

48. The second element (leadership) is paid annually based on the number of year groups that the school will ultimately have that do not yet have pupils. The amount paid to mainstream schools with pupils aged 5 to 15 each year depends on how many year groups (cohorts) are empty, and is set out in the table below.

Table B Proposed

Empty Cohorts	6	5	4	3	2	1	Max.
	£000	£000	£000	£000	£000	£000	£000
Primary Lump sum	80.5	67.5	54.0	40.5	27.0	31.5	283.0
Secondary Lump Sum			125.0	93.5	62.5	31.0	312.0
All-through	125.0	93.5	62.5	54.0	40.5	27.0	402.5

Additional support, the growth fund can also be used to fund Secondary schools that have by the request of the council an additional 15+ children after the October census date.

Please note 6th form funding is funded separately from the school block DSG.

4 Supporting information

Further information can be found on the DFE website Schools revenue funding arrangement 2018 to 2019 Guide,

5 Financial Summary

Please see the following appendices below:

Appendix A – This is the current growth fund estimate for 2017-18.
Appendix B – The new criteria impact on 2018-19.
Appendix C – The new criteria impact on 2019-20.

Piers Brunning

Senior Specialist (People and Place)

October 2017

Appendix A - Growth fund estimate							
2017-18 CM Growth fund analysis							
	Key stage 1 Awpu		2780.81	30	83,424	Full yr	7/12th
		A	B	C	D	E	F
	places funded from Sept.	Original budget	AWPU funding	Pre-opening	Dis-economy	Re-organisatio n costs	Agreed 2017-18 Total Funding
Schools					(funding the GAP)		
Colleton	25	57,238	40,553		16,685		57,238
Grazeley	15	24,332	24,332		0		24,332
Shinfield St Marys	30	48,201	48,664		-0		48,664
Loddon	30	76,472	48,664		27,808		76,472
Beechwood	15	24,332	24,332		0		24,332
Highwood	30	48,664	48,664		0		48,664
		279,239	235,210		44,492		279,702
Charvil Piggott	30	140773	48,664		80,239		128,903
NEW SCHOOLS							
Shinfield West (florate silver meadows)		40000		40000			40,000
Total Shinfield West							
Windmill	30	102459	48,664		53,795		102,459
Wheatfield	30	89087	48,664		40,423		89,087
Montague Park	30	84503	48,664		35,839		84,503
Total Academy							
Bohunt		417,153			417,153		417,153
Contingency		146,786					
Grand Total of Main. Free and Academies							
Total spent		1,300,000	429,867	40,000	671,941	0	1,141,807
						ck	1,141,807
							-158,193

Appendix B											
2018-19 CM Growth fund analysis under new scheme											
						Sep-17					
Table A											
		Key stage 1 Awpu		2780.81 sept	30	83424.3	Full yr	7/12th			
Schools - New classes	Year left	Number		Start	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	estimated Total
Colleton	2	25		2012					40,553		40,553
Grazeley		15		2014				24,332			24,332
Shinfield St Marys		30		2015			48,664				48,664
Loddon		30		2016		48,664					48,664
Beechwood		15		2016		24,332					24,332
Highwood		30		2017	48,664						48,664
Contingency for bulge class if required		75			121,660						121,660
											356,870
Table B											
Basic need new and growing schools (funded on estimates)											
Dis-economy of scale (new classes funded from APT)				secondary	lump sum	125,000	93,000	62,000	31,000	* sliding scale	
Per Pupil funding			500								
Per Pupil funding				Primary	lump sum	80,500	67,500	54,000	40,500	27,000	31,000
			250								
		NOR	Empty year								
Windmill		30	1	2013					34,500		34,500
Wheatfield		30	2	2014				48,000			48,000
Montague Park		30	4	2016		82,500					82,500
Bohunt - Sec school 5 year groups		150	3	2016		168,000					168,000
Floreat Silver Meadow (Shinfield West)		30		2018	88,000						88,000
Total Academy											421,000
TABLE C											
Charvil Piggott - The Piggott converted to all-through school		30		2013				48,664			48,664
Charvill Piggot - diseconomy funding								48,000			48,000
											96,664
NOTE:											
	**	Although not technically so, this is effectively a new school with all the challenges that entails with local admin and primary management teams to be supported.									
TOTAL Estimate for 2018-19											
Budget Requirement											874,535
Note: If the 2017-18 is confirmed by December any underspend will be netted off the required budget for 2018-19											874,535
											0

