

## **Rotherham Schools' Forum**

**Venue: Rockingham Professional Development Centre**

**Date: Friday, 13 January 2017**

**Time: 8.30 a.m.**

### **A G E N D A**

1. Apologies for Absence.
2. Learning Community and Stakeholder Representatives - confirmation and nomination/election
3. Minutes of the previous meeting held on 9th December, 2016 (Pages 1 - 8)
4. Matters Arising from Previous Minutes
5. Contingency for Pupil Growth Funding Allocations 2017/18 (Pages 9 - 11)
6. Rotherham Schools Forum - Decision-making (Page 12)
7. Education Services Grant (ESG) (Pages 13 - 16)
8. Dedicated Schools Grant - Schools Block Contribution to Admissions Service (Pages 17 - 18)
9. Early Education Funding Rate 2017/18 (Pages 19 - 24)
10. Early Years - Update
11. High Needs - Update
12. Formula Funding 2017/2018
13. Stage 2 Consultations - National Funding Formula and High Needs Funding Formula
14. Date and time of the next Meeting

Future meetings of the Rotherham Schools' Forum shall take place at the Rockingham Professional Development Centre, commencing at 8.30 a.m. on the following dates:-

- Friday 10<sup>th</sup> March, 2017
- Friday 28<sup>th</sup> April, 2017
- Friday 16<sup>th</sup> June, 2017

**ROTHERHAM SCHOOLS' FORUM  
FRIDAY, 9TH DECEMBER, 2016**

**Present:-** Mr. D. Naisbitt (Oakwood High School - in the Chair); Learning Community representatives:- Mrs. D. Ball (Aston Learning Community), Mrs. P. Dobbin (Redscope Primary School), Mr. T. Mahon (St. Bernard's RC High School) and Mr. P. Bayliss (FE Colleges).

Other stakeholders:- Mr. P. Bloor (Pupil Referral Units); Mrs. J. Mott (Special Schools); Mrs. S. Brook (NASUWT); Mr. D. Ashmore (Teaching Schools); Mr. S. Scott (Day Nurseries - Private, Voluntary, Independent) and Mr. M. Badger (UNISON).

Also in attendance:- Mrs. K. Borthwick (RMBC Head of School Effectiveness Service); Mr. M. Chambers (RMBC Finance) and Mrs. V. Njelic (RMBC Finance).

Apologies for absence were received from:- Mrs. L. Pepper (Clifton Learning Community), Mr. P. Gerrard (RMBC Early Years and Childcare Service), Mr. J. Morrison and Mrs. R. Hibberd (Swinton Academy) Mr. G. Gillard (Sheffield Diocese), Dr. R. Williams (Thomas Rotherham College) and Mr. A. Richards (Secondary Governors).

**13. MINUTES OF THE PREVIOUS MEETING HELD ON 14TH OCTOBER 2016**

Agreed:- That the minutes of the previous meeting of the Rotherham Schools Forum, held on 14th October, 2016, be approved as a correct record.

**14. MATTERS ARISING FROM PREVIOUS MINUTES**

Discussion took place on the following items from the minutes of the previous meeting:-

(1) (Minute 3 – Learning Community and Stakeholder Representatives) – the Schools' Forum will continue to review this matter at each meeting.

(2) (Minute 10 - High Needs – Update) – the membership of the High Needs Block Budget Sub-Group is listed within Minute No. 10 and it was confirmed that any additional representation would have to be agreed by the Schools' Forum. It was also noted that the Chair of this Sub-Group must be someone appointed from among its membership, but should not be an officer of the Local Authority. The Sub-Group will report on its deliberations to a future meeting of the Rotherham Schools' Forum.

