



**WOKINGHAM
BOROUGH COUNCIL**

A Meeting of the **SCHOOLS FORUM** will be held in
**DAVID HICKS 1 - CIVIC OFFICES, SHUTE END,
WOKINGHAM RG40 1BN ON WEDNESDAY 17
OCTOBER 2018 AT 10.00 AM**

A handwritten signature in black ink, appearing to read 'Manjeet Gill', is written over a light grey rectangular background.

Manjeet Gill
Interim Chief Executive
Published on 9 October 2018



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

Helen Ball	Primary Head - Polehampton Infant
Ali Brown	Primary Head - Nine Mile Ride Primary
Emma Clarke	Primary Head - Farley Hill
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
Maggie Callaghan	Secondary Head
Amanda Woodfin	Secondary Head - Bulmershe
Paul Miller	Governor - St Crispins - Chairman
John Bayes	Governor - Foundry College - Vice-Chair

Non School Representatives

Marion Standing	Oxford Diocese
Vacancy	Roman Catholic Diocese
Shahid Younis	WBC Representative
Patricia Davies	Interim Assistant Director for Education
James Taylor	Wokingham and Bracknell College
Ian Morgan	Early Years Representative
Gail Prewett	Early Years Representative

Observers

Funding Reform Team Education Funding Agency, Maintained Schools Division

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.
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ELECTION OF CHAIRMAN

To elect a Chairman of the Forum for the 2018/19 academic year.

2		ELECTION OF VICE-CHAIRMAN To elect a Vice-Chairman of the Forum for the 2018/19 academic year.	
3		APOLOGIES To receive any apologies for absence.	
4		MINUTES OF PREVIOUS MEETING To confirm the Minutes of the Meeting held on 18 July 2018.	7 - 16
4.1		Matters arising <ul style="list-style-type: none"> • Governor vacancy • Early Years feedback on numbers • School Admissions benchmarking and cost of legal challenges 	
5		DECLARATION OF INTEREST To receive any declarations of interest.	
6	None Specific	REVENUE MONITORING REPORT To receive a report containing details of the current financial position.	17 - 22
7	None Specific	DE-DELEGATED SCHOOLS CONTINGENCY To receive a report outlining the de-delegated schools contingency.	23 - 26
8	None Specific	FINAL SETTLEMENT FOR EARLY YEARS AND HIGH NEEDS BLOCK To receive and consider a report giving details of the final settlement for Early Years and High Needs Block.	27 - 32
9	None Specific	2019-20 SCHOOLS BUDGET UPDATE\CHANGES To receive and consider the 2019/20 Schools Budget update/changes report.	33 - 38
10		FORWARD PROGRAMME To consider the Forum's work programme for the remainder of the academic year.	39 - 40

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 18 JULY 2018 FROM 10.00 AM TO 12.07 PM**

Schools Representatives

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
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
Keith McConaghy	School Business Manager - Oakbank
Paul Miller	Governor - St Crispins - Chairman
John Bayes	Governor - Foundry College - Vice-Chair

Non School Representatives

Patricia Davies	Interim Assistant Director for Education
Gail Prewett	Early Years Representative
Karen Edwards	Early Years Representative

Also Present

Luciane Bowker, Democratic & Electoral Services Specialist
Piers Brunning, Strategy and Commissioning (People and Place) Senior Specialist
Coral Miller, Interim Senior Finance Specialist, Schools
Lynne Samuel, Senior Finance Specialist, People Services
Emma Slaughter, Early Years Consultant
Katherine Vernon, Case Owner, Schools Finance

68 APOLOGIES

Apologies for absence were submitted from Ali Brown, Emma Clarke, Ben Godber, Ian Morgan, Amanda Woodfin, Marion Standing, James Taylor, Derren Gray and Councillor Shahid Younis.

The Chairman, Paul Miller explained that the decision to cancel the previous scheduled meeting was due to the fact that some of the reports had not been ready in time for the agenda dispatch. As no decisions were required, a decision was taken to cancel that meeting. He asked the Forum's approval to continue with this approach as it was not conducive to good governance to receive reports at or just ahead of meetings.

69 MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of the Forum held on 28 March 2018 were confirmed as a correct record and signed by the Chairman, subject to the following amendments:

That on page 14 where it says 'Jane Perry' this be amended to say Janet Perry.

Janet Perry stated that on page 7 under matters arising, service charges and academy charges, her query had related to new service charges and not mid-year service charges. Paul Miller stated that this would be covered during the meeting.

70 MATTERS ARISING

Paul Miller stated that as Councillor Clark was no longer a member of Schools Forum it was appropriate to close the action in relation to the Farley Hill Governors' email.

Lynne Samuel, Senior Finance Specialist, People Services gave an explanation in respect to Early Years issues that had been raised by Ian Morgan at the previous meeting. It was agreed that the email correspondence between Paul Miller and Lynne Samuel, containing the explanation and a revised breakdown of the 2018/19 Early Years Budget would be attached to the minutes.

Paul Miller stated that the various matters arising from the minutes would be discussed during the meeting under the items they related to.

71 DECLARATION OF INTEREST

There were no declarations of interest submitted.

72 REVENUE MONITORING

The Forum received the Revenue Monitoring report which was set out in agenda pages 17-23.

Coral Miller, Interim Senior Finance Specialist, Schools presented the report and explained that the 2018/19 forecast on the school budget as at 31 May 2018 anticipated an overspend of £1.59m.

Coral Miller stated that at this stage of the financial year the forecast was largely informed by the 2017/18 outturn position and the 2018/19 Budget, and would continue to be updated by changes brought about by the new academic year. The report reflected the assumption that centrally retained funds and contingencies would be fully spent.

Coral Miller stated that the de-delegated items funding within the main schools block came from the contribution made by maintained schools and subsequently any underspend 'belonged' to them, and would be held on their behalf.

Coral Miller explained that pressures on the High Needs Block (HNB) continued to provide the most significant challenge to the schools budget. In-year pressure, alongside the deficit brought forward from 2017/18 represented a £1.593m forecast overspend for 2018/19.

Coral Miller informed that a Special Educational Needs Strategy Group had been established, this was chaired by the Interim Assistant Director for Education with input from Finance, Strategic Commissioning and a number of schools. The group was considering service planning in light of pressure on resources and would identify all possible actions for delivering a balanced budget position and a reduction in the brought forward deficit.

