

Schools Forum

Agenda

Monday 8 February 2016

2.00 pm

Lila Huset Professional Development Centre

MEMBERSHIP

Primary Schools: Heads: Claire Fletcher (St Paul's CE), Wayne Leeming (Melcombe), Kathleen Williams (Holy Cross).

Governors: Daisy Donovan (Avonmore), Sharon

Secondary Schools: Head: Alan Streeter (Phoenix).

Academies and Free Schools: David McFadden (London Oratory- Chair of Schools Forum), Gary Kynaston (Hammersmith Academy), Peter Haylock (Fulham College Academy Trust), Vacancy x 2

Nurseries: Head: Michelle Barrett (RBEYC/Vanessa).

Special Schools: Head: Cathy Welsh (Jack Tizard).

Alternative Provision Academies: Nathan Crawley-Lyons (TBAP).

14-19 Representative: Vacancy **Early Years PVI:** Jane Gleasure (Little People)

Non-voting members

School Business Managers Tim Scott (Fulham College Academy Trust) and Caroline Collins (Miles Coverdale) **Trade Union Representative:** Dennis Charman(NUT)

CONTACT OFFICER:

Owen Rees

Clerking Service Manager

☎:07785721279

E-mail: owen.rees@lbhf.gov.uk

Reports on the open agenda are available on the [Council's website](#):

http://www.lbhf.gov.uk/Directory/Council_and_Democracy

Members of the public are welcome to attend. A loop system for hearing impairment is provided, along with disabled access to the building.

Date Issued: 05 February 2016

Schools Forum Agenda

8 February 2016

<u>Item</u>		<u>Pages</u>
1.	APOLOGIES FOR ABSENCE	
2.	DECLARATIONS OF INTEREST	
3.	MINUTES OF THE PREVIOUS MEETING	1 - 6
	To agree the minutes of the meeting on the 19 th October 2015 as a correct record.	
4.	MATTERS ARISING FROM THE MINUTES OF THE PREVIOUS MEETING	
5.	DIRECT SCHOOLS GRANT 2016-17	7 - 18
6.	DIRECTOR'S REPORT	



Schools Forum Minutes

Monday 19 October 2015

Representing	Name	Organisation	Attendance
Primary Schools	5 Members		
Primary Head	Claire Fletcher (CF)	St Paul's CE Primary School	Apologies
Primary Head	Wayne Leeming (WL)	Melcombe Primary School	Present
Primary Head	Kathleen Williams (KW)	Holy Cross RC Primary School	
Primary Governor	Daisy Donovan (DD)	Avonmore Primary School	Present
Primary Governor	Sharon Robinson (SR)	John Betts Primary School	Present
Secondary schools	1 Member		
Secondary Head	Alan Streeter (AS)	Phoenix High School	Present
Academies	5 members		
Secondary Non Recoupment Academy Principal	Gary Kynaston (GK)	Hammersmith Academy	Present
Secondary Recoupment Academy Head	David McFadden (DMcf)	The London Oratory School	Apologies
Secondary Recoupment Academy	Vacancy		
Secondary Recoupment Academy (Observer)	Peter Haylock (PH)	Fulham College Trust	Present
Primary Academy	Elissa Douglas	Lena Gardens Primary School	Apologies
Maintained Nursery Schools	1 member		
Nursery Head	Michelle Barratt (MB)	Vanessa/Randolph Beresford Early Years Centre School	Present
Special Schools	1 member		
Special Schools Head	Cathy Welsh (CW)	Jack Tizard	Present
Alternative Provision	1 member		
Alternative Provision Rep	Nathan Crawley-Lyons (NCL)	TBAP	Absent
Early Years (PVI)	1 member		
	Jane Gleasure	Little People	Present
14-19 Representative	1 member		
	Vacant		
School Business Manager	2 observers		
Primary (Maintained)	Caroline Collins (CC)	Miles Coverdale Primary School	Apologies
Secondary (Academy)	Tim Scott (TS)	Fulham College Trust	Present
Trade Union	1 observer		
	Dennis Charman (DC)	NUT	Apologies
Officers in Attendance			
Tri Borough Director of Finance & Resources	Dave McNamara (DM)	Tri Borough Children's Services	Present
Tri Borough Director of Schools Commissioning	Ian Heggs (IH)	Tri Borough Children's Services	Present
Tri Borough Assistant Director Special Educational Needs & Vulnerable Children	Alison Farmer (AF)	Tri Borough Children's Services	Present

Minutes are subject to confirmation at the next meeting as a correct record of the proceedings and any amendments arising will be recorded in the minutes of that subsequent meeting.