**15. HIGH NEEDS - UPDATE**

Further to Minute No. 10 of the meeting of the Rotherham Schools' Forum held on 14th October, 2016, Members of the Schools' Forum received a presentation from the Assistant Director of Education and Skills

concerning the High Needs Block of the Total Schools Budget. The presentation and the subsequent discussion highlighted the following salient issues:-

: the population of the Rotherham Borough area does not remain static and has recently seen a growth of the pupil population in schools of some 13% from Key Stage 1 to Key Stage 2;

: the number of pupils will continue to increase as more homes are built within the Rotherham Borough area, as projected by the Local Plan (currently under consideration by the Local Authority);

: Rotherham is a net importer of school pupils (ie: pupils living outside the Rotherham Borough area) and this number of pupils is also increasing, as well as the proportion of those pupils who have some form of special educational need; this increase is especially apparent at Key Stage 3 and at Key Stage 4, which have the largest cohort of pupils with some form of special educational need;

: the baseline allocation of the High Needs Block reveals that Rotherham is under-funded in comparison to other similar local authorities, even though this budget is currently over-spent;

: as at November, 2016, the forecast is that the High Needs Block will be over-spent during the 2016/17 financial year by £5,504,998;

: a proportion of Rotherham-origin pupils who have special educational needs are subject to out-of-authority placements; although these placements are of good quality, the high cost is acknowledged; the Local Authority has the intention of providing residential placements within the Rotherham Borough, thus minimising the reliance upon out-of-authority placements (and the costs);

: another objective is to provide pupils who have special educational needs with opportunities for learning in a mainstream school setting, as these circumstances are very often beneficial for the individual; schools receive top-up funding for such pupils;

: the changing nature of special schools was acknowledged; special schools are better-resourced in terms of numbers of staff, but have to cope with an increasing number of pupils, some with very complex needs (eg: pupils may have emotional, mental and physical difficulties);

: the Government-imposed improvement process for the Local Authority had initiated partnership work with Lincolnshire County Council, including a peer review and a "star chamber" analysis of the Education Service; the "star chamber" analysis of Education funding and budgets had been extremely rigorous and worthwhile; the Local Authority had been praised for its strategic management of the special education service; there were significant challenges ahead, including the desirability of pupils who have

special educational needs being able to access and to benefit from a broad curriculum in mainstream schools; there has been some questioning of past decision-making regarding the use of the Dedicated Schools Grant and also of the requirement for additional funding from Health services; care should be taken to ensure that the Education service does not fund services which should correctly be funded by Health services; the operation and funding of the Virtual School was also praised and it was confirmed that some of the Virtual School's funding will be transferred to the High Needs Block; in conclusion, the peer review and the "star chamber" had stated that the focus of Education funding was good and the extent of delegation to schools was also good; however, some issues would remain less than satisfactory as a consequence of the impact of unwise strategic decisions taken by the Local Authority in the past (one example is school place planning);

Schools' Forum members acknowledged that the external assessment afforded by the Lincolnshire County Council peer review and "star chamber" analysis had been extremely useful. The continuing challenge would remain the restricted budget provision and the increasing demand of more pupils with a wider range of complex special educational need. The upper-limit of the age range of the High Needs Block funding has increased from 16 years to 25 years. It was noted that parents had the right to appeal to a tribunal in respect of the special educational needs statement (education, health and care plan decision) made by a Local Authority. To date, there had been no such appeal affecting Rotherham MBC.

During discussion, the Schools' Forum members raised the following salient issues:-

: a clear, strategic plan should be developed for the High Needs Block, with each element of funding being costed – a first draft of this document ought to be submitted to the Schools' Forum's next meeting (13 January 2017), prior to formal consideration at the next following meeting to be held on 10th March, 2017;

: it was acknowledged that a strategic plan would need to be co-constructed with the involvement of partner organisations; to that end, a sufficiency report is already being prepared by the Local Authority, involving Education and Social Care and Health colleagues;

: the Lincolnshire County Council "star chamber" budget analysis had concluded that further dialogue was required between the Education and Health Services in respect of the strategy for and operation of the Child and Adolescent Mental Health Service (CAMHS);

: budget restrictions and increasing demand for services will be constant pressures in the future and therefore competent, well-trained employees, as well as the sharing of information and best practice will continue to be essential.

The Schools' Forum concluded that there ought to be an overarching and joint approach, between education, health and social care service providers, to the funding of pupils who have complex needs and special educational needs.

The Head of the School Effectiveness Service was thanked for the very informative presentation.

Agreed:- (1) That the presentation and supporting information about the High Needs Block be distributed, both in December, 2016 and again in early January, 2017, to the Head Teachers of all schools and to members of the Rotherham Schools' Forum, so as to inform further consideration of this matter at the School's Forum's next meeting to be held on 13th January, 2017.

