

## Rotherham Schools' Forum

**Venue:** Rockingham Professional Development Centre

**Date:** Friday, 22 April 2016

**Time:** 8.30 a.m.

### A G E N D A

1. Apologies for absence.
2. Declarations of Interest.
3. Minutes and matters arising from the previous meeting held on 4th March, 2016. (Pages 1 - 7)
4. Schools National Funding Formula - Stage One. (Pages 8 - 13)
  - To note.
5. SEND update.
  - Paula Williams.
6. Approval to increase the budget centrally retained from the Early Years Block in 2016/17. (Page 14)
  - Aileen Chambers;
  - Decision/vote required.
7. Date and time of the next meeting: -
  - Friday 17<sup>th</sup> June, 2016, to start at 8.30 am in Rockingham Professional Development Centre.
  - To include appointment of Chair, Vice-Chair, Learning Community and Stakeholder Representatives for 2016/2017 school year.
  - To discuss 2016/2017 meeting dates/format.

**ROTHERHAM SCHOOLS' FORUM  
FRIDAY, 4TH MARCH, 2016**

**Present:-** D. Naisbitt (Oakwood) (in the Chair).

**Learning Community representatives:** - T. Mahon (Saint Bernard's), I. Holburn (Dinnington), D. Ball (Aston), C. Booth (Wales), K. Sherburn (Rawmarsh), L. Pepper (Clifton), P. Dobbin (Wingfield).

**Other stakeholders:** - P. Bloor (PRUs), J. Mott (Special Schools), S. Brook (Teaching Trade Unions), A. Richards (Secondary Governors), P. Gerard (Nursery), D. Ashmore (Teaching School), A. Hardy (Colleges), S. Scott (Early Years PVI), G. Gillard (Sheffield Diocese).

**Also in attendance:** - C. Harison (CYPS), D. Fenton (CYPS), V. Njegic (Financial Services), K. Borthwick (CYPS), Councillor L. Pitchley (Rotherham MBC), H. Etheridge (Democratic Services).

**Apologies for absence had been received from:** - J. Morrison (Swinton; no substitute available), S. Mallinder (Primary Governors), P. Di'lasio (C. Booth representing).

**24. MINUTES OF THE PREVIOUS MEETING HELD ON 15TH JANUARY, 2016, AND MATTERS ARISING.**

The minutes of the Rotherham Schools' Forum held on 15<sup>th</sup> January, 2016, were considered.

Resolved: - That the minutes of the previous meeting be agreed as an accurate record.

**25. COMMUNICATIONS: -**

David Naisbitt, Chair of the Rotherham Schools' Forum, reported on the actions of the RSF Finance Sub-Committee in examining 2014/2015 outturn underspend/excess balances from maintained schools across Rotherham. In addition to the amount and percentage underspend or excess balance, the reasons that the schools had provided for their financial situation, and their intended uses for any excess balances, were considered. Whilst Schools' Forums were expected to scrutinise underspend and excess school balances, and had the power to clawback funds if necessary, the Department for Education did not expect the power to be used.

Steve Scott, Early Years' PVI Representative, raised a question relating to the sector he represented and the Local Authority's contribution to hourly rates. At its current level, there were serious sustainability issues to all providers within the sector. The minimum wage had increased by £1 per hour, pension reform had come into effect and business costs were

increasing. The hourly rate had remained static at 18p per hour. The requirement to provide thirty hours of free childcare brought serious concerns for the Sector; providing 15 hours on the current rate was challenging. Steve referred to the funding of school-based PVI provision where double funding occurred. There were national Government discussions taking place about the Early Years' PVI sector; there was also a responsibility for local-level decision making.

Karen Borthwick, Assistant Director for Education and Skills, heard and acknowledged the issues that Steve had raised. Currently Rotherham were the fourth lowest funded local authority in the Yorkshire and Humber region. The Local Authority was required to produce a Childcare Sufficiency Strategy and ensure that there was sufficient child care. Rotherham had many good Early Years' PVI providers and losing them would benefit no-one. The Strategic Director for Children and Young People's Services had agreed that Rotherham's hourly rate would rise to 27p per hour with effect from 1<sup>st</sup> April, 2016. This would bring it in-line with the Yorkshire and Humber average, although still below the national average. There were significant growth needs for PVI child care provision if the Local Authority and partners were to continue to offer a choice of childcare. Often the growth needs were in the Borough's most challenging areas.

It was anticipated that the increased hourly rate would be met through careful budget monitoring before any in-year adjustments/viring was required.