3BM Managing Director	Andy Rennison (AR)	3BM	Present
3BM Schools Finance Director	Remi Oladupo (RO)	3BM	Present
Clerking Service Manager and Clerk to Schools Forum	Owen Rees (OR)	Tri Borough Children's Services	Present

1. APOLOGIES FOR ABSENCE

Apologies are set out in the table above.

2. ELECTION OF CHAIR

David McFadden was elected as Chair of the Schools Forum until the first meeting of the 2016-17 academic year.

3. MINUTES OF THE LAST MEETING

RESOLVED

That the minutes of the meeting held on the 15th June 2015 be agreed as a true and correct record.

4. MATTERS ARISING FROM THE MINUTES OF THE PREVIOUS MEETING

There were none.

5. HIGH NEEDS BLOCK

Alison Farmer, Tri-Borough Assistant Director for SEN, introduced the report. The report provided an update on resource allocation, on the joint approach through the High Needs Block Reference Group and the block funding for the enhanced nursery offer. The report also detailed the costs pressures on the High Needs Block, and noted that a key focus would be on reducing high cost placements in the independent sector.

Ms Farmer noted that the Early Years HNB group had met. It was agreed that Jane Gleasure would be invited to future meetings to represent the PVI sector. The schools HNB Reference Group had also met, with discussions focused on the functioning of the in-year contingency mechanism. A wider representation of schools was sought, to assist in developing strategy over the long term. It was agreed that, subject to being given further detail on what was required, Peter Haylock and Gary Kynaston would join the Schools HNB Reference Group.

Ms Farmer noted that the final section of the report covered the enhanced Early Years SEN Offer, which would be delivered by the Nursery Schools in the borough. This would increase the training and support available to Early Years providers, and was aimed at supporting a better transition to primary school.

RESOLVED

Minutes are subject to confirmation at the next meeting as a correct record of the proceedings and any amendments arising will be recorded in the minutes of that subsequent meeting.

That the report be noted

6. SCHOOL FUNDING FOR 2016/17

Andy Rennison, Managing Director, 3BM, introduced the report.

APT Tool

Mr Rennison noted that, as in previous years, the local authority was required to submit the draft APT tool by the 31st October; he added that no changes were proposed to the formula. He noted that the funding cycle was tight, with a number of cost pressures on schools, including imminent NI rises and increased charges from external organisations, and pressures on the formula itself through increased demand on the HNB, the expansion of SEN provision post-16 and academisation. The Forum requested a paper on cost pressures at its next meeting. In response to a question as to whether figures were likely to change, Mr Rennison replied that the Tool would be reviewed by the EFA, and that the only likely change was in relation to cushion factors.

He also noted the change to the approach taken to non-Recoupment Academies by the EFA, which were now included in the main DSG block funding received by the Council. There was a discrepancy in the funding transferred and the pupil rates at which the borough's non-recoupment academies were funded, partly due to the NRA's being largely secondaries; this would be clarified with the EFA.

Mr Rennison also noted that school rolls were under pressure, with the number of pupils entering Reception falling for the first time in 7 years. This was an issue in both the north and the south of the borough, but was more pronounced in the south due to the differing nature of housing stock. Mr Heggs suggested that the Forum receive a report on the updated School Organisation Strategy at its next meeting.

Mr Rennison also drew attention to areas where the local authority proposed to retain funds, these were targeted support on notional SEN, which would be looked at by the High Needs Reference Group, and for pupil growth, with 7/12ths of an AWPU put in place to allow schools who were scheduled to grow the ability to do so.

Falling Rolls Fund and Criteria

Mr Rennison noted that such a fund had been discussed at the previous meeting. It allowed schools to maintain staff and class structures in the case of a sudden fall in pupil numbers. This funding would be available automatically to Good and Outstanding schools only. The local authority would retain the discretion to support schools with other Ofsted judgements through intervention and other funds.

Mr Kynaston noted that the funding was predicated on a future recovery, and that it was in question whether the demographic changes within the borough

would support a future recovery in pupil numbers. Ms Gleasure noted that demand for PVI places was strong, and that Good and Outstanding schools could generally draw pupils.

Mr Heggs suggested that the existing Schools Organisation Strategy would be distributed, with the draft 2016 version presented at the next meeting.

RESOLVED

- (i) That the APT Tool be submitted as submitted, using the 2015-16 NRA estimates and
- (ii) That the Falling Rolls Fund be approved in principle,
- (iii) That the Schools Organisation Strategy be approved.