SCHOOLS FORUM

Date of Meeting: 18 October 2017

For: Information

High Needs Block – update on spend and activity

Purpose of the report:

1. This report provides an update on the work streams identified in Agenda Item 55 from the July 2017 meeting of the Schools Forum. It also provides an update on the current projected spend in 2017/18 from the High Needs Block

Summary / background / update:

2. The DfE has produced updated guidance for 2018 including some changes to the funding of resource bases in mainstream schools. From 2018 the Place funding for resource bases will be reduced from £10,000 per child to £6,000. Jackie Wright has been commissioned to complete a review of the resource bases, including funding. She has met with all resource bases, mapped what we know about the current cohort and trends within Wokingham and is drafting a report with clear recommendations for the future. This report is due at the end of October.
3. Top Ups – the LA is currently working to clawback Top Up funding from other local authorities which has been paid from our HNB, for pupils in Northern House placed by neighbouring LAs. This is because of an historical agreement with Northern House that we would underwrite 69 places and the Top Ups. The normal practice is for schools to clawback Top Up funding from the home LA.
4. A draft paper suggesting changes to our current Top Up (Banding) is to be shared with Headteacher representatives this month. Any proposed changes will then be brought to Schools' Forum for consideration.
5. The ENF steering group will receive a revised report from the SEND team showing the full academic year spend at their next meeting in November. The steering groups will be tasked with making recommendations about the use of this pot of money going forward
6. A full audit of EHCPs is currently being undertaken with a report due at the end of October. The report will include comments on quality of the written reports and a judgement on whether our thresholds are appropriate and whether the provision identified is appropriately reflects the needs assessment.
7. A SEND self-assessment has been circulated to all schools for their comments and reflection
8. Work has started to map our current provision locally and regionally to inform the strategic use of the three year DfE capital SEND funding.
9. The current overspend on the HNB – Appendix A reflects the previously unprofiled provision at The Oaks (200k) and a projected overspend on the Independent Special Schools budget.

Jane Winterbone
Interim Assistant Director Education
October 2017

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APPENDIX A
SUMMARY
2017-18 High needs block budget - Budget monitoring

	A	B	C	C-B	Comments
	Out-turn	May	September		
	£	£	£	Variance between Sept and May forecast	
	2016-17	2017-18	2017-18		
INCOME					
2017-18 DSG allocation	16,899,604	17,558,483	17,558,483		0 march
Academy Place funding	808,489	1,386,000	1,386,000		0 Northern house & other Academy places.
Total Funding from the DFE for the HNB	17,708,093	18,944,483	18,944,483		
EXPENDITURE					
Expenditure no longer required due to 18-19 funding changes					
Funding given to the Academies directly from WBC HNB		1,386,000	1,386,000		DFE recoupment for Place funding in Academies
Funding given to the Academies directly from WBC HNB 16-17	808,489				
RESOURCE BASES - MAINTAINED					
Place funding - Resource bases	669,045	750,000	750,000		
Top up funding - Resource bases	139,000	201,700	251,964	50,264	updated from the nwpu sept
	808,045	951,700	1,001,964		
The Oaks	200,000	200,000	200,000		Special Agreement. Unit not opened yet.
Various top - up					
MAINTAINED STATEMENTED (ehc) initial allocation	532,000	696,646	1,194,290	497,644	updated from the nwpu sept
Wokingham Academies (ehc) initial allocation	291,000	296,734	254,541	-42,193	updated from the nwpu sept
Additional funding for full year	240,000	247,000	240,000	-7,000	Contingency for Top up funding
Special school allocation - Addlington and Northern House	5,704,000	5,313,147	4,950,685	-362,462	T
PRU	470,000	470,000	470,000		0 foundry
INDEPENDENT SPECIAL SCHOOL	6,155,167	6,619,494	6,777,880	158,386	Includes additional £500k - Pressure
CENTRALLY RETAINED					
Out of Borough topups	878,000	617,000	793,000	176,000	Pre 16 maintained OOB
Post 16 top ups		615,000	814,000	199,000	FE college - Element 3 & sometimes Element 2 if the college has to add a additional place.
Sensory Impairment	235,000	235,000	235,000	0	Joint arrangement with other LA for VI HI
ABA Programme	55,000	55,000	55,000		Applied behaviour analysis - around 3 children - Linda Orr can give additional details (type of reward scheme)
Education out of school	637,968	720,000	637,968	-82,032	0 Foundry - Medically Vulnerable Places and Berkshire Adolescent Unit plus Independent Hospital Education.
SEN staffing support	18,465	20,000	20,000	0	SEN Equipment budget
Moderating Panels	183,210	150,000	200,000	50,000	Exceptional needs funding
Support for inclusion	400,748	507,000	507,000	0	Travellers education, ICT, EY inclusion, Learning support
SEN Transport	230,000	230,000	230,000	0	Contingency for Special needs transport costs.
	2,638,390	3,149,000	3,491,968	342,968	
INCOME HEALTH & SS					
TOTAL I & E	17,847,092	19,329,722	19,967,329	637,607	
Variance against budget	138,999	385,239	1,022,846	637,607	
Deficit (+) or Surplus (-)		385,239	1,022,846	637,607	