Karen noted the contractual issues that Steve had raised and agreed that they disproportionately impacted on the PVI sector. She committed to reporting back on the issues after further consideration.

Resolved: - (1) That the information shared be noted.

(2) That the Children and Young People's Services Directorate report back on their work around Early Year PVI provision and terms and conditions.

**26. SEMH AND SEND / HIGH NEEDS' BLOCK UPDATE: -**

Chris Harrison, Inclusion Policy Lead, was welcomed to the meeting. Chris had prepared an update in relation to his work on SEMH and the developing locality models, and also on recent SEND / High Needs' Block work in the absence of Paula Williams.

**SEMH update: -**

Chris provided an update to the Rotherham Schools' Forum on the developments in the South, Wickersley Multi-Academy Trust and Central SEMH partnerships. This included the initial thinking about how many PRU and Partnership Places each of the Partnerships would commission,

and the funding requirements to achieve this. It was envisaged that the Partnerships would become operational from 1<sup>st</sup> September, 2016, meaning that a 7/12<sup>th</sup> contribution would be required from the 2016/2017 High Needs' Block. During 2017/2018, and future years, the funding requirement would be 100%.

Based on the early structure and spend of the three Partnerships, discussions were held on the implications for Rotherham's Aspire PRU and its ability to provide approximately 50-55 places from September, 2016. Assessment of all existing placements within the PRU had taken place to check whether it was still the right setting for individual pupils currently there.

Questions were raised on the following areas: -

- David Naisbitt asked whether the PRU could operate safely and effectively on the proposed number of places from September, 2016? – Paul Bloor, PRU Representative, noted that the reduced admission number would require a significant number of pupils to be reintegrated into mainstream school or college, whilst leaving the PRU operating at capacity and unable to accept new cases without further reductions of the pupils currently attending. The PRU did not know which buildings were available for September, 2016. A reduction in pupil numbers accessing the PRU would lead to a reduced staffing establishment, and appropriate HR processes would have to happen. How would the staffing establishment be managed if schools' requirements increased/decreased over the school year/s?;
- What was the physical capacity of the PRU?;
- Comparison of the cost of a place at the PRU and the places available via the marketplace?;
- How to ensure that the places commissioned via the marketplace were delivered to the same memorandum of understanding as those provided by Rotherham providers;
- Balancing the school-led and commissioned system with the statutory duties of the Local Authority towards permanently excluded children.

#### **SEND – High Needs' Working Group: -**

Information was shared on the initial meeting of this group, including the clearer presentation of the spending within the High Needs' Block and the placements/special school places that it funded. Funding had been re-allocated to different settings to create places for vulnerable groups. Transparency was increasing to enable stakeholders to understand what was being funded from the High Needs' Block. Rotherham's High Needs' Block was the fourth lowest funded Block in the nation. This then impacted on the allocations to the special schools.

David Naisbitt thanked the working group for their initial efforts and urged

them to continue this work.

Resolved: - (1) That the information shared be noted.

(2) That further updates be provided to the Rotherham Schools' Forum's next meeting.

**27. EASTWOOD VILLAGE PRIMARY SCHOOL - 'START UP' DISECONOMIES FUNDING ALLOCATION IN FIRST YEAR OF OPERATION.**

Consideration was given to the report presented by Dean Fenton, Service Lead for School Organisation, Planning, Admissions and Appeals, that outlined a proposed allocation to Eastwood Village Primary School. The Rotherham Schools' Forum had initially considered the issue at the previous meeting when the 2016/2017 Pupil Growth contribution from the Schools' Block had been agreed (Minute number 20, 15<sup>th</sup> January, 2016).

The report outlined the Department for Education's definition of 'diseconomies' funding: -

Diseconomies relate to the need to incur some fixed management and premises costs as new schools build up their numbers. This funding must be made available to new academies on the same basis as maintained schools, including those funded on estimates – this can be paid to new schools that have opened and have not yet reached their full number of year groups.

The Local Authority had estimated that the School would admit 100 pupils during their first academic year (2015/2016). In the first year they were structured as a one-form entry from Foundation Stage Two to Year Four. This meant that the School potentially had 150 places that could be filled if sufficient applications were received. The Local Authority was responsible for any diseconomies funding during a school's first year of operation.

The Rotherham Schools' Forum were informed of the scrutiny that had been undertaken on the start-up costs provided by the new School's management. Looking at the lines of expenditure, Officers had suggested a total contribution of £315,500. The scrutiny had been from a finance/administrative basis by Local Authority Officers and from an educational perspective from the members of the RSF Finance Sub-Committee.