7. LA FINANCIAL STRATEGY

Dave McNamara, Tri-Borough Director of Finance and Resources, updated the Forum on the local authority's financial position and strategy. He reported that the local authority's funding position remained difficult, with £12million in savings, 37% of the total, required from the Children's Services budgets. A large proportion of spend was in relation to child protection, meaning that other services, including services to schools, would be under pressure. There would be an increased emphasis on placing services on a commercial footing, but that the local authority was keen to provide services that were valued by schools.

Mr Scott asked whether schools would be consulted about changes. Mr McNamara replied that they would and reported that a 3 year spending plan would be set, with a number of proposals and initiatives put forward to members. All measures would not all be in place for April, and consultation would be ongoing.

RESOLVED

That the update be noted

8. DIRECTORS REPORT, INCLUDING MANAGED SERVICES AND SCHOOL MEALS

Mr McNamara noted that support to targeted universal services, in particular Children's Centres, remained a priority of the administration, and no reductions were planned in the total number of centres, with strategies being developed to grow the offer.

He noted that the Council's SEPAC had expressed a desire to see the number of schools offering an 8-6 offer raised, as well as improving the take-up of the 2 year old offer, encouraging a range of providers to come forward. In relation to the latter, he noted that capital funding was available for projects

School Meals

Mr McNamara reported that the day of the meeting was the last day for call off in RBKC. RBKC would be followed by Westminster, with call off for LBHF schools in January. It was hoped that schools would benefit from reduced costs, and that where this was not the case, officers were looking at the reasons for that

Managed Services

Mr McNamara reported that the performance of the provider remained short of expectations, and apologised to schools experiencing difficulties. He reported that the Council had agreed a 50% discount to schools purchasing the HR and Payroll SLA. Schools who were not satisfied with this could raise the issue with the Chief Executive of the local authority. Due to the level of dissatisfaction amongst schools, an alternate arrangement from 3BM was being developed, though the local authority was not suggesting that schools should leave the SLA. Any move to a new arrangement, with 3BM or outside the Council, would need to be done in a cautious and systemic way, with appropriate notice given and, where necessary, tendering undertaken.

In response to a question about the divide between payroll and HR, Mr McNamara reported that work was ongoing with HR, and that the local authority valued the relationship between schools and HR. He noted that elements of the service had returned in house, and that Clare Mapstone and Lesley Steven would act as strategic leads to schools.

RESOLVED

That the report be noted

9. DATE AND VENUE OF NEXT MEETING

18th January 2016 at 2pm at Lila Husset PDC.

10. ANY OTHER BUSINESS

Recruitment and Retention

In response to a question regarding access to parking, Mr McNamara noted that there was sympathy to the request regarding parking, but that an indication of collective interest would be helpful. It was suggested that a meeting between representatives from schools and the Cabinet Member be arranged to discuss the matter. It was noted that Tower Hamlets had a scheme which allowed schools to purchase parking permits, with availability based on the circumstances of an individual school.

It was noted that the penthouses at the Edward Woods Estate were now occupied by teaching. It was noted that the Housing Strategy was out for consultation and that schools should seek to contribute.

Meeting started: Time Not
Specified
Meeting ended: Time Not
Specified

Chairman

Contact officer: Owen Rees
Committee Co-ordinator
Governance and Scrutiny
☎:
E-mail:

Dedicated Schools Grant 2016-17

Introduction

This report updates the Forum on the Dedicated Schools Grant (DSG) and asks for Forum decisions to support the submission of LBHF's School Block Calculation for 2016/17. It also responds to the question raised at the last Forum by identifying the main budget pressures facing schools. For Forums information, the report also draws Forums attention to a significant shift to Londons IDACI (Index of Derivation affecting children Indices) which was not expected and interesting given broader conversations that are taking place about possible consultations about national funding levels.

The report also identifies some of the contributing areas to the financial pressures in the High Needs block. Further work is ongoing in this area, to better establish the balance between the three key factors driving spend as identified in the report.

Cost Drivers for Schools 2016/17

On top of the challenge around possible funding changes that may impact in the next few years, there are real cost pressures being faced by schools as the DSG for 2016/17 in line with the last few years approach, does not contain any inflationary uplift to help schools respond to real financial pressures.

Working with school colleagues, we have identified the following as key cost drivers and these have been extrapolated over all Hammersmith and Fulham Schools and summarised in the table below.