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SCHOOLS FORUM

2018/19 Moving budget from the School block budget to the High Needs Block at the permitted half a percent.

1 Purpose of the Report

This report is to seek the approval from the School Forum Members to the Council's proposal to move half a percent from the School Block budget to the High Needs Block budget.

2 Suggested Actions

The Forum is asked to approve the proposal.

3 Background

The Department for Education (DfE) has made a number of changes to the School block budget, one of these changes is to ring fence the School Block budget which includes the Growth Fund, this means that there is restriction on transferring funding from the School Block budget.

The DfE are allowing the council to transfer a maximum of half a percent to another block after consultation with all Schools including Academies and approval from the School Forum after that consultation, has been completed and reported.

The Local Authority went out to consultation with all Schools with the deadline to complete their preference by 6th October 2017.

4 Financial Summary

The half a percent equates to approx. £473k on the current minimum figures available.

5 Conclusion

The council has 17 responses from 65 schools. 11 school agreed with the council proposal and 6 disagreed with the council proposal.

Please see **appendix A** for some of the comments for and against the council's proposal.

Do the school forum agree with the Council's proposal to transfer a maximum of 0.5% from the school block to the high needs block?

Appendix A		
	Extracts from comments return from the consultation	Note
	11 out of 17 schools that repoded supported the council's proposed - Please see below some of the school comments	
1	We support this transfer for 18/19 only, on the understanding that the money is used: 1.To support the “spend to save” agenda 2: To support inclusive schools	
2	YES IF THE MONEY IS USED TO SECURE SPECIALIST PLACES WITHIN THE BOROUGH TO REDUCE THE MONEY SPENT HAVING TO SEND WOKINGHAM CHILDREN ELSEWHERE.	
3	Yes- if the extra funding is to support the expansion of local provision and not for out of borough independent special schools. No- for general expenditure across independent special schools	
4	Yes-Ethically we feel high needs block does need extra funding and those pupils with high needs deserve all the assistance they really need. No- Would the schools benefit directly from the transfer? Would the transfer just help reduce the high needs dificit? Leave the money with the schools for the schools to decide where to spend the additional funds	As both
5	The decision has been based on the significant increase in requests and pressure on the HNB budget since the extension of the age range to include 0 to 5 and 18 to 25	
6	Given that extra funding will be made available it seems fair to provide extra support to the High Needs Block which is struggling to cope.	
7	We are of course prioritising and re-prioritising on almost a daily basis in schools and it makes sense that we should instigate a higher provision for an area of education that needs additional funds and take away an element of that uncertainty.	
	6 out of 17 schools that repoded did not supported the council's proposed - Please see below some of the school comments	
1	We do not agree with the proposal, which will effectively reduce our school budget further. We think this proposal should have been discussed first at the schools forum and then only after there has been clarity over funding made available to schools. We suggest that the LA should be looking at alternative ways of funding higher needs provision and not by top slicing the school budget further.	