(2) That members of schools' governing bodies and the chief and lead officers of appropriate external and partner organisations to the Local Authority also be provided with the presentation and supporting information about the High Needs Block.

(3) That the Service Leader, Inclusion (Rotherham MBC) submit a first draft report about the allocation and use of the High Needs Block funding to the next meeting of the Rotherham Schools' Forum, prior to formal consideration of the report at a future meeting.

## **16. EARLY YEARS - ADDITIONAL BUDGET**

Further to Minute No. 35 of the meeting of the Rotherham Schools' Forum held on 22nd April, 2016, consideration was given to a report, presented by the Head of Finance (CYPS), concerning the proposal to increase the centrally retained proportion of the Early Years Block, up to a maximum of 5% in 2016/17. The report stated that, in the first instance, the funding would be from any surpluses within the Early Year Block. In the event that there is no surplus available, the proposal was to accelerate (ie: bring forward) funding from the centrally retained funds available from 2017/18 (7% in 2017/18 and 5% in 2018/19 and in future years).

The Schools' Forum was informed that the Early Years Block currently amounted £13 millions approximately. Head Teachers of schools have already been informed by the Local Authority of the proposal to retain the full 5% to fund central services.

The Schools' Forum expressed concern about the reducing Early Years budget and also about the possible continuing effect of bringing forward the centrally retained funds, year after year, to finance any budget shortfall or increased expenditure. However, it was clarified that this proposal would affect only one financial year, with the Local Authority funding part of the Early Years retained funding in 2017/18. The proposal intended to achieve the flexibility of permitting centrally retained funds to

be brought forward (if necessary) from 2018/19 into the 2017/18 financial year.

It was noted that this matter would also be considered in detail by the Early Years Budget Working Group.

Agreed:- (1) That the submitted report be received and its contents noted.

(2) That, at the next meeting of the Rotherham Schools' Forum, to be held on 13th January, 2017, further reports shall be submitted:-

(a) on a detailed analysis (taking place at the Early Years Working Group meeting) of the proposed use of the centrally retained funds, including any priorities; and

(b) on the deliberations of the Early Years Budget Working Group, enabling the Rotherham Schools' Forum to reach a decision on this proposal.

## **17. EDUCATION SERVICES GRANT - UPDATE**

Consideration was given to a report, presented by the Principal Finance Officer, describing the Education Services Grant, which comprised:-

:: The retained duties rate (£15), held by local authorities to fund services they provide to all schools, including academies; and

:: The general duties rate, held by both local authorities and by academies, to fund services which local authorities provide to maintained schools, but which academies must provide themselves.

The amounts of the general duties rate were listed within the submitted report.

The report stated that the general duties rate would terminate at the end of the 2016/17 financial year (31st March 2017). Local authorities will receive transitional funding at a rate of £50 per pupil (equating to £20 per maintained pupil) during the five months' period April to August, 2017. Maintained Schools in all sectors and Pupil Referral Units may agree to de-delegate additional funding from September 2017 onwards, from their delegated budgets.

The general duties rate of the Education Services Grant for academies would cease at 31st March 2020, with amounts reducing gradually in each successive financial year up to that date.

Also, at the end of the 2016/17 financial year, the funding previously allocated through the Education Services Grant retained duties rate (£15) would be transferred into the Schools Block (an indicative amount of £646,264).

With the agreement of the Schools' Forum, local authorities will be able to continue funding central services previously funded within the retained duties rate (for all schools).

The report included lists of the Education Services Grant duties and responsibilities (central services) which local authorities hold for schools, with separate list showing such duties and responsibilities : (i) for all schools; and (ii) for maintained and special schools only.

The Schools' Forum learned that agreements on the retention of the former retained duties rate and on the former general rate from September 2017 would require a specific decision, to be made at the next meeting to be held on 13th January, 2017.

It was suggested that the Head Teachers of the Special Schools may wish to consider and decide on this matter separately.