The Rotherham Schools' Forum agreed that £315,500 funding from the Pupil Growth Element of the Schools' Block should be made to Eastwood Village Primary School for their diseconomies funding during their first year of operation.

Based on the scrutiny work, a formula was suggested for future school

start-ups. The formula recognised that different areas of the Borough had different demographic needs. It had sliding levels of contributions relating to factors such as deprivation, pupil mobility and transience to be applied depending on the area of the Borough the new school was in.

Discussion followed on how the formula would be applied to the intended new school builds in Rotherham: -

- Role of Section 106 contributions in domestic developments and how purchase 'trigger points' needed to be met before any payment/s were released to the Local Authority;
- The Local Authority had scheduled a detailed lead-in process for the development of the new primary school at Waverley, beginning in the Summer, 2016.

The formula was accepted by the Rotherham Schools' Forum. David Naisbitt thanked the Officers for their work with Eastwood Village Primary School and in creating the formula for future school developments.

Resolved: - (1) That a contribution of £315,500 be made to Eastwood Village Primary School from the Pupil Growth element of the Schools' Block for Eastwood Village's 2015/2016 diseconomies funding requirements.

(2) That the formula model used to establish Eastwood Village's diseconomies funding needs be adopted as the model that will be used for future new build schools.

## **28. TOTAL SCHOOLS' BUDGET MONITORING REPORT TO 31ST JANUARY, 2016.**

Karen Borthwick, Assistant Director for Education and Skills, presented the report that provided a financial forecast to the end of March, 2016, based on income and expenditure to the end of January, 2016.

Out of the 2015/2016 budget allocation of £127,644,000, a total spend of £127,932,000 was forecast representing an overspend of £288k (+0.23%).

The report outlined the out-turn expected for each Block: -

- Schools' Block - £16k under-spend on the copy right licences for schools;
- High Needs Block - £995k over-spend due to recurring deficit grant position from previous years: -
  - This had led to an allocation that could not wholly fund the cost of education placements in independent and non-maintained special schools;
  - There was additional pressure due to the transfer of £321k

costs from the Social Care Placement to the High Needs Block to cover the educational element of seven in-year placements.

- Early Years' Block - £691k under-spend due to a lower anticipated number of pupils in Private, Voluntary and Independent placements accessing fifteen-hours of free education placements for disadvantaged two-year olds, and three and four year olds: -
  - The DfE will claw-back the grant in 2016/2017 to reflect the number of pupils accessing the provision as at the January, 2016 census;
  - A further adjustment would be required to reflect the transfer of some two-year-old funding to nine schools that had previously been provided by the Early Years PVI sector.

Discussion followed and the following issues were raised: -

- The impact of the claw-back on the Early Years' Block;
- The financial impact of the decision to increase Early Year PVI hourly contributions. Where would the additional funding requirement come from?.

David Naisbitt thanked the Officers involved for their work on presenting the Budget Monitoring information and for the clear way in which it was presented.

Resolved: - That the forecast 2015/2016 out-turn position based on income and expenditure to 31<sup>st</sup> January, 2016, be noted.

## **29. ROTHERHAM SCHOOLS' FORUM - CONSTITUTION AND MEMBERSHIP - INITIAL THOUGHTS FOR CONSIDERATION.**

Hannah Etheridge, Senior Democratic Services Officer, presented the early research and options for consideration on the constitution and membership of the Rotherham Schools' Forum. The strengths/weaknesses/practicalities of the current geographical learning community model were compared to those of a potential model whereby representatives would represent school phase and 'type' (maintained/academy) based on Rotherham's proportions of students in each category. The proposed model would need to be annually reviewed to ensure it remained representative of Rotherham.

Discussion following and members of the RSF raised the following issues:

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- Special Schools did not currently sit within the 'school members' section of the RSF's membership and this had implications for voting;
- Communication back to Learning Communities and the whole school population to increase awareness was important;

- Developing structures / organisations within Rotherham, including the SEMH Partnerships and Multi-academy Trusts;
- Consultation was expected soon in relation to a national funding formula, which could have implications for Schools' Forums powers;
- Timeline for publication of the minutes.

It was recognised that the education landscape in Rotherham was changing rapidly and that the issue of a potential restructure should be placed on a watching brief over the coming months to allow issues like the developing SEMH Partnership models and anticipated consultation/s to be known.