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

- Carol Simpson stated that it would be useful to see both the income and expenditure for each Block presented together. Coral Miller stated that this would be included in the next report;
- Janet Perry noticed that the 2018/19 Budgets did not include the 2017/18 Schools Block in year shortfall of £160k. Paul Miller explained that apart from the HNB, any in year surpluses or shortfalls in the other blocks were written off (absorbed by the Local Authority); this was a change that had been introduced by the DfE with the New Funding Formula (NFF);
- Lynne Samuel stated that the figure of 644 at the bottom of page 20 was incorrect and it should say 834;
- Ginny Rhodes was interested to know the narrative behind the significant variance in the 'support for inclusion – HNB' line on page 22. Coral Miller explained that some of the support for inclusion in the HNB had included the funding for 0-5 year olds. The Local Authority had now made a decision to support the 0-5 year olds from the Early Years Block instead, the DfE was informed of this decision and was in agreement;
- Paul Miller stated that the expected outturn for the year was based on the 'actual' figures from April and May and the monthly Budget figures for the remainder of the year.

RESOLVED that the Revenue Monitoring report be noted.

73 OUTTURN REPORT 2017/18

The Forum considered the Schools Outturn Report 2017/18 which was set out in agenda pages 25-29.

Coral Miller stated that the report showed the final outturn for the Dedicated Schools Grant (DSG) and any additional schools funding provided by the Council for the financial year 2017/18.

Coral Miller stated that the final outturn for the year showed an overspend of £762k, which was an improved position on the projected overspend previously reported to Forum of £1.078m.

Coral Miller explained that a reduction in expenditure of £316k was delivered largely in relation to the HNB with a reduction experienced against the Independent Special Schools Budget. She stated that the HNB was allowed to carry forward a deficit.

Coral Miller pointed out that the de-delegated fund showed an underspend of £7k, and that there was an overspend of £160k from the centrally retained fund which was not picked up from the DSG, this would be funded from elsewhere within the Local Authority's finances.

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

- Paul Miller stated that the Local Authority had the responsibility to absorb any in year shortfalls from each of the blocks, except the HNB which was allowed to carry forward a deficit;
- Janet Perry asked for clarification in relation to the contingencies. Coral Miller stated that for 2018/19 maintained schools had given money to cover maternity and supply cover, so the £7k would be added back to the contingencies item. She stated that the service would look into the 2019/20 Budget and take into account the fact that supply cover cost more than was allocated for it in the de-delegated fund;

- Janet Perry asked, in view of the expected overspend, where else within the Local Authority was this report presented. Lynne Samuel stated that this was reported to the Corporate Leadership Team (CLT);
- Janet Perry stated that there had been some criticism of Schools Forum for not managing the Budget more strongly, by Paul Senior, former Interim Director of People Services. Paul Miller agreed and stated that this comment had been noted and it had been recorded in previous minutes that Schools Forum exerted its maximum influence to ensure annual spend remained within Budget. Schools Forum has not executive authority or responsibility over the HNB Budget lines that have in previous years overspent.

RESOLVED That the report be noted.

74 DE-DELEGATED LICENCE CHARGES

The Forum considered the De-delegated Licence Charges report which was set out in agenda pages 31-36.

Coral Miller stated that the Council, through the de-delegation process, had charged maintained schools for various licences (as per list in the report) in 2017/18 and 2018/19. It had been clarified that these licences costs had been paid for by the DfE and had been 'top sliced' from the DSG before it was allocated to Local Authorities.

Coral Miller stated that the total amount available for consideration was £155,904. She explained that the Council had identified two proposals for consideration by maintained schools:

Proposal one – to re-direct the funds available to three areas that had been identified where support to maintained schools was limited by existing budget restrictions:

- a) Support for underperforming Ethnic Minority Groups and bilingual learners
- b) Increase the staff cover Budget
- c) Support small maintained schools regarding lump sum adjustment

Proposal two – to return the funding to all maintained schools and academies that had paid into the licences fund.

Brian Prebble stated that all schools were suffering as a result of the drop in the lump sum, and that small schools paid the same amount as larger schools. Members agreed with Brian Prebble's statement and agreed that this disadvantage should be addressed. This was acknowledged by Officers, who stated that in the future there was likely to be a banded structure to deal with the disparity between small schools and larger schools.

Upon being put to the vote the majority (of maintained school members) voted for proposal two.

RESOLVED That the proposal two as listed in the report be actioned.

75 UPDATE ON FUNDING FORMULA CHANGES FOR 2019/20

Coral Miller stated that the National Funding Formula (NFF) for 2019/20 was going to be broadly the same as the one for 2018/19, with the proposal of a minimum funding per pupil. She stated that the funding for Key Stage 1 and 2 was likely to be £3,500k per pupil and the amount for Key Stage 3 and 4 was likely to be £4,800k per pupil.

Coral Miller informed that the funding floor was likely to increase by 1% against the 2017/18 level, which meant 0.5% for the 2019/20 year. Changes were likely around growth fund calculations, this would be modelled during the summer once the details were confirmed.

Coral Miller stated that the proposed changes had not yet been agreed by ministers. She anticipated that the guides, models and tools would be received by the end of July, this would be discussed with the Schools Forum NFF/DSG Task and Finish Group in September.

In response to a question Coral Miller stated that the final figure for the 2017/18 grant had been confirmed two days ago and the Finance team had not yet been able to put it in the model. Once this was worked out it would be reported to Schools Forum. In response to a question Coral Miller stated that the final figure was broadly in line with what had been expected.

Paul Miller asked the Finance team to inform Schools Forum before its next meeting in October if they found a significant difference (£100k was used as reference) between the final grant and what was expected.

RESOLVED That Schools Forum would be informed, if needed, of the breakdown of the final grant for 2017/18, before its next meeting.

76 HIGH NEEDS BLOCK UPDATE

Patricia Davies stated that the High Needs Block paper which was set out in agenda pages 37-48 had already been presented to Executive and CLT, and it also formed the basis of a presentation to the DfE.