- following the review by the Teachers' Pension Agency, employer contributions were increased on 1st September 2015, from 14.1% to 16.48%, including the 0.08% administration levy.
- government have decided to withdraw the National Insurance Contracted Out Rebate, with effect from 1st April 2016. This, currently, allows certain employers, who pay into specific pension schemes, to pay a lower rate of National Insurance on any earnings between £5,832 and £40,044 for employees who are members of the pension scheme. This equates to circa £1k per teacher or senior administrative staff member in the Teachers or Local Government pension scheme.
- The third change is the 1% Teachers pay rise from 1st September 2015, again with the resources to be identified by schools through efficiencies.

These 3 actions combined impact on the schools in Hammersmith and Fulham by:

Table 1 – School financial pressures 2016/17

	Pension Increases	Contracted out NI changes	Teachers Pay Award	Totals
Maintained Schools	716,730	989,205	343,609	2,049,544
Academy Schools	318,307	408,465	162,681	889,453
Total Impact of Government actions and no funding	1,035,037	1,397,670	506,290	2,938,997
Total number of teachers equivalent				61

Changes in IDACI demographics

For 2016/17 forum are asked to note changes in the IDACI (Index of Deprivation affecting Children Indices) data. IDACI not only targets funding to individual schools through our formula, but formed part of the assessment of need at a National level in the historic DSG £'s assessment. Whilst the current £'s level of DSG per LA are fixed, moving forward that is likely to be re-visited and re-calculated, so ensuring we are aware of the datasets and any strange occurrences is felt important.

London which historically was one of the most deprived regions appears to have suddenly improved, in fact London has reduced its quantum of children in deprivation by almost a quarter in the last 5 years according to the IDACI data. This was a surprise to not only us, but most of our colleagues across London as our collective populations have significantly increased and it seems inconsistent with local experience that deprivation levels are improving at such an impressive rate.

In 2010 London had 308 of the 791 pupils nationally in the worst deprivation band, yet the new data set for 2015 has now reduced Londons number of children in the lowest IDACI band to only 3.

Table 2 – London and National IDACI levels 2010 to 2015

IDACI score (2015)	London 2015		National 2015		London 2015		National 2015	
	Count	%	Count	%	Count	%	Count	%
IDACI 0	2165	45%	20412	62%	1631	34%	19433	60%
IDACI 1	565	12%	3182	10%	374	8%	2648	8%
IDACI 2	594	12%	2598	8%	419	9%	2208	7%
IDACI 3	973	20%	3841	12%	842	17%	3494	11%
IDACI 4	463	10%	2059	6%	714	15%	2514	8%
IDACI 5	72	1%	638	2%	477	10%	1394	4%
IDACI 6	3	0%	148	0%	308	6%	791	2%
All	4835	100%	32844	100%	4765		32482	100%
Londons share nationally of IDACI 6 (the most deprived pupils)	2.0%				38.9%			

We have asked London Councils to investigate this anomaly further as it creates a risk moving forward with this perceived improvement in the wealth of London families.

The table below shows the London Boroughs and their respective changes (improvements in family wealth levels).

Table 3 – London Boroughs movement in IDACI

Area	IMD: IDACI (2015) - score					
	2010 Raw value	Rank in Deprivation 2010	2015 Raw value	Rank in Deprivation 2015	Converting 2015 to % score, the movement last 5 years	% Change ranked Nationally
Barking and Dagenham	40.43	7	31.9	11	-21.1%	24
Barnet	23.17	85	17.5	154	-24.5%	18
Bexley	19.68	128	19.4	126	-1.4%	184

Brent	39.28	9	26.5	42	-32.5%	7
Bromley	17.5	162	16.6	173	-5.1%	118
Camden	36.31	17	27.2	33	-25.1%	17
City of London	13.31	233	10.2	302	-23.4%	19
Croydon	27.61	49	23.2	70	-16.0%	40
Ealing	32.48	27	23.0	74	-29.2%	9
Enfield	39.93	8	30.7	13	-23.1%	20
Greenwich	36.26	18	26.7	38	-26.4%	15
Hackney	47.83	3	32.2	10	-32.7%	6
Hammersmith and Fulham	35.65	20	26.7	39	-25.1%	16
Haringey	45.27	5	28.7	24	-36.6%	3
Harrow	24.42	76	16.9	167	-30.8%	8
Havering	19.12	138	20.2	115	5.6%	313
Hillingdon	26.35	59	20.8	102	-21.1%	25
Hounslow	30.67	33	22.2	87	-27.6%	11
Islington	48.58	2	35.3	3	-27.3%	12
Kensington and Chelsea	19.67	130	17.4	158	-11.5%	63
Kingston upon Thames	15.09	200	12.3	260	-18.5%	32
Lambeth	39.25	10	30.4	16	-22.5%	22
Lewisham	35.95	19	29.6	19	-17.7%	34
Merton	20.48	120	16.9	168	-17.5%	35
Newham	47.76	4	28.8	23	-39.7%	2
Redbridge	29.03	43	19.2	128	-33.9%	4
Richmond upon Thames	10.53	296	8.7	326	-17.4%	36
Southwark	36.6	16	30.3	17	-17.2%	37
Sutton	17.25	168	15.9	188	-7.8%	92
Tower Hamlets	58.98	1	39.3	1	-33.4%	5
Waltham Forest	38	12	27.0	35	-28.9%	10
Wandsworth	28.26	47	20.7	104	-26.8%	14
Westminster	35.21	22	28.7	25	-18.5%	31
ENGLAND AS A WHOLE	18.50		17.3		-6.3%	