2	From Governor comment: AT THIS TIME WHEN THE SCHOOL IS ALREADY STRETCHED BY THE IMPACT OF A FALLING ROLL PREDICATED BY THE OPENING OF BOHUNT IN 2016(WITH NO FINANCIAL SUPPORT PROVIDED BY WBC TO MITIGATE THE IMPACT ON BUDGETS / STAFFING) ANY FURTHER REDUCTION IN FUNDING TO THE SCHOOL IS NOT ACCEPTABLE AT THIS TIME.	
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Coral Miller
Interim School Finance Manager
October 2017

John Ogden
Head of Finance
October 2017

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SCHOOLS FORUM

2017/18 Contingencies Breakdown

1 Purpose of the Report

This report is to inform the Schools' Forum on how the council has applied the de-delegated school contingency. Any underspend in this area can be carried forward to the next financial year or deducted from the 18-19 de-delegation contingency for maintained school only.

2 Suggested Actions

The Forum is asked to note the contents of this report.

3 Background

The Department for Education (DfE) allow the council to run specific services for the maintained schools, if the maintained schools require this type of support.

The contingency is being managed by finance and each claim is assessed on its merit.

4 Financial Summary

At present there are two claims being assessed. One has been agreed and the recovery plan obtained and accepted, however it will be closely monitored to identify any issues or changes that may affect the school's ability to meet the targets set.

Please see the table below:

Description	Amount
Contingency for Maintained schools in financial difficulties	(£129,510)
School A: has had unusual difficulties in staffing which they have been working with Human Resources department for the last 2 years. The issue is becoming to seriously drain the financial resources of the school and affect they viability. A lump sum has been agreed for them restructure their resources until there is a end to the current situation.	£30,000
Total amount not yet committed.	(£99,510)

- The Early years contingency of £229k is held for Providers of Early Years services. The Early Year's Team decide how best to use that funding which has to be allocated to providers.

6 Conclusion

The schools contingency is available to maintained schools as per the school budget guidance published by the Department of Education (DfE).

Please note that this funding belongs to the maintained schools, any underspends will need to go back into the maintained school budget or carried forward into 18-19. The maintained school representatives at the Schools' Forum will make that decision when a report comes to the Schools' Forum in January 2018.

Coral Miller
Interim School Finance Manager
October 2017

John Ogden
Head of Finance
October 2017

SCHOOLS FORUM

2018/19 Formula Changes from 2017-18 as at September guidance

1 Purpose of the Report

This report is to inform the Schools' Forum of the recent changes in the school block budget from 2017-2018 to 2018 -2019. The Department for Education (DfE) are still working on the guidance and recent information was published on the National Funding Formula allocation. The DfE will publish more guidance and adjustment at the end of November to the beginning of December. The actual allocation will be due out in December 2017.

2 Suggested Actions

The Forum is asked to note the contents of this report.

3 Background

The Department for Education (DfE) sent guidance with the changes from 2017-18 to 2018-19 in August 2017 where the majority of this update is taken from. Since then at end of September the DfE published National Funding Formula figures per school (this is not your draft budget) and National Funding Formulae (NFF) per local authority in the soft years.

The actual allocation will differ as the DfE has made the assumption that all new and growing schools are full, which they are not, therefore they most likely have more pupils in the estimate than that are currently in Wokingham schools.

The actual unit cost per child is the relevant information required which is the same for Primary and Secondary however in the 18-19 budget the DfE are proposing a Primary unit of funding (PUF) and Secondary unit of funding (SUF) this will provide the funding allocation in December which is based on the October 2017 census .

However it does indicate a significant increase in the funding allocation for 2018-19. These figures are being review in conjunction with South East of England Financial Organisation Group (SEFOG) and will be part of the modelling for Task and Finish group. The finance team will attend the National Fair Funding conference on 19th October 2017 which the DfE presents, to confirm the information sent.

A update will be give in the December Schools' Forum, with models of the impact of confirmed funding changes on the school block budget.

4 Financial Summary

Current Estimated allocations only for planning purposes

Description	Total funds	Growth fund	High need	Allocation
	£000	£000	£000	£000
School Base funding – DSG announced in August	95,077	(800)	(473)	93,804
National funding formulae (NFF) provisional allocation announced at end of September.	97,284	(800)	(486)	95,998

The actual funding will be given to local authorities to allocate according to their local factors with a expectation that the local authority will move closer towards the National Funding Formula model. Checks and validation will be carried out by the DFE.

5 Conclusion

The good news is that the Local Authority (LA) should see some increase in its school block budget; the increase will be between 0.5% to 2.3% as currently published by the government.