Members of the Schools' Forum raised questions about the following issues:-

: the future funding of the duties, responsibilities and services, as listed in the submitted report and whether they would be 'purchased' by schools, from the local authority, on a trading basis;

: a request for details about the intended future use of the retained duties rate, to be held within the Schools Block;

: the proposed future use of the retained duties rate in the context of other similar funding streams;

: a request for additional information about the issues which require voting and decision, such detail to include the amount per pupil.

The report to the next meeting should clarify the specific voting rights (eg: maintained schools to vote in respect of issues affecting only those schools).

Agreed:- (1) That the submitted report be received and its contents noted.

(2) That, at the next meeting of the Rotherham Schools' Forum, to be held on 13th January, 2017, decisions shall be made in respect of:-

(a) whether the Local Authority shall fund central services, previously funded within the retained duties rate, for all schools; and

(b) the funding of services, previously funded within the retained duties rate, for maintained schools, for pupil referral units and for special schools.

**18. 2017/2018 DE-DELEGATED SERVICES - GUIDANCE**

Consideration was given to a report, presented by the Principal Finance Officer, describing the guidance for funding in respect of de-delegated services, as follows:-

- Funding for de-delegated services must be allocated through the formula, but can be passed back, or 'de-delegated', for maintained mainstream primary and secondary schools with the approval of the Schools' Forum. De-delegation is not an option for special schools, nursery schools, nor pupil referral units;

- Any decisions to de-delegate in 2016 to 2017 related only to that year; consequently, new decisions will be required for any service to be de-delegated in 2017 to 2018;

- from 2017 to 2018, Schools' Forums may agree to de-delegate further funding for additional school improvement provision for maintained schools. This provision would exist alongside the new school improvement grant for statutory local authority intervention functions. The school improvement grant will commence from September 2017.

The report stated that the Schools' Forum members for primary maintained schools and secondary maintained schools must decide separately for each phase whether the service should be provided centrally. The resulting decision will apply to all maintained mainstream schools in that phase. As a consequence, funding for these services will be removed from the formula before school budgets are issued. There may be different decisions for each phase. The services which may be de-delegated were listed within the report.

It was also noted that, from the permissible services only, the Schools in Financial Difficulty Fund (a budget of £75,000) had been de-delegated in 2016/17.

Prior to making a decision on this matter, the Rotherham Schools' Forum requested further information about the existence of any specific direction as to the annual consideration of funding for the various services (as listed within the submitted report) which may be de-delegated.

Agreed:- (1) That the submitted report be received and its contents noted.

(2) That further consideration be given to this matter at the next meeting of the Rotherham Schools' Forum, to be held on 13th January, 2017.

**19. 2017/2018 SCHOOLS BLOCK SERVICES**

Further to Minute No. 21 of the meeting of the Rotherham Schools' Forum held on 15th January, 2016, consideration was given to a report, presented by the Principal Finance Officer, concerning the funding of

specific services from the Schools Block (Dedicated Schools Grant) during the 2016/17.

Agreed:- (1) That the submitted report be received and its contents noted.

(2) That the following funding amounts allocated within the Schools Block (Dedicated Schools Grant) for 2017/18 be approved:-

- Central Licences (copyright licensing) negotiated by the Secretary of State for Education : (nb: £237,089 had been approved in 2016/17) : the Local Authority had not yet been notified of the confirmed amount for 2017/18;

- administration and servicing of meetings of the Rotherham Schools' Forum : £3,000;

- funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained school or academy : (nb: £800,000 had been approved for 2016/17).

(3) That it be noted that a report is to be submitted to the next meeting of the Rotherham Schools' Forum, to be held on 13th January, 2017, concerning the transitional funding required in the 2017/18 financial year, to support the creation of additional school places in the Rotherham Borough area until school census funding generates the income for new pupils (ie: funding from the Pupil Growth element within the Schools Block).

## **20. DATE OF THE NEXT MEETING**

Agreed:- (1) That the next meeting of the Rotherham Schools' Forum take place on Friday 13<sup>th</sup> January, 2017, at the Rockingham Professional Development Centre, commencing at 8.30 a.m.