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

- Ginny Rhodes questioned the 'academies top slice 7%' which showed in the pie chart on page 39 of the agenda. Coral Miller explained that this meant that place funding was given directly to academies. Paul Miller suggested that the terminology could be changed to 'passport' to make it more accurate;
- John Bayes was interested to know more about the Out of Borough Placements, in particular in relation to maintained special schools. Lynne Samuel explained that the Out of Borough Placements, including independent and maintained schools had been grouped together for presentation purposes, but could be broken down;
- Ginny Rhodes noted that there was no data on page 41 for Social, Emotional and Mental Health (SEMH) at secondary schools. Patricia Davies agreed to investigate the reason for this;
- Janet Perry asked about the disparity in the proportion of pupils with SEN in Wokingham, the South East and the national statistics. Patricia Davies stated that there were a number of reasons for this, such as the fact that a lot of Wokingham parents applied for Education Health and Care Plans (EHCP), there were a lot of new families moving into the area and there was a national increasing trend;
- Jay Blundell stated that a lot of children with Autistic Spectrum Disorder (ASD) and SEMH did not stay in mainstream secondary schools and that may be the reason why this was not accounted for in the chart in the secondary schools line; primary schools were usually able to accommodate children with ASD and SEMH;
- Ginny Rhodes asked for more information about the clawback which was mentioned on page 42. Coral Miller explained that in 2016/17 when setting the budget for

2017/18, £700k was moved from the HNB to the Schools Block to distribute more money to the schools. It was believed that this was the wrong way round given the pressures in HNB and she had spoken to DfE about it. She explained that this affected the setting of the 2019/20 budget as Local Authorities would no longer be able to move money from one block to the other as they used to;

- Jay Blundell explored the idea that given that the Schools Block would not carry forward deficit in the same way that the HNB would, maybe there was a case to be made to give back the money to the HNB;
- Paul Miller reminded the Forum that a decision had been made by Schools Forum not to give 0.5% of its budget to the HNB. Had the Schools Forum decided to give the 0.5% to the HNB, the Schools Block would have helped HNB and would have been able to write off any in year deficit;
- Patricia Davies stated that the DfE had been sympathetic to the difficulties faced by Wokingham's HNB. Patricia noted that Wokingham was not the worse Local Authority in terms of HNB overspend;
- Patricia Davies stated that there were some Local Authorities that were able to manage their HNB budgets, the DfE would be looking to see how they were managing and share good practice with other Local Authorities;
- Members pointed out that schools had probably already spent the money allocated to them in 2016/17 and stated that this should not be re-visited;
- John Bayes asked if this diversion from the Schools Block had happened only once or whether this was repeated in other years. Paul Miller explained that the DfE had used the HNB allocation of 2016/17 to base the future HNB allocation. However Officers were now arguing that this 'baselining' was erroneous because the 2016/17 budget was in fact short of £700k in that year;
- John Bayes asked for more clarification in relation to the Out of Borough maintained special school allocation in the pie chart and which line this related to in the revenue monitoring spreadsheet. Coral Miller explained that there was not a separate line, this was within the special schools line;
- In response to a question Coral Miller stated, after checking the Schools Outturn report, that this was within line 1.2.1 – provision for pupils with SEN;
- Paul Miller was pleased to see that there was a clear action plan;
- In response to a question raised in the previous meeting, Patricia Davies stated that there were seven children with EHCP's moving into secondary schools who would be funded from the HNB;
- Kerry Clifford asked if there was any funding available for Ambleside Centre given that it had been marked as a resource space. Patricia Davies stated that funding was linked to EHCPs only.

RESOLVED That the report be noted.

77 EARLY YEARS UPDATE

The Forum considered the Early Years update report which was set out in agenda pages 49-53. Emma Slaughter, Early Years Consultant stated that the report contained a breakdown of Early Years funding.

Karen Edwards questioned the staffing structure and whether another member of staff would be recruited. Emma Slaughter stated that the recruitment was likely to take place in September.

Gail Prewett stated that the funding for two year olds could not be top sliced and asked the reason for the top slice. Coral Miller explained the Local Authority top slice ceiling (as

approved by DfE) was 5% of funds for 3-4 year olds. There was no ceiling on the top slice that could be taken from 2 year olds funding. Schools Forum had previously reviewed and approved a 4% top slice from across the full age range funding.

Gail Prewett stated that the Early Years' providers were seeking more clarity on the breakdown. It was accepted that things had changed, however it was noted that there was now less support from the Local Authority and the introduction of top slicing. Emma Slaughter explained that there had always been top slicing, the difference was that now there was more transparency.

Karen Edwards pointed out that 95% of providers in Wokingham were good or outstanding, therefore they were effectively being top sliced for a service that they were not going to receive.

Paul Miller suggested that providers and Early Years Officers work together to achieve a better understanding of the Early Years funding. Gail Prewett, Karen Edwards and Emma Slaughter agreed to arrange meetings to work together.

RESOLVED That the report be noted and that an effort would be made towards more collaborative work between the Local Authority and Early Years providers.

78 GROWTH FUND REPORT

The Forum considered the Growth Fund report which was set out in agenda pages 55-60. Piers Brunning, Strategy and Commissioning (People and Place) Senior Specialist presented the report.

Piers Brunning stated that the report contained information on the data activity of last year. He stated that the carry forward deficit of £81k was the consequence of costs arising from commitments for the 2016/17 financial year that were met in the 2017/18 year. These were identified late in the 2017/18 year and had not been included in the expected outturn figures.

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

- Janet Perry asked why Bohunt School had increased its Published Admission Number (PAN) from 180 to 240 and how the school was funded;
- Piers Brunning explained how Bohunt was funded:
 - As a new Free School the Bohunt Wokingham School is funded for the pupils on roll through estimated rolls (rather than lagged funding). This means the annual payments to the school from the DfE are based on the funding formula, but using the estimated roll for the new intake, rather than the historic roll. The DfE can later adjust the payment, if the actual roll is less than the estimated roll. This is known as clawback. There is a mechanism to enable the council to guarantee funding based on the estimated roll, even if the actual roll is less, where the council has given a guarantee as part of the package to ensure the school is viable.
 - The Growth Fund pays for two things. Firstly, diseconomy funding, provided because the formulaic arrangements, being largely pupil led, do not generate sufficient funds to enable a new school to pay for sufficiently senior staff during the start up phase. This is based on the number of unfilled year groups (so the number of children admitted does not affect this payment). It is paid on a sliding scale,

starting with £125,000 reducing through £93,000, £62,000 to £31,000 over a four year period (for secondary schools).