Remove London	17.17		16.7		-2.9%	
London Solely	31.39		24.0		-24.6%	

DSG Funding for 2016/17

The DSG funding nationally for 2016/17 was announced in December 2016 and comprises of the following:

- **Schools Block Funding:** The schools block funding was allocated by adjusting each local authorities schools block unit funding (SBUF) from the 2015/16 level to incorporate the funding added from the former –recoupment academies (NRA’s). It means that in 2016/17, local authorities will receive funding for the former NRA’s within their schools block allocations on the same basis as other mainstreamed maintained schools and academies, i.e. by multiplying their SBUF by their school block pupil count. Hammersmith and Fulham’s SBUF was increased from £6,240.96 to £6,350.96 as a result of this exercise. To continue to protect schools from significant budget reductions , the Education Funding Agency (EFA) have confirmed that the minimum funding guarantee (MFG) will continue at 1.5% per pupil reduction comparing 2016/17 budget (excluding sixth form funding and ESG)to 2015/16 (excluding pupil premium). The total schools block funding is £103.19m and details of how this is calculated is set out in Table 4.
- **Early Years Block Funding:** The provisional DSG funding for this block is £12.576m and comprises funding for the 15-hour entitlement for 3 and 4 year olds, participation funding for 2 year olds from the most disadvantaged backgrounds: and the early years pupil premium. The rates per child in this block will maintained at their 2015/2016 level and detailed in Table 4.
- **The High Needs block** is a single block for Local authority high needs pupils / students aged 0 – 24. The amount before deductions for academies and sixth form places is £19.033m and details as shown in Tables 4 and 5 below. This funding area is of particular risk both now and going forward, where the volume of children with Special Needs continues to increase and additional stay on ages plus extension to 24 years adds significant financial challenges where currently the resources are not materialising. This block includes places for pre and post 16 pupils in maintained schools’ , maintained special schools, Pupil Referral Units (PRU’s), academies, special academies, non-maintained special schools, alternative provisions academies (AP), mainstream free schools. It excludes those in the first year of opening and AP free schools.

Table 4 indicative DSG for 2016/17 for each block

Table 4 2016/17 DSG Funding			
School Block Funding (Final)			
	Rate	Pupil Numbers	
Dedicated Schools Grant	6350.96	16248	103,190,398
Early Year Block (Provisional)			
3 and 4 Year Old Funding	6285.70	1805	11,345,689
2 Year Old Funding	5766.50	167	963,006
Early Years Pupil Premium			268,000
			12,576,694
High Needs Block			
Total Allocation			19,033,000
Less deductions for academies and sixth form place funding			-2,469,000
LBHF High Needs Funding			16,564,000
NQT			24,000
Total DSG			132,355,092

Table 5 Deductions made to the High Needs Budgets to directly fund Academies

Table 5 Details of High Needs Block Deductions for Academies and Sixth Forms			
	Rate	Place Numbers	
Post 16 Recoupment Academies in SEN Units and Resourced Provisions in 15/16 academic year	6,000.00	12	72,000
Pre-16 SEN Academies and Free Schools	10,000.00	15	150,000
Pre16 Alternative Provisions for 15/16 Academic Year		177	1,747,000
Post 16 SEN places in Maintained Special Schools	10,000.00	20	200,000
Post 16 Maintained Mainstreamed Schools	6,000.00	50	300,000
Total Deduction			2,469,000

Schools Delegated Budgets 2016/17

Local Authorities are required to submit the final Authority Pro-forma Tool (APT) to the EFA by 21st January. This year we asked for an extension to consider whether we needed to propose changes to the Schools Block to support the High Needs finances. However, giving the cost pressures facing schools and when any potential changes were modelled, the reality is that very little change can be made to the schools block as minimum funding guarantee requires the majority of any saving to cushion the impact.