(2) That future meetings of the Rotherham Schools' Forum shall take place at the Rockingham Professional Development Centre, commencing at 8.30 a.m. on the following dates:-

- Friday 10<sup>th</sup> March, 2017
- Friday 28<sup>th</sup> April, 2017
- Friday 16<sup>th</sup> June, 2017

<b>ROTHERHAM BOROUGH COUNCIL – REPORT TO SCHOOLS FORUM</b>
--

<b>1.</b>	<b>Meeting:</b>	<b>ROTHERHAM SCHOOLS FORUM</b>
<b>2.</b>	<b>Date:</b>	<b>13 January 2017</b>
<b>3.</b>	<b>Title:</b>	<b>Contingency for Pupil Growth funding allocations</b>
<b>4.</b>	<b>Directorate:</b>	<b>Children and Young People’s Services</b>

## 5. Summary

Pupil numbers are increasing within the Borough creating a shortage of available places in certain areas. This increasing pressure on school places means it is necessary to increase the number of school places available to meet current and projected demand. This report outlines the transitional funding (**7/12 funding for maintained Schools and 12/12 funding for Academies**) required to support the creation of additional school places in the Borough until school census funding generates the income for new pupils.

## 6. Recommendation:

- **It is recommended that the 2017/18 allocations specified be approved and funded from the Pupil Growth element within the Schools Block. A further report will be submitted in due course to confirm requests for transitional funding for 2018/19.**

## 7. Proposals and Details

Pupil numbers are increasing in the Borough and there is increasing pressure on schools making it necessary to increase the number of places available in certain areas of the Borough. The impact on children and families can be significant where siblings are separated across more than one school; parents are reluctant to take up offers of a school place due to logistical and financial constraints around travel; and a potentially negative impact on one or more children’s attendance, participation and achievement of wider educational outcomes.

Using the previously agreed formula for funding allocations, it is recommended that the following allocations are approved by Schools Forum from the Pupil Growth element within the Schools Block:

**2017/18 Academic Year Recommended Allocations**

<b>School</b>	<b>Amount</b>
Wath C of E	£56,076 based on 15 pupils
Listerdale	£56,076 based on 15 pupils
Sandhill	£56,076 based on 15 pupils
Brinsworth Howarth	£32,711 based on 15 pupils
Cortonwood Infant	£56,076 based on 15 pupils
Brampton Ellis (x 2)	£112,152 based on x 2 cohorts x 15 pupils
Wickersley School & Sports College	£62,556 based on 30 pupils
Laughton J & I	£36,491 based on 30 pupils
<b>Total</b>	<b>£468,214</b>

**8. Finance**

Where schools are expanded, it is necessary to provide interim financial support to bridge the gap (between 1st September and 31st March for maintained Schools and 1<sup>st</sup> September to 31<sup>st</sup> August for Academies) due to funding arrangements. Funding is allocated to schools each year based upon numbers on roll on Census day in October of the preceding year. Additional pupils commencing at the start of a new academic year will not be on roll at that time in order to generate sufficient funding to meet additional staffing and other agreed expenditure.

**9. Risks and Uncertainties**

There are always risks and uncertainties when school place provision is considered since future pupil numbers are based on estimations. Over provision at one school could influence pupil numbers at other schools. Local Authorities are obliged, however, to provide sufficient places, promote diversity and increase parental preference.

**10. Policy and Performance Agenda Implications**

The major theme supported by the forward planning and provision of school places is 'to ensure that everyone has access to skills, knowledge and information to enable them to play their part in society'. The expansion of schools would enable more parents to access their first preference school for their child and, therefore, increase that performance indicator.

Rotherham School Improvement Mission:

- ~ All children will make at least good progress
- ~ There will be no underperforming cohorts
- ~ All teachers will deliver at least good learning
- ~ All schools will move to the next level of successful performance

**11. Background Papers and Consultation**

Reports to the 'Decision Maker' in relation to:

Annual Admissions Consultations

Proposals to increase admission numbers temporarily, and to make prescribed alterations to schools

**12 Contact Name**

**Dean Fenton (Service Lead – School Planning, Admissions and Appeals)**

[dean.fenton@rotherham.gov.uk](mailto:dean.fenton@rotherham.gov.uk)

**Telephone number: 01709 254821**

**Summary of decisions Schools Forum need to make – 13<sup>th</sup> January 2017****1. Growth Fund – additional to report**

For the 2016/2017 financial year Schools Forum agreed to top-slice £800,000 from the Schools Block allocation. The latest budget monitoring indicates an overspend of £122,679. This is due to an additional allocation for diseconomies of scale to Eastwood Village school as agreed by Schools Forum.