- The second element is for new class start up costs. While furniture and equipment are capitalised (so not funded through the Growth Fund) and formulaic funding will cover consumables, new classes will require access to revenue funded teaching resources (e.g. text books). In future the replacement of these items will be funded from formulaic funding, but using a multi, not single year cycle. This is £500 per new secondary school place.
- Piers Brunning stated that where the Council has agreed that an existing school should expand, the estimated roll cannot be used to fund the school. In this instance the costs of the new class have to be met from the Growth Fund, until formulaic funding is available.
- Piers Brunning stated that Bohunt was allowed to increase its own PAN, and informed that the school was fully allocated for Year 7 starting in September and was likely to continue to be fully allocated going forward;
- Piers Brunning pointed out that the funding for new schools was different from the funding for expanding existing schools;
- Piers Brunning stated that Bohunt was anticipating funding in the future to build a sixth form. However, this was unlikely because it was believed to be sufficient capacity in sixth forms at other schools within the Borough;
- Piers Brunning stated that with all the new developments in the Borough, the Council was required to plan for future sufficiency of school places;
- In response to a question Coral Miller stated that if Schools Forum did not agree to the £81k carry forward, this would increase the pressure on the Council; if Schools Forum agreed, it would be possible to absorb the carried forward £81k within the 2018/19 Budget and she was confident that there would not be any additional requests to carry forward;
- In response to a question Coral Miller stated that there was a set of criteria to be distribute this money to schools;
- In response to a question Coral Miller stated that the regulations allowed for Schools Forum to authorize a carry forward for Growth Fund;
- Piers Brunning informed that Shinfield West and Matthews Green were on target to be opened in 2019.

Upon being put to the vote, Schools Forum decided not to agree to the carrying forward the £81k Growth Fund overspend.

RESOLVED That:

- 1) Schools Forum does not approve the overspend of £81k to be carried forward to 2018/19; and
- 2) The Growth Fund update be noted.

79 SCHOOL ADMISSIONS DATA

The Forum considered the School Admissions Data report which was set out in agenda pages 61-89. Lynne Samuel informed that Jackie Whitney, Lead Manager, Customer Management had not been able to attend the meeting, and therefore she would answer any questions.

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

- John Bayes was disappointed that the report did not contain benchmarking as previously requested by Schools Forum. He stated that it was impossible to judge if this represented good value for money without any means of comparison;
- Paul Miller pointed out that comparison may not be appropriate because the structures varied in different authorities, however it was positive to note that there was more transparency;
- Ginny Rhodes agreed that it was important to have benchmarking in order to examine if this provided good value for money;
- Coral Miller informed that the Local Authority now received a centrally retained block from the DfE, this was to cover statutory duties, of which school admissions was one of them; it was likely that there would be a year on year cut to this centrally retained block;
- Elaine Stewart stated that she was surprised to see that there had been 193 school admission appeals and not 300 as previously reported to Schools Forum. Luciane Bowker, Democratic and Electoral Services Specialist stated that the number of school appeals could vary significantly from one year to the next;

Paul Miller stated that Schools Forum benefited from the information contained in this report.

RESOLVED That:

- 1) Information in relation to the cost of legal challenges and benchmarking be provided to Schools Forum; and
- 2) The report be noted.

80 FORWARD PROGRAMME

The Forum considered and noted the Forward Programme of work and dates of future meetings as set out on Agenda pages 91-92.

The following items were added to the next meeting on 17 October 2018:

- Early Years feedback on numbers; and
- School Admissions benchmarking and cost of legal challenges

81 ANY OTHER BUSINESS

Paul Miller stated that the task and finish groups which were held during the past year had provided transparency and had been very useful, he suggested the continuation of such groups going forward.

Schools Forum was in agreement to continue with task and finish groups and Janet Perry volunteered to take part in the Schools Block task and finish group.

Ginny Rhodes expressed serious concern with the membership selection process for the HNB task and finish group, she stated that there had been no transparency and that Schools Forum had not been informed of its composition. Paul Miller agreed to write an email to Patricia Davies (who at this stage had left the meeting) asking for an explanation to Ginny Rhodes' concerns in relation to the HNB task and finish group membership.

Paul Miller suggested the creation of an Early Years task and finish group and asked the Early Years representatives to volunteer to take part. Gail Prewett, Karen Edwards and Kerry Clifford stated that they were willing to work together with the Local Authority and that they would speak to colleagues from the Early Years sector to decide who should take part in the task and finish group.

Agenda Item 6

TITLE Revenue Monitoring report

FOR CONSIDERATION BY Schools Forum on 17 October 2018

WARD (All Wards);

DIRECTOR Interim Director of Children's Services - Jim Leivers

OUTCOME / BENEFITS TO THE COMMUNITY

Not Applicable.

RECOMMENDATION

Schools Forum are asked to note the content of this report.

SUMMARY OF REPORT

This report shows the 2018/19 forecast as at 31st August 2018 on the school budget has increase from the 31st May 2018 forecast of £.593m to by £260k and now the anticipated overspend is £1.853m.

2018/19 Schools Revenue Monitoring Report October 2018

.01 Purpose of the Report

This report provides the Schools Forum with details of the revenue budget position as at 31st August 2018.

.02 Suggested Action

The Forum is asked to note the contents.

.03 Background

This report shows the expected outturn for the Dedicated Schools Grant (DSG) in financial year 2018/19.

.04 Forecast Movement

In summary, the forecast on the DSG has increased by £260k from that reported to Schools Forum in July, with a year-end deficit of £1.853m now anticipated.

The pressure experienced on the High Needs Block during 2017/18 has continued in 2018/19, with a further adverse movement of £130k. This is mainly due to 9 more commissioned places in post-16 out of borough provision at £6k per place which reduced the High needs block income by £54k, also an additional 5 places in our maintained special school to help reduce the reliance on out of borough placements and increases in “top up” funding with a combined total increase of £76k.

Centrally Services Block expenditure has also increased, with an overspend of £125k now anticipated. This is as a result of clarity over copyright licences for both academies and schools, which now need to be funded from this block. No provision was made for this during budget setting for the current financial year.

Small increase in the provision for Growth fund of £5k.

.05 High Needs Block

Pressure on the High Needs Block (HNB) continues to provide the most significant challenge to the schools budget. In-year pressures, alongside the deficit overspend brought forward from 2017/18, represents a £1.731m forecast deficit by the end of the 2018/19 financial year.