Resolved: - (1) That the information shared and discussion be noted.

(2) That the issue of the Rotherham Schools' Forum's constitution and membership be placed on a watching brief to allow other contextual matters to be considered prior to any changes being confirmed.

**30. DATE AND TIME OF THE NEXT MEETING: -**

Resolved: - (1) That the next meeting of the Rotherham Schools' Forum take place on Friday 22<sup>nd</sup> April, 2016, to start at 8.30 am in the Rockingham Professional Development Centre.

(2) That future meetings take place on: -

- Friday 17<sup>th</sup> June, 2016, to start at 8.30 am.

## Schools National Funding Formula – Stage One

### Summary

This brief provides the key headlines coming out of the consultation on the schools national funding formula published by the Department for Education (DfE) on 7 March 2016. Consultation responses are required by 17 April 2016. The full consultation documents can be found at <https://consult.education.gov.uk/funding-policy-unit/schools-national-funding-formula>. The DfE will be consulting on a national funding formula and associated reforms for early years later this year.

### Background

In the Spending Review 2015, it was announced that the government would introduce the first ever national funding formula for school, early years and high needs, with the intention of matching funding directly and transparently to need. This consultation is the beginning of this process.

From 2013-14 the government has introduced significant reforms to the local funding formulae used by local authorities to distribute funding to schools to bring greater consistency across all schools nationally.

However it remains the case that similar schools in different parts of the country continue to receive very different levels of funding. This is due to local decision making within the limited flexibility of local funding formulae and more significantly to the variances in levels of DSG received by local authorities. The government are committed to tackling this unfairness in funding and to implement a national funding formula for schools from April 2017.

### Key Issues

#### Schools National Funding Formula

This is the first of 2 planned consultations on the national funding formula for schools. This first consultation seeks views on:

- Principles that underpin the formula
- The building blocks to use to construct the formula
- The factors to include in the formula

The DfE is also seeking views on the structure of the formula; in particular, the government proposes to:

- Introduce a school-level national funding formula, where the funding each pupil attracts to their school is determined nationally;
- Implement the formula from 2017-18 allocating funding to local authorities to distribute according to a local formula for the first two years, and then setting each school's funding directly from 2019-20;
- Allocate some funding to local authorities to distribute where there is need for local flexibility, and to create a central funding block for local authorities' ongoing duties; and
- Ensure stability for schools through the minimum funding guarantee and by providing practical help, including an 'invest to save' fund.

There will be further phases, with the second consultation covering how the government proposes to balance different factors in the national funding formula of the formula on funding for individual areas and schools.

### Chapter 1: Reforming the funding system

The government sets out seven objectives for the new national funding formula. These are that the formula will:

- *Support opportunity.* Fundamentally, the funding system should support schools and local authorities to extend opportunity to all pupils to achieve their potential;
- *Be fair.* It should allocate funding to schools and local authorities on the basis of objective measures of the needs and characteristics of their pupils;
- *Be efficient.* It should support efficiency within schools and local authorities, and across the system as a whole;
- *Get funding straight to schools.* It should maximise the resources available for teaching and learning and enable head teachers and local authorities to achieve value for money;
- *Be transparent.* It should be easily understood and justified;
- *Be simple.* It should rationalise funding streams as far as possible; and
- *Be predictable.* It should ensure schools and local authorities can manage and plan for year on year changes.

The DSG is currently divided into 3 blocks: schools; high needs; and early years. These blocks are notional and local authorities are free to move funds between them. The reforms propose creating a fourth block of the DSG, the 'central schools block'. This block would contain funding for central schools services, historic local authority sending commitments on schools and the retained rate of the Education Services Grant (ESG).

The proposals include calculating the schools block according to a national funding formula and intend that this would be at school level for 2019-20 (a 'hard' national funding formula). This means that the vast majority of funding each pupil attracts to their school would be determined nationally, not according to a local formula. For 2017-18 and 2018-19 the national funding formula would be used to calculate the schools block, but local authorities would continue to distribute this funding according to their local formula (a 'soft' national funding formula). There are no proposals to make significant changes to the factors that are currently allowable in the local formula in 2017-18.

The proposal is to require local authorities to pass on all of their schools block funding to schools from 2017-18

Chapter 2: The schools national funding formula

The proposed building blocks of the schools national funding formula are as follows:

- Basic per pupil funding – a core funding allocation for each primary pupil, each Key Stage 3 pupil and Key Stage 4 pupil.