In addition to the request for the 2017/2018 budget of £468,214 as per the report presented by the Service Lead – School Planning, Admissions & Appeals, approval is required to increase the 2017/2018 budget by the forecast overspend to £590,893.

**2. ESG**

Attached brief requesting transfer of £646,262 from Schools Block

**3. Admissions**

Attached brief requesting £154,000

**Decisions Schools Forum (maintained only) need to make**

4. Schools in Financial Difficulty (SIFD) de- delegation

5. Trade Union

**Members to note:**

6. The servicing of Schools Forum - £3,000 as agreed at the December 9<sup>th</sup> 2016 meeting.

7. Charge for National Copyright Licences - £241,937 as notified by the EFA

## SCHOOLS FORUM REPORT

### **Subject: Education Services Grant (ESG)**

#### **Summary**

The cessation of the Education Services Grant (ESG) – General Duties – will greatly impact the Council's Education Service budget with a full year reduction in funding of £1.4m

This significant reduction is partially mitigated in 2017/18 with the Council set to receive 5/12<sup>ths</sup> of what would have been its 2017/18 allocation.

The Retained Duties element of the ESG is to continue but has been rolled into the main Schools Block, as additional funding. This paper recommends the transfer of this retained element to the Council to part fund the statutory functions that the Council previously funded through the wider ESG (Retained and General).

In recognition of the top slice of funding that the Council is enacting to support the High Needs Block, there is no further request for contributions from Schools for the loss of General Duties ESG.

#### **Background**

Forum members will recall that there are two parts to the ESG:

- The general rate which is received by both academies and similarly LAs for their maintained schools. This is to cease for LAs from September 2017 and for academies transitional protection will have unwound by 2020.
- The retained duties rate (circa £15 per pupil) – covering LA duties for both maintained schools and academies. This will continue but as an addition to the Schools Block.

In 2016/17 the ESG contributed £2.1m towards the Council's budget to deliver statutory and regulatory support to schools. It will receive £1.1m in 2017/18.

Over the last two years the Council has invested £20m into Children Services compared to the base budget in 2014/15. In 2017/18 it will invest a further £8.5m as the service continues its improvement journey.

#### **Key Issues**

The retained duties funding previously administered through the ESG has been added to the Schools Block. The Council will require these funds – a sum of £646k – is transferred to the Council in 2017/18.

The Council will see a reduction in funding of £800k in 2017/18 due to the removal of the general duties rate from 31<sup>st</sup> August. This is one third of the Council's mainstream funded Education budget; i.e. the element that is not met from existing retention of DSG or funded from the trading of services.

The Council will need to address the loss of resource through a functionality analysis of how it delivers Education support. Of the £800k shortfall £200k has been identified in 2017/18 to bridge the gap with further budget proposals currently under review but more likely to materialise from 2018/19.

The guidance from the Department for Education is clear that local authorities can agree with School Forum a greater share of the central schools block to help mitigate its budget position. However given the significant transfer of funding from the schools block to the high needs block in 2017/18 the Council will manage the reduction of ESG in its entirety.

### **Recommendations**

That Schools Forum:

- Note the changes to the ESG and recognise the impact it will have on Council resources.
- Agree the transfer of £646k to the Local Authority from the Schools Block in 2017/18.