An SEN Strategy Group has been established, chaired by the Assistant Director for Education with input from Finance, Strategic Commissioning, and relevant schools. The group are considering service planning in light of pressure on resources and will identify all possible actions for delivering a balanced budget position and reduce the deficit.

Actions underway include:

- review of banding system for the funding of resource bases
- review and recommissioning of block contracts, and
- costed proposals for the expansion of suitable places within WBC.

Council Officers meet with the Department for Education (DfE) and discussed the pressures experienced and potential solutions.

.06 Financial Summary

The forecast as at 31st August 2018 shows the following projected overspend, against budget of £136.9m (1.4%):

Description	£000
Brought forward from 2017/2018	£527
Estimated overspend in 2018/2019	£1,326
TOTAL	£1,853

The total increase in forecast from last month is £260k.

Please refer to:

Appendix A - Summary of 18/19 School Revenue Monitoring Report.

Appendix B - Detailed breakdown of 18/19 revenue monitoring.

Coral Miller
Interim Senior Finance Specialist - Schools
October 2018

Bob Watson
Lead Specialist - Finance (deputy s.151 officer)
October 2018

Appendix A		as at 31st August 2018				
Summary of 1819 school revenue budget monitoring						
INCOME						
		A	B	C	D	E
Ref	Description	Budget 2018-19	Forecast May 2018-19	Forecast Septem 2018-19	Last Mth Variance (C - B)	Variance (C - A)
		£	£	£	£	£
SCHOOL BLOCK BUDGET						
	Brought Forward Deficit/Surplus		-	(7)	(7)	(7)
	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.	(99,543)	(99,543)	(99,543)	(0)	(0)
A	Academy Allocated budget	46,318	46,318	46,318	-	-
A	School allocated budget excluding 6th form funding	51,031	51,031	51,031	-	-
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.	1,393	1,393	1,400	7	7
G	Centrally retained activities - Growth fund.	800	793	798	5	(2)
TOTAL SURPLUS/DEFICIT		0	(7)	(3)	4	(3)
HIGH NEEDS BLOCK						
	Brought Forward Deficit/Surplus		527	527	-	527
	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.	(18,083)	(18,083)	(18,029)	54	54
D	High need grant allocated budget	18,083	19,156	19,232	76	1,149
TOTAL SURPLUS/DEFICIT		0	1,600	1,731	130	1,731
EARLY YEARS BLOCK						
	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.	(11,105)	(11,105)	(11,105)	-	-
E	Early year including EYPP grant	10,683	10,683	10,683	-	-
H	Centrally retained activities for Early years statutory duties.	421	421	421	-	-
TOTAL SURPLUS/DEFICIT		(0)	(0)	(0)	-	-
CENTRALLY RETAINED BLOCK						
	Centrally Retained Block - Contribution to pay for the council's statutory duties.	(944)	(944)	(944)	-	-
G	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	944	944	1,069	125	125
TOTAL SURPLUS/DEFICIT		-	-	125	125	125
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)	(2,193)	(2,193)	(2,193)	-	-
	UFSM Revenue / Start Up	(2,227)	(2,227)	(2,227)	-	-
	Pupil Premium excl Academies	(2,167)	(2,167)	(2,167)	-	-
	6th form funding from EFA for Secondary school with a 6th form.	(664)	(664)	(664)	-	-
B	Grant allocation to schools	7,251	7,251	7,251	-	-
TOTAL SURPLUS/DEFICIT		0	0	0	-	-
TOTAL EXPENDITURE FORECAST		136,925	138,518	138,725	206	1,799
TOTAL INCOME FORECAST		(136,925)	(136,925)	(136,871)	54	54
Various						
Surplus () Deficit +		0	1,593	1,853	260	1,853

APPENDIX B - Schools Budget 2018/2019		at at 31st August 2018				
		A	B	C	D	E
S251 line no.	S251 title	2018/19 Budget	May Forecast 2018-19	September Forecast 2017-18	Variance against C-B changes from last month	Variance against C-A change against the forecasted budget
	SCHOOL BLOCK					
1.0.1	Schools Block Allocation excl Academies net of de-delegated funds including HNB allocations	51,031	51,031	51,031	-	-
1.8.1	Academy Recoupment from Schools Block	46,318	46,318	46,318	-	-
	Total allocated to schools	97,349	97,349	97,349	-	-
	<i>De-delegated</i>				-	-
	<i>Carried forward income from last year</i>		-	(7)	(7)	(7)
1.1.2	School-specific contingencies	107	107	176	69	69
1.6.1	insurance	453	453	453	-	-
1.6.4	Licences and subscriptions	147	147	147	-	-
1.6.7	Staff Costs - supply cover	299	299	237	(62)	(62)
1.4.1	Support to under-performing ethnic minority groups and b	118	118	118	-	-
	Behaviour Support Services	269	269	269	-	-
	Sub total of De-delegated	1,393	1,393	1,393	7	7
1.4.10	Pupil growth/ Infant class sizes	800	793	798	5	(2)
	Total School Block Budget Expenditure	99,543	99,536	99,540	12	5
	Total School Block Budget Income	(99,543)	(99,543)	(99,543)	(0)	(0)
	Variance	-	(7)	(3)	11	4
	CENTRALLY RETAINED BLOCK					
	Strategic and Regulation function	350	350	350	-	-
	SACRE	7	7	7	-	-
	School Asset Management	81	81	81	-	-
	1.6.2 Education welfare service	141	141	141	-	-
	Statutory I.T. , census and information.	72	72	72	-	-
1.4.2	School admissions	289	289	289	-	-
1.4.3	Servicing of schools forums	4	4	4	-	-
	Licences			125	125	125
	Total of Centrally Retained Block Expenditure	944	944	1,069	125	125
	Total Centrally Retained block income	(944)	(944)	(944)	-	-
	Variance	-	-	125	125	125
	EARLY YEAR'S BLOCK					
1.0.1	Early Years Block Allocation including Providers reserve fund inc exp for Education of Children under 5s in Private/voluntary/independent settings	10,641	10,641	10,641	-	-
1.3.1	Early years Centrally Retained for statutory LA duties	421	421	421	-	-
	Pupil Premium 3-4 years	42	42	42	-	-
	Total Early Year's block Expenditure	11,105	11,105	11,105	-	-
	Total Early Year's block Income	(11,105)	(11,105)	(11,105)	-	-
	Variance	-	-	-		