Therefore we are looking to target the savings required against the High Needs block from within that area.

The Authority Pro-forma tool details the Notional School Block Funding Rates. There are no planned changes to the rates used in 2015/16 as shown in the table below. Appendix 1 shows details of the Pro-forma to be submitted to the EFA.

Table 6 Summary of 2016/17 Notional Schools Block Funding				
		Number	Rate	Funding
Basic Entitlement	Primary	9,716.00	£3,564.86	34,636,180
Basic Entitlement	Secondary	6,600.00	£5,163.86	34,081,476
FSM6	Primary	3,930.61	£1,010.55	3,972,078
FSM6	Secondary	2,942.80	£1,709.62	5,031,070
IDACI Band 1	Primary	865.10	£600.00	519,060
IDACI Band 2	Primary	990.20	£650.00	643,630
IDACI Band 3	Primary	2,355.39	£700.00	1,648,773
IDACI Band 4	Primary	1,728.71	£750.00	1,296,533
IDACI Band 5	Primary	999.90	£800.00	799,920
IDACI Band 6	Primary	1.00	£850.00	850
IDACI Band 1	Secondary	549.34	£850.00	466,939
IDACI Band 2	Secondary	591.39	£900.00	532,251
IDACI Band 3	Secondary	1,396.50	£950.00	1,326,675
IDACI Band 4	Secondary	1,294.58	£1,000.00	1,294,580
IDACI Band 5	Secondary	574.01	£1,100.00	631,411
IDACI Band 6	Secondary	8.01	£1,150.00	9,212
Looked After Children	All	35.39	£800.00	28,312
English as An Additional Language (EAL3)	Primary	2,637.81	£290.83	767,154
English as An Additional Language (EAL3)	Secondary	364.93	£707.10	258,042
Mobility	Primary	145.00	£250.00	36,250
Mobility	Secondary	342.30	£250.00	85,575
Prior Attainment	Primary	2,746.76	£593.15	1,629,241
Prior Attainment	Secondary	1,051.76	£686.16	721,676
Lump Sum		48.00	£100,000.00	4,800,000
Split Sites / Rates				895,401
Historical Sixth Form Funding				706,610
MFG				1,433,261
De-delegation				-914,466
Total Delegated Funding				97,337,692

DECISION REQUIRED

Do forum agree to maintain the 2015/16 individual funding rates into 2016/17?

Table 7 below sets out an analysis of the deployment of the Notional Schools block for 2016/17. The Dedicated Schools Block is self balancing and although some schools are particularly challenged financially due to roll changes, no further proposals against this block are being made. There is no uncommitted resource here to transfer into the High Needs block.

DSG Funding		-103,190,398
To Schools and Academies	98,252,158	
De-delegation	-914,466	
		97,337,692
Growth Funding (APT Model)		120,296
Funding available for Centrally Retained School Services and General Funds Services		-5,732,410

High Needs Block 2016/17 Provisional

There are huge pressures within this block and this is on the increase. The current year's outturn is a projected overspend of over £2m. In order for the forum to make an informed decision on the approval of the deployment of the 2016/7 funding and the ongoing strategy for reducing the pressures going forward a number of tables have been produced. Table 8 below shows the growing trend of overspends in this area which can be traced back to when the new blocks were created in 2013/14.

Table 8 - A 3 Year Analysis of High Needs Block Funding			
	2013/14 (Actual)	2014/15 (Actual)	2015/16 (Projected)
Pre 16 Initial Allocation	-17,082,016	-16,717,016	17,721,016
Post 16 Initial Allocation	-784,984	-1,745,984	-1,283,984
Total Allocation	-17,867,000	-18,463,000	19,005,000
Academy Recoupment and Other Deductions	1,338,000	1,970,000	2,538,000
Final Allocations	-16,529,000	-16,493,000	16,467,000
Expenditure			
Base Funding to Specialist Provisions	4,810,000	4,270,000	4,610,000
Centrally Retained High Needs Block for Notional Funding in Mainstream Settings	1,300,800	1,170,000	1,074,000
Top up funding for LBHF residents, mainstream, maintained, academies free schools for pre and post 16	9,820,171	11,168,362	10,885,124
High Needs General Funds	1,401,000	1,401,000	1,401,000
Belonging Regulations			451,722
Hospital Education			300,000
SEN Commissioning SALT (net of SB contribution)			114,000
Overspend	802,971	1,516,362	2,548,846
Actual year on year Increase in overspend		713,391	1,032,484

The annual position is progressively worsening, officers are working to establish the full reasoning and identify strategies that can be discussed with Forum to implement to control spending better. The overspend is happening due to the following factors – the degree of each factor is still being established and because officers are investigating back to 2012/13 when the High Needs Block came into effect it is taking additional time.