The School block is ring-fenced and is currently estimated at between 95.08m to 97.28m this does include the growth fund which needs to be approved each year.

The LA can transfer 0.5% from this block to other DSG blocks, with approval from the school forum and after consultation with all schools and academies. This year the LA thinks that the High Needs Block (HNB) is in the greatest need and has consulted schools on its proposal to move funding from the Schools' block to the High Needs Block.

Funding above the 0.5% as an exception, will need the Secretary of State approval.

The Minimum Funding guarantee (MFG) can now be flexible from 0 to -1.5% reduction. This is not new money and so will be funded if we move -1.5% from other schools in the school block. However the LA is working with the Task and Finish group to establish a fair funding model to apply to Wokingham in the 2 soft years.

The DFE wants to have minimum level of funding per Key stage in total and as per basic per pupil (AWPU) please see the table below for 2018-19:

Description	Basic per pupil (minimum)	Unit cost (all funding) per pupil (minimum)
Key stage 1 & 2	2,747	3,300
Key stage 3	3,863	4,600
Key stage 4	4,386	4.800

Wokingham 2017-18 basic per pupil and unit cost

Description	Basic per pupil	Unit cost (all funding) per pupil
Key stage 1 & 2	2,781	Range from £3,308 to £4,428
Key stage 3	3,785	Range from £4,300 to £9,181*
Key stage 4	4,273	As above- current do not split the Pupil cost between Key stage 3 & 4

*Most Secondary school unit cost is between £4,300 to £5,300. The large unit cost relates to growing schools.

The DFE expect LA to start to move their formula nearer to the national funding formula, the table belows shows the National funding formula against WBC formula:

Description	Wokingham (17-18 budget)	NFF
Basic per pupil funding (AWPU)	79.59%	72.9%
Deprivation funding including Prior attainment, EAL and mobility	6.36%	17.8%
School led funding – lump sum, premises, growth etc	14.05%	9.3%
Capping the gains	0% (no capping of gains)	3%
Lump Sum at a maximum	£175,000	£110,000

There will no longer be any deductions in the number on roll for children in resource bases, instead the DFE has transferred some additional funding in to the school block to fund the additional pupils. The place funding for resource bases in the High Needs Block has reduced from £10k to £6k a place. The effect on schools depends on whether the unit cost per pupil is more or less than £4k.

Permanently excluded children would require the LA to deduct from the excluding school, all the pupil led factors and grants applicable not just the AWPU and grants. Grants include Pupil premium, 6th form grant and UFSM. We are assuming that the DFE will action the new rules for Academies.

The centrally retained items have been removed from the school block budget to a new centrally retained block. Approval by the School forum is still required.

The final formula decision lies with the LA, however the LA will be working closely with the Task and Finish group to achieve a formula that is as representative as in can be to the needs of Wokingham schools.

The DFE will check the APT.

This is just a brief update, there is lots more information available on the government internet with table and technical guidance etc, if you require any more additional information please see the link below:

https://www.gov.uk/government/publications/esfa-e-bulletin-28-september-2017-issue-189/esfa-e-bulletin-for-schools-colleges-local-authorities-and-other-16-to-19-providers-28-september-2017#information-high-needs-funding-operational-guide-for-2018-to-2019-and-updated-schools-funding-operational-guidance-for-2018-to-2019?utm_source=ESFA%20e-bulletin&utm_medium=Email&utm_campaign=General%20issue%20189

Coral Miller
Interim School Finance Manager
October 2017

John Ogden
Head of Finance
October 2017

Schools Forum Forward Plan 2017 /18

13	December	Revenue Monitoring
		Contingencies breakdown
		High Needs Block
		SEN / Moderation Panels
		De-delegated items for 2018-19
		Centrally retained items including ESG
		Schools Block and Early Years Block

17	January	Revenue Monitoring
		Contingencies breakdown
		High Needs Block - consultation
		Proposed Schools Block Submission and the effect on schools
		Draft 2018/19 Budget

21	February	Revenue Monitoring
		Contingencies breakdown
		High Needs Block
		Consultation on the High needs block

28	March	Revenue Monitoring
		Contingencies breakdown

16	May	Revenue Monitoring
		Contingencies breakdown
		High Needs Block
		Carried forward deficit on centrally retained to be funding 18-19 from the school
		Update on scheme for financing schools
		Outturn on Schools Block area

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