	HIGH NEEDS BLOCK					
1.0.1	High needs academy recoupment	1,386	1,386	1,386	-	-
1.0.1.	High Needs Block allocations	7,427	7,478	7,518	40	91
1.2.1	Provision for pupils with SEN (including assigned resources)	1,819	2,070	2,070	-	251
1.2.4	Fees for pupils at independent special schools & abroad	5,542	6,449	6,449	-	907
1.2.1	Pupil Referral Units	470	470	470	-	-
1.2.6 and 1.2.7	Education out of school	638	638	674	36	36
	SUB TOTAL	17,282	18,491	18,567	76	1,284
	Centrally retained high needs block					
1.2.1	Moderating Panels	150	185	185	-	35
1.2.2	Provision for pupils with SEN, provision not included in line 1.2.1	20	20	20	-	-
1.2.3	Support for inclusion - HNB	401	231	231	-	(170)
1.2.5	SEN transport	230	230	230	-	-
	SUB TOTAL	801	665	665	-	(135)
	TOTAL of High Need Block Expenditure	18,083	19,156	19,232	76	1,149
	Brought Forward High Needs block (surplus) /Deficit balance	-	527	527	-	527
	TOTAL of High Need Block Income	(18,083)	(18,083)	(18,029)	54	54
	Variance	0	1,600	1,731	130	1,731
	GRANTS					
UIFSM	UIFSM Revenue / Start Up	2,227	2,227	2,227	-	-
1.7.4	6th form funding from EFA	664	664	664	-	-
	PE Grant - Additional school grants	2,193	2,193	2,193	-	-
1.0.2	Pupil Premium allocated to schools - mainstream	2,167	2,167	2,167	-	-
	Total GRANTS EXPENDITURE TOTAL	7,251	7,251	7,251	-	-
	INCOME					
	PE Grant	(2,193)	(2,193)	(2,193)	-	-
	UIFSM Revenue	(2,227)	(2,227)	(2,227)	-	-
	Education Funding Agency 6th Form Funding	(664)	(664)	(664)	-	-
	Pupil Premium 5-16 years	(2,167)	(2,167)	(2,167)	-	-
	Total GRANTS INCOME TOTAL	(7,251)	(7,251)	(7,251)	-	-
	Variance	-	-	-	-	-
	Summary of the Variances					
	SCHOOL BLOCK	-	(7)	(3)	4	(3)
	EARLY YEAR'S BLOCK	-	-	-	-	-
	HIGH NEEDS BLOCK	0	1,600	1,731	130	1,731
	CENTRAL BLOCK	-	-	125	125	125
	GRANTS	-	-	-	-	-
	Deficit/Surplus ().	0	1,593	1,853	260	1,853
	Check Expenditure		138,519	138,724		
	Check Income		(136,925)	(136,871)		
	Various		1,593	1,853		

Agenda Item 7

TITLE De-delegated Schools Contingency

FOR CONSIDERATION BY Schools Forum on 17 October 2018

WARD (All Wards);

DIRECTOR Interim Director of Children's Services - Jim Leivers

OUTCOME / BENEFITS TO THE COMMUNITY

Not applicable

RECOMMENDATION

Schools Forum are asked to note the content of this report

SUMMARY OF REPORT

This report is to provide the Schools Forum with information on how the Council is using the de-delegated contingency pot held on behalf of, and funded by, the maintained schools.

2018/19 Contingencies Breakdown
October 2018

.01 Purpose of the Report

This report is to inform the Schools Forum on how the Council is applying the de-delegated school's contingency budget.

.02 Suggested Actions

The Schools Forum are asked to note the content.

.03 Background

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

The maintained schools provided the Council with some funding to support schools in financial difficulty and fund schools with exceptional circumstances that cannot balance their budget.

Schools with exceptional circumstances can apply for this funding and finance will visit the school to establish their unique situation.

The contingency is managed by Finance with each claim assessed on its merit. Once Finance has assessed the request, the request and evidence is passed for approval or not, to the Assistant Director of Children Services.

.04 Financial Summary

At present there has been one claim on this funding, which have been approved. The school involved will be closely monitored to identify any issues or changes as this support provided is intended to support their ability to deliver a balanced budget in the future.

Please see the table below:

Description	Amount
Contingency for Maintained schools in financial difficulties	(£176,095)
School A: The school has been involved in a confidential investigation of a senior staff member. The staff member needed to be paid during the investigation which took over a year. The School tried to manage the cost within it's schools budget, however due to issues with the first investigation	£43,000

<p>which was not fit for purpose, a second investigation was commissioned, this was not expected or anticipated and this in turn increased costs and time taken to resolve the issues.</p> <p>The school has provided a breakdown of the costs which was approx. £121k. The school request a contribution to these costs which the LA agreed too.</p>	
Total amount not yet committed.	(£133,095)

.05 Conclusion

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

Coral Miller
Interim Senior Finance Specialist - Schools
October 2018

Bob Watson
Lead Specialist - Finance (deputy s.151 officer)
October 2018

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Agenda Item 8

TITLE Final Settlement for Early Years Budget 2017-18

FOR CONSIDERATION BY Schools Forum on 17 October 2018

WARD (All Wards);

DIRECTOR Interim Director of Children's Services - Jim Leivers

OUTCOME / BENEFITS TO THE COMMUNITY

Not applicable

RECOMMENDATION

Schools Forum are asked to note the content of this report.

SUMMARY OF REPORT

The report informs the Schools Forum of the final adjustments in relation to the 2017-18 Early Years Budget, including DfE recoupment and final payment to providers.

Also this includes the adjustment of the 2018-19 budget from the DfE on the High needs block.

Final Settlement - Early Years and High needs October 2018

.01 Purpose of the Report

This report provides the Schools Forum with information on the additional allocation made to Early Years providers, following confirmation of DfE recoupment. The estimated number of children budgeted by the Department of Education (DfE) was more than the actual number of children for the financial year 2017-18.

The DfE has now informed the council of the amount it needs to recoup back due to the overfunding. The hourly rate was also set at a level of growth higher than the actual level for 2017-18.