Factors driving spending in the High Needs Block:

- Since 2013/14 the Special School funding Rates have been creeping up to reflect the higher levels of needs that the pupils are presenting, however at the same time the balances have also

been increasing and a piece of work to establish what are comparable funding rates for other schools with similar intakes is being undertaken currently

- There has been an increase in the number of children with statements over the last few years, given we have a decoupled system of funding for more moderate special needs this needs further unpicking and the age profiles and the main presenting special needs is being established
- One area which is quite stark at the moment is the significant increase in post 16 Special Needs demands, in 2012/13 there were 28 children with Special Needs post 16 being supported whereas currently 126 for 2016/17 and there has certainly been nowhere near that level of increase in funding to support this increased provision. Post 19 had no students in 2012/13 but for 2016/17 we are expecting to support 20 students in this area.

At the next Forum officers will present detailed analysis and options and strategies for discussion, to ensure that the respective factors and their contribution to the challenge will be available.

Early Years Block

Table 9 shows the deployment of the Provisional Early Years block, there are no plans to change the funding rates for this block and so details of each schools allocation will be provided in the March forum when the January 2016 census is completed. It is worth mentioning again that the Hammersmith and Fulham Early Years funding delegated to schools is based on this census data only and is not usually adjusted termly due to very little changes from the January census. This means that there is no risk to schools for using this methodology. , However we continue to review the process and will change to termly adjustments, if and when' there are significant differences in the funding to schools. There is a small contingency held to respond to any schools underfunded by this strategy.

Table 9 Deployment of the Early Years Block		
Provisional Funding		12,576,694
General Fund Recharges		450,400
Funding available for Distribution		12,126,294
Nursery Schools	3,059,413	
Nursery Classes	4,267,035	
3 and 4 year old contingency for changes in participation numbers of 3 and 4 year olds, including reductions due to the announcement of the final allocation for 2015/16	200,000	
2 year old funding	963,006	
PVI	3,368,840	
Early Year's Pupil Premium	268,000	
		12,126,294
Balance		0

DECISION

Does the forum approve the proposed methodology of the distribution of the Early Years block?

Pupil Premium

The pupil premium amounts for 2016/17 will be protected at the current rates and these are shown in Table 10. Payments of these grants continue to be made quarterly at the end of June, September, December and March each year.

Table 10 The Pupil Premium per pupil amounts for 2016/17	
Pupils	Per-pupil rate
Disadvantaged pupils: primary	£1,320
Disadvantaged pupils: secondary	£935
Pupil premium plus: looked after children (LAC) and those adopted from care or who leave care under a special guardianship order or child arrangements order (formerly known as residence order)	£1,900
Service children	£300

A looked after child is defined in the Children Act 1989 as one who is in care of, or provided with accommodation by, an English or Welsh local authority.

Pupil premium allocations for the financial year 2016/17 will be published in June 2016 following the receipt of pupil number data from the spring 2016 schools and alternative provisions censuses.

Future Funding

As announced in the Chancellor's spending review statements, a national funding formula from 2017, consultation proposals will be released shortly although an exact date has not been set. We continue to hear statements from Ministers and emotive arguments from the f40¹ group about the unfairness of the current system, some of the more recent approaches have been to try to implement some adjustments by smoothing the rates across the country (eg the academies top up rates), however nothing formally has been published. We will inform Forum when the consultation goes live and will advise accordingly.

¹ A group of lower funded authorities who argue that area cost adjustments are unfair and funding should be re-targeted on a new approach that by ignoring area cost adjustment would drive resources away from London