Rotherham’s local funding formula currently has 3 different year grouping rates.

- Additional needs – based on pupil characteristics that are linked to a likely need for additional educational, pastoral or administrative support. The proposal is to use socio-economic deprivation – a combination of current FSM, Ever 6 FSM and IDACI data; low prior attainment data and English as an additional language (EAL) – pupils with EAL who entered the state education system at any point during the previous 3 years.

Rotherham’s formula does not currently use current FSM or IDACI

- School costs – to reflect fixed premises costs

Rotherham allocate a lump sum of £117,000 to both primary and secondary schools ( a different lump sum per sector is now permitted) but lump sums used by local authorities vary significantly up to a maximum of £175,000. The consultation welcomes evidence for how much lump sum funding should be included in the national funding formula.

Other school costs cannot easily be allocated on a formulaic basis and therefore it is proposed to allocate funding for rates, split sites, private finance initiatives (PFI), exceptional premises circumstances and pupil growth to local authorities on the basis of historic spend in 2017-18 and 2018-19. The Government want to explore whether this funding could be distributed on a formulaic basis from 2019-20 and welcomes views on how this can be achieved.

- Geographic costs – inclusion of an area cost adjustment (ACA). A multiplier applied to factors for schools in areas of high cost consisting of 2 elements: teacher pay costs and non- teaching staff costs. The hybrid ACA was designed and used in order to reflect that the costs of teachers are lower in high cost areas than the general labour market (GLM) indices would suggest. The GLM measure was used prior to the ACA.

The proposed building blocks and factors of the schools national funding formula are shown in the table below.

A	Per-pupil costs	Basic per-pupil funding			
B	Additional needs	Deprivation	Low prior attainment	EAL	
C	School costs	Lump sum and Sparsity	Rates	Premises (PFI, split sites, exceptional circumstances)	Growth (New)
D	Geographic costs	Area cost adjustment			

The reforms propose to retain 11 of the 14 permissible factors that local authorities can currently include in their local funding formula and to add a new factor to recognise in-year growth in pupil numbers. The 3 current optional factors that are proposed to be excluded in the national funding formula are looked after children, mobility and post 16. Rotherham's current local formula does include a mobility factor.

The 8 factors of the 14 permissible ones Rotherham currently use are shown in the table below. The highlighted 6 factors and the IDACI and current FSM methodology for deprivation are the ones Rotherham does not currently use.

Factor		Description
Per pupil (mandatory factor)		Basic unit of funding for every pupil weighted according to age
Deprivation (mandatory factor)	Free School Meals (FSM)	Funding for schools based on pupils' entitlement to FSM (current FSM entitlement and/or entitlement during the last 6 years)
	Income deprivation affecting children index (IDACI)	Funding for schools based on the relative socio-economic deprivation of the areas in which their pupils live
Low prior attainment (LPA)		Funding for schools with pupils who did not reach the expected standard at the previous stage
English as an additional language (EAL)		Funding for schools with pupils whose first language is recorded as being a language other than English
<i>Looked after children (LAC)</i>		<i>Funding for schools with children who have been looked after for one day or more as recorded by the local authority</i>
<i>Mobility</i>		<i>Funding for schools where more than 10% pupils entered a school during the last 3 academic years, but did not start in August or September (January for reception)</i>
Lump sum		A fixed amount allocated to each school in a local authority area
Sparsity		Funding to support small schools without which pupils would have to travel long distances to their nearest appropriate school
Other school costs	Private Finance Initiative	Funding to support schools with unavoidable extra premises costs arising from PFI
	Rates	Funding to meet the cost of business rates
	Split sites	Funding to support schools with unavoidable extra premises costs because school buildings are on separate sites
	<i>Post 16</i>	<i>Funding to continue historic arrangements for funding post-16 pupils</i>
	Exceptional circumstances	Local authorities can apply to the Education Funding Agency to use exceptional factors related to premises
Area cost adjustment (ACA)		An adjustment to support schools which have to pay higher teacher salaries because they are in the London fringe area

## The transition to a new formula

The government are asking local authorities to provide information on their planned spend for 2016-17 so that they can re-set DSG baselines to this planned spend rather than how the government allocated funding.

The government intends to use the new funding formula from 2017-18 to build-up each local authority's block funding. All block funding will be required to be passed on to schools. For the first two years of the formula, this will continue to be allocated to the local authority for it to distribute according to its own local formula. This is referred to as a 'soft' national funding formula. From 2019-20 funding would be direct to schools – a 'hard' national funding formula.