Also to inform the Forum that the 18-19 budget for the High needs block been reduced by £54k due to increases in the High needs population resulting in 9 more commissioned places in post-16 (Further Education (FE) college) out of borough provision at £6k per place. There is no FE provision for children with Special needs in Wokingham, most children looking for this type of provision use Bracknell or Reading College.

.02 Recommendations

The Schools Forum is asked to note the content.

.03 Background

Since its introduction in April 2017, the Early Years' National Funding Formula (EYNFF) has set the hourly funding rates that each local authority is paid to deliver the universal, and additional entitlements, for three and four year olds.

Local authorities are required to pass 95% of their three and four year old funding from Government onto Early Years' providers. However WBC has in 2017-18 passported 96% of the funding on to their providers. This pass-through requirement ensures that the vast majority of Government funding reaches providers so that they can deliver the free entitlements.

The 2017-18 contingency of £229,000, which has not changed for several years, is more appropriately described as a Providers Reserve Fund. The DfE recommends that the Council holds an allocation of funds for future growth in numbers. This fund represents a provision for growth of 93 children a year at £2,462 per year (15 hours for 38 weeks of the year, at an average hourly rate of £4.32).

The funding for each Early Years' provider is based on the May, October and January census and the funding is therefore adjusted 3 times a year to reflect any changes in provider numbers as per each census.

To ensure providers can plan their budget for the new financial year, hourly rates and the Early Years' budget needs to be set by the end of February. The contingency funding therefore also helps to fund any negative budget adjustments that the DfE might make in July when they finalise the budget using the January Census.

.04 Financial Summary

The council set an hourly rate based on the estimated number of known children, with an element of expected growth and then provision for unknown growth which was £229k for 2017-18.

Following confirmation of final census information, this has resulted in an underspend within the Providers funding which as per the regulation will be allocated to the Early Years providers.

The table below confirms the amount that has been allocated to Providers:

2017-18 unallocated Early year's funding refunded back to providers				
Adjustment to 2017-18 funding notified July 2018				
Budget need to be completed and allocated by March 2017				
Amount available - not allocated			£707,350	
Recouped by the DfE due to number			-£425,637	
Amount available to refund to Providers			£281,713	
Number of hours			£1,735,053	
Amount refunded per hour			£0.16	
Hourly rate for 18-19 is		2017-18	2018-19	Increase
2 Year olds		£5.30	£5.54	£0.24
3 and 4 Year olds		£4.15	£4.39	£0.24
Teacher supplement		£0.20	£0.20	£0.00

Confirmation of what this means for individual providers has been communicated to them, with payments following in due course.

.05 Summary

The DfE encourages local authorities to have a contingency within the minimum amount of 95% for providers to cope with growth. In Wokingham the amount is 96% of the funding.

The adjustment cannot be made in-year as there is not enough information to review the hourly rate and it requires information from all 3 census after they are checked and adjusted by the DfE.

The approach taken ensures that providers are given budget information at an early a stage as possible for planning purposes, while minimising the risks of overprovision against the budget. Following confirmation of the final position from the DfE, any remaining funding is passed on to providers as additional funding in the 2018/19 financial year.

Please see Appendix A which is the revised out-turn report.

Coral Miller
Interim Senior Finance Specialist - Schools
October 2018

Bob Watson
Lead Specialist - Finance (deputy s.151 officer)
October 2018

APPENDIX A Early year's 2017-18 out-turn			
	A	B	C
DESCRIPTION	2017/18 Budget	OUT-TURN	Variance against B-A changes from last month
EARLY YEAR'S BLOCK			
Early Years Block Allocation including Providers reserve fund inc exp for Education of Children under 5s in Private/voluntary/independent settings	8,772,076	8,490,363	(281,713)
Early years Centrally Retained for statutory LA duties	370,000	370,000	-
Pupil Premium 3-4 years	-	42,000	42,000
Recoupment by the DfE	185,924	425,637	239,713
Total Early Year's block Expenditure	9,328,000	9,328,000	(0)

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Agenda Item 9

TITLE 2019-20 Schools Budget update\changes

FOR CONSIDERATION BY Schools Forum on 17 October 2018

WARD (All Wards);

DIRECTOR Interim Director of Children's Services - Jim Leivers

OUTCOME / BENEFITS TO THE COMMUNITY

Not applicable.

RECOMMENDATION

The Schools Forum is asked to note the content.

SUMMARY OF REPORT

This report is to provide information to the Schools Forum on the changes proposed by the DfE for the 2019-20 Schools Block Budget, High Needs Block Budget and the Central Services Block Budget.

2019/20 DfE Summary Budget Update October 2018

.01 Purpose of the Report

This is a brief summary to inform the Schools Forum of the changes in the 2019/20 allocation against the 2018/19 Schools Budget as at the July 2018 guidance note from the Department of Education (DfE).

.02 Suggested Action

The Forum are asked to note the contents.

.03 Background

Guidance issued by the DfE in late July, has provided an indication on budgets for the upcoming financial year. Information shows the estimated Dedicated Schools Grant (DSG) for Schools Block and the High Needs Block for 2019/2020. These figures will be subject to change and the actual DSG allocation will be announced just before the end of December 2018.

The report sets out the key points and changes in the approach to keep Schools Forum updated. A Schools Block Task and Finish Group has been set up to review the schools block allocation and work through options in more detail.

.04 Summary of Changes

Schools Block

- The local formula will continue for 2020 to 2021. This means the NFF will not be implemented until after that date.
- The Schools Block Budget procedure (SB) is the same as last year, where 99.5% of the funding needs to go to schools with a provision to transfer 0.5%, with the approval of the Schools Forum, to other blocks. The SB 99.5% includes the Growth fund allocation.
- Last year after consultation with the schools, the proposal to move 0.5% from the SB to the HNB was rejected by the Schools Forum (SF), the LA applied to the Secretary of State who agreed with the Schools Forum. The DfE has confirmed that there was not enough interest from the schools and academies, with less than 30% of schools responding, therefore the DfE did not want to over-ride the SF decision. The Task & Finish Group will once again model options around potential 0.5% transfer for consideration by Schools Forum for the 2019/20 budget.