Local Authority Funding Reform Proforma

LA Name: Hammersmith and Fulham
 LA Number: 205

Pupil Led Factors

Reception uplift		No		Pupil Units		0.00								
Description		Amount per pupil		Pupil Units		Sub Total		Total		Proportion of total pre MFG funding (%)				
1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Primary (Years R-6)	£3,564.86		9,716.00		£34,636,180		£68,717,656	35.77%		2.95%			
	Key Stage 3 (Years 7-9)	£5,163.86		3,949.00		£20,392,083			21.06%		2.53%			
	Key Stage 4 (Years 10-11)	£5,163.86		2,651.00		£13,689,393			14.14%					
Description		Amount per pupil		Pupil Units		Sub Total		Total		Proportion of total pre MFG funding (%)				
2) Deprivation	FSM6 % Primary	£1,010.55		3,930.61		£3,972,083		£18,172,985	18.77%		18.41%			
	FSM6 % Secondary			2,942.80		£5,031,075					26.40%			
	IDACI Band 1	£600.00		865.10		£986,000					7.00%		8.90%	
	IDACI Band 2	£650.00		990.20		£1,175,881					11.10%		15.40%	
	IDACI Band 3	£700.00		2,355.39		£2,975,447					27.00%		33.00%	
	IDACI Band 4	£750.00		1,728.71		£2,591,110					31.40%		35.40%	
	IDACI Band 5	£800.00		999.90		£1,431,323					1.00%		1.00%	
	IDACI Band 6	£850.00		1.00		£10,067					1.00%		1.00%	
Description		Amount per pupil		Pupil Units		Sub Total		Total		Proportion of total pre MFG funding (%)				
3) Looked After Children (LAC)	LAC X March 14	£800.00		35.39		£28,315		£1,175,339	0.03%		100.00%			
4) English as an Additional Language (EAL)	EAL 3 Primary	£290.83		2,637.81		£767,155			1.06%		100.00%			
	EAL 3 Secondary			364.93		£258,044			100.00%					
5) Mobility	Pupils starting school outside of normal entry dates	£250.00		145.00		£121,825		0.13%		100.00%				
Description		Amount per pupil		Pupil Units		Sub Total		Total		Proportion of total pre MFG funding (%)				
6) Prior attainment	Low Attainment % new EFSP	100.00%		37.73%		£1,629,238		£2,350,915	2.43%		100.00%			
	Low Attainment % old FSP 78			18.26%							100.00%			
	Secondary pupils not achieving (KS2 level 4 English or Maths)	£686.16		1,051.76		£721,677					100.00%			

Other Factors

Factor	Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)	Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)	
7) Lump Sum	£100,000.00	£100,000.00			£4,800,000	4.96%	0.00%	0.00%
8) Sparsity factor	£0.00	£0.00			£0	0.00%	0.00%	0.00%

Please provide alternative distance and pupil number thresholds for the sparsity factor below. Please leave blank if you want to use the default thresholds. Also specify whether you want to use a tapered lump sum for one or both of the phases.

Primary distance threshold (miles)		Primary pupil number average year group threshold		Fixed or tapered sparsity primary lump sum?	Fixed	
Secondary distance threshold (miles)		Secondary pupil number average year group threshold		Fixed or tapered sparsity secondary lump sum?	Fixed	
Middle schools distance threshold (miles)		Middle school pupil number average year group threshold		Fixed or tapered sparsity middle school lump sum?	Fixed	

All-through schools distance threshold (miles)		All-through pupil number average year group threshold		Fixed or tapered sparsity all-through lump sum?	Fixed	
9) Fringe Payments				£0	0.00%	
10) Split Sites				£32,741	0.03%	0.00%
11) Rates				£862,660	0.89%	0.00%
12) PFI funding				£0	0.00%	0.00%
13) Sixth Form				£706,610	0.73%	0.00%
14) Exceptional circumstances (can only be used with prior agreement of EFA)						
Circumstance				Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)
Additional lump sum for schools amalgamated during FY15-16				£0	0.00%	0.00% 0.00%
Additional sparsity lump sum for small schools				£0	0.00%	0.00%
Exceptional Circumstance3				£0	0.00%	0.00%
Exceptional Circumstance4				£0	0.00%	0.00%
Exceptional Circumstance5				£0	0.00%	0.00%
Exceptional Circumstance6				£0	0.00%	0.00%
Total Funding for Schools Block Formula (excluding MFG Funding Total) (£)				£96,818,905	100.00%	£9,117,483
15) Minimum Funding Guarantee (MFG is set at -1.5%)				#VALUE!		
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)				No		
Capping Factor (%)		Scaling Factor (%)				
Total deduction if capping and scaling factors are applied				£0		
				Total (£)	Proportion of Total funding(%)	
MFG Net Total Funding (MFG + deduction from capping and scaling)				£1,433,261	1.46%	
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved)						
Additional funding from the high needs budget				£0.00		
Growth fund (if applicable)				£120,296.00		
Falling rolls fund (if applicable)				£0.00		
Total Funding For Schools Block Formula				£98,252,166		
% Distributed through Basic Entitlement				70.98%		
% Pupil Led Funding				93.39%		
Primary: Secondary Ratio				1 : 1.35		