Schools block allocations will be calculated as follows:

- calculate each school's allocation using the formula factors (basic per-pupil, additional needs, lump sum, sparsity and ACA)
- apply the national minimum funding guarantee to each school
- add together all the resulting individual school allocations to give a local authority total
- add funding for premises and growth factors based on historic spend at local authority level

The government are proposing to phase in the national funding formula by putting in place a national Minimum Funding Guarantee, funded through a national cap on gains. The second stage of the consultation will on the new national funding formula will contain proposals for how the MFG and the cap on gains would work in future and the levels they would be set at.

The government anticipate that there will be some schools that lose funding as a result of the national funding formula therefore they will continue to support schools to become financially healthier and more efficient through support tools, training and sharing best practice. They will also launch an invest to save fund in 2016-17 to allow schools to invest in ways to save money in future, helping them manage the transition to the national formula.

There is a continuing role for Schools Forum in 2017-18 and 2018-19 in carrying out their current role of advising on the schools budget and local formula. Moving to a hard national formula in 2019-20 removes this role from Schools Forum.

## Funding that will remain with local authorities.

Local authorities currently receive funding from the government for their responsibilities from 2 different funding streams – the DSG funding that is held centrally by the local authority and the retained duties element of the ESG. The proposal is to bring these 2 funding streams together into a new fourth block of the DSG the 'central schools block' distributed on a simple per-pupil formula.

ESG funding for retained duties is already allocated to local authorities according to a per pupil rate of £15 for all maintained school and academy pupils. Centrally retained DSG is not currently allocated on a formulaic basis. The government plans to collect evidence from local authorities about their historic commitments, during the spring 2016 and to allocate funding for historic commitments on the basis of this evidence. The second phase of the consultation will set out a proposal for a formula and the pace of transition.

## The future of the Education Services Grant (ESG)

The ESG is paid to local authorities and academies according to 2 national per pupil rates. The general funding rate (£77 per pupil in 2016-17) is paid to both academies and local authorities to fund duties that academies are responsible for delivering for their pupils and that local authorities deliver for maintained school pupils. The retained duties rate (£15 per pupil in 2016-17) is paid only to local authorities to fund the duties that local authorities deliver for all pupils.

The government's plan are to remove the general funding rate from 2017-18 and to address this by school and local authority efficiencies and the removal of some statutory duties. The expectation is that local authorities will step back from running school improvement for September 2017 and therefore will not require funding for this function.

The government is keen to receive suggestions for additional duties that could be removed or reformed to support the move to a school-led system and help with managing the savings.

They recognise that local authorities will need to use other sources of funding to pay for education services once the general funding rate has been removed. The proposal is to allow local authorities to retain some of their maintained schools' DSG to cover the statutory duties that they may carry out for maintained schools. This would need to be agreed by the maintained school members of the Schools Forum.

The proposal is for transitional arrangements for the removal of the ESG general funding rate for academies and local authorities. The general funding rate would be removed completely for both academies and local authorities from September 2017 (subject to a protection arrangement for academies). This government plan to unwind this protection by 2020.

Vera Njelic  
Principal Finance Officer

**Schools Forum Brief – 22<sup>nd</sup> April 2016****Approval to increase the budget centrally retained from the Early Years Block in 2016/17**

In 2013/14 Schools Forum approved the central retention of £90k to fund staffing within the Early Years and Childcare Service to cover a proportion of the costs of staff that manage and support the early education processes. This budget contributed 49% of the total cost of staff involved in these processes.

It is proposed to increase the amount retained centrally in to fund staff in 2016/17 to £150k. This will contribute 81% of the total cost of staff involved in early education processes. There are 10 staff whose roles are partly involved in managing the delivery of 2/3/4 year old early education. Approximately 58% of their total time is involved in early education at a cost of £185k. This amount was wholly funded from the local authority revenue budgets until 2013/14.

Central retention of Early Years Block is an allowable expenditure and currently a number of authorities within the Yorkshire and Humber region retain significantly larger amounts of the Early Years Block for to fund central functions.

An amount of £55,000 was carried forward from the 2 year old budget from 2014/15 to 2015/16 to purchase a new IT system. The tendering of this system was delayed and although a successful supplier has been selected, the invoice will not be raised until 2016/17. It is therefore proposed to carry forward this funding to enable the purchase of the system to be completed. In addition, a further £15k is required to cover implementation costs and training. This amount will be covered from a surplus in the 2015/16 three and four year old budget.