- Actual PUF and SUF:

Description	2018-2019	2019-2020	Increase per pupil	% increase
Actual				
PUF (Primary unit of funding)	3,723.99	3,770.19	46.20	1.23%
SUF (Secondary unit of funding)	4,743.39	4,887.71	144.32	2.93%
Using 18-19 October census number.Total estimated increase in Schools block budget			£1,922,367	1.96%
Subject to change				
Premises (Business rate, Split site)	3,449,834	1,818,855	(1,630,979)	
Growth Fund		1,416,593	1,416,593	
Net effect reduction			(214,388)	(6.62%)
TOTAL COMBINED INCREASE			£1,707,979	

- Minimum per pupil £3,500 and £4,800 for Primary and Secondary.
- The funding floor is a new factor in the proforma tool, it aims to ensure schools receive at least 1% increase in their funding, based on the 2017-18 funding floor.
- The primary low prior attainment factor value to £1,022.
- MFG remains at positive 0.5% to a negative -1.5% per pupil.
- There are 150 LAs and according to the recent guidance, 73 Local Authorities have moved their funding closer to the National Funding Formula (less than 50%), with 41 almost mirroring the NFF exactly. 62 LAs used a positive MFG of 0.5% and 112 LAs used the minimum per pupil factor.
- Options for modelling: 1. Moving straight to the NFF factors, 2. Leave it at the current level, 3. Move toward the NFF (incremental steps) and 4. Moving towards the NFF but keep the lump sum at the same level as 2018-19. The LA has asked another Schools business manager from a maintained Secondary schools as the group had no representative from the maintained Secondary sector.

- Growth funding has been calculated using the middle layer super output area (MSOA), the DfE are using it because it is a small enough geographical areas to detect 'pockets' of growth within LAs. This is the funding given to the LA and not the amount that LA's allocate to schools. The 19-20 growth fund estimate and criteria will still need to be recommended by the LA and approved by the Schools Forum.
- Where growth occurs in academies that are funded by ESFA on estimates. The ESFA will use pupil number adjustment process to ensure the academy is only funded for the growth once. (page 38).
- Protecting new schools. 19-20 will contain new schools not in 18-19 formula. The baseline is to ensure that new schools are neither advantaged nor disadvantaged by their opening date.
- LA need to allocate at least 80% of the schools block budget through pupil led factors.
- Any overspent growth funding will form part of the overall DSG deficit balance (page 40). The LA should write a report to the Schools Forum on the overspend, which can be carried forward to the next financial year.
- For more information see Schools Revenue Funding 2019 to 2020 Operational Guide and the NFF for Schools and High Needs 2019 to 2020, July 2018.

High Needs Block update (July 2018)

- The High Needs Block has increased in the draft budget. More details will be available in the High Needs Operational Guidance due after **September 2018**.
- ESFA will issue information in **October 2018** about the notification of changes to place numbers for the 2019-20 academic year (just academies and colleges). LAs can continue to make place adjustments for their maintained schools and PRU without consultation with the ESFA.
- Funding floor will increase by at least 1% from 17-18 however Wokingham has an increase of 1.9% in their draft DSG budget, not the final budget for 19-20.
- Hospital education is changing, the DfE has been collecting information. The intention is to combine LA spending data with NHS data to develop a new, formulaic hospital education factor in the high needs national funding formula. The DfE will consult with the LAs in the Autumn, subject to the outcome of the consultation, changes could be introduced in the final HNB allocation in 19-20.

- Post 16 High needs funding, the aim is to allow LAs more flexibility to develop bespoke arrangements with schools and colleges for funding students with special needs. More details will be announced in the **Autumn**.
- This is the draft budget announced in July which is subject to change:

Description	2018-19	2019-20	Value change	% increase
Subject to change				
High needs budget	18,028,750	18,386,606	357,858	1.98%

Central School Services Block (CSSB)

- Central School Services Block (CSSB). 19-20 revised figures show a reduction in funding from £944k to £920k as well as this clarity has been provided from the DfE that it is necessary to fund the licences cost out of the CSSB. The estimated cost as per 18-19 figures are (£149k minus est. VAT £24k) = £125k. Leaving an estimated amount left for statutory duties **£795k**. Subject to change.
- The permitted gain rate in 2019-20 will be 2.18%.
- The maximum per-pupil reduction will be the same as in 2018-19 (-2.5%).
- Funding for on-going responsibilities to LAs will be distributed using a simple formula that allocates 90% per pupil factor and 10% of funding according to a deprivation factor. Both elements will be adjusted for area costs.
- Confirmation of the actual amount will be communicated to LAs in December 2018.

Early year budget will be confirmed later on in the year

DSG Balances

- DSG balances. There are new rules that will come into effect in 2019-20 intended to provide evidence to the DfE on the LA overspend of the DSG. Local authorities have to explain to the DfE each year how they plan to bring the DSG account back into balance.
- A report on deficits of more than 1% of the total DSG as at 31st March 2019 will need to be written. More guidance on this will be available in the Autumn of 2018. (page 45).

- The DfE will consult with the LAs during the Autumn of 2018 about the detailed implementation of these new rules.

Coral Miller
Interim Senior Finance Specialist - Schools
October 2018

Bob Watson
Lead Specialist - Finance (Deputy s.151 officer)
October 2018

Schools Forum Forward Plan 2018 /19

17	October	Revenue Monitoring
		Contingencies breakdown
		Final Settlement and variance EY & HNB
		Update on Formula Changes

12	December	Revenue Monitoring
		Draft 2019/20 Schools Budget
		De-delegated items for 2019-20
		Centrally retained items including ESG
		Consultation on any changes, if applicable, on the Schools block budget factors to be used for the final Schools block budget with input from the Task and Finish Group.
		Early Years Block 19-20 changes updates
		Growth Fund update and 19-20 request from Schools block budget.

16	January	Revenue Monitoring
		Contingencies breakdown
		High Needs Block
		Proposed Schools Block Submission and the effect on schools. Include impact and modelling of SB, explanation of changes from Draft budget.
		Task and Finish group update. SB.
		Early years 19-20 budget consultation

6	March	Revenue Monitoring
		High needs block update
		Contingencies breakdown (if applicable)
		Consultation on the High needs block 19-20
		19-20 combined Schools budget report.

	June	Revenue Monitoring
		Out-turn 1819 report
		Update of Scheme for financing schools
		Report to the DfE on the DSG overspend (if applicable).
		Carried forward deficit on centrally retained to be funding from the school block.
		High Needs Block
		Growth Fund projection and out-turn including request to carry forward any deficits if applicable from 18/19.
		Schools Admissions

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