## Rotherham Schools' Forum

## Rotherham's activities and functions covered by the Education Services

Functions and responsibilities covering all schools:	
Responsibilities the Authority holds for all schools ( <i>funding may be retained centrally from all schools with agreement of the Schools' Forum</i> )	2017 - 2018 full year estimate (£):
<b>Statutory and Regulatory duties:</b>	
<i>Director of children's services and personal staff for director (Sch 1, 20a)</i>	86,312
<i>Planning for the education service as a whole (Sch 1, 20b)</i>	360,819
<i>Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 1, 20d)</i>	65,412
<i>Administration of grants (Sch 1, 20e)</i>	TBC
<i>Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 1, 20fi)</i>	Included above
<i>Formulation and review of local authority schools funding formula (Sch 1, 20g)</i>	64,688
<i>Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 1, 20i)</i>	11,875
<i>Consultation costs relating to non-staffing issues (Sch 1, 20r)</i>	0
<i>Plans involving collaboration with other LA services or public/voluntary bodies (Sch 1, 20v)</i>	0
<i>Standing Advisory Committees for Religious Education (SACREs) (Sch 1, 24)</i>	0
<i>Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 1, 20w)</i>	0
<b>Total Statutory&amp; Reg duties</b>	<b>£589,106</b>

Functions and responsibilities covering all schools:	
Responsibilities the Authority holds for all schools ( <i>funding may be retained centrally from all schools with agreement of the Schools' Forum</i> )	2017 - 2018 full year estimate (£):
<b>Education Welfare:</b>	
<i>Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 1, 10c)</i>	56,010
<i>School attendance (Sch 1, 11)</i>	0
<i>Responsibilities regarding the employment of children (Sch 1, 29)</i>	0
<b>Total Education Welfare</b>	<b>£56,010</b>
<b>Asset management:</b>	
<i>Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 1, 10a)</i>	51,672
<i>General landlord duties for all buildings owned by the local authority, including those leased to academies</i>	0
<b>Total Asset Management</b>	<b>£51,672</b>
<b>Central support services:</b>	
<i>No functions</i>	
<b>Total Central Support Services</b>	<b>£0</b>
<b>Premature retirement and redundancy:</b>	
<i>No functions</i>	0
<b>Total Prem Retirement</b>	<b>£0</b>
<b>Monitoring national curriculum assessment:</b>	
<i>No functions</i>	0
<b>Total Monitoring</b>	<b>£0</b>
<b>Therapies:</b>	
<i>No functions</i>	0
<b>Total ESG Duties for All Schools</b>	<b>£ 696,788</b>

## SCHOOLS FORUM REPORT

**Subject: Proposal for Schools Block to contribute to the Admissions Service**

### Summary

The creation of Dedicated Schools Grant (DSG) funding blocks in 2012/13 restricted some central services that could be funded from the DSG thereafter to historical levels.

Rotherham is one of only two authorities in England who do not receive a contribution from Schools for the cost of the Admissions Service. The restrictions post 2013 meant that this situation could not be rectified.

The Department for Education (DfE) guidance for 2017/18 has relaxed this rule for Admissions.

The Local Authority therefore requests Schools Forum to approve a contribution from all schools totalling £154k.

### Background

Previous DfE guidance stated:

*Some elements of the central provision within the schools budget cannot increase above 2015-16 levels. The relevant expenditure lines are ... 1.4.2 (Admissions),*

This meant that for Admissions (and other areas) the Council could not request an increase to its contribution from schools, which is £0 (zero).

The recently published DfE Schools Revenue Funding Guide for 2017/18 relaxed this position:

*A number of the services that are covered by funding that is held centrally are subject to a limitation of no new commitments or increases in expenditure from 2016 to 2017, for 2017 to 2018 this limit no longer applies to admissions or the servicing of schools forums.*

*...If the local authority and schools forum are unable to reach consensus on the amount to be retained by the local authority, the matter will need to be referred to the Secretary of State.*

### Key Issues

The Council is facing significant budget pressures due to reductions to some its core funding resources, including Revenue Support Grant and Education Services Grant. Its budget is forecast to reduce by 25% over the next three years from a net revenue budget of £200m in 2016/17. In spite of this it has over the last two years invested over £20m in Children's Services. A further £8.5m will be added to the base budget in 2017/18 to support the Children's Directorate on its improvement journey.

Rotherham is one of only two local authorities in England who do not currently receive a contribution from Schools towards the cost of admissions. In 2017/18 there is the first opportunity to put right this historic oversight.

The total cost of the Admissions Service in 2017/18 will be £384k. If existing arrangements continue it will be funded from £238k of the the Council's own resources and from an income target of £146k from the traded service with academies.

Breakdown of the £238k expenditure:

- £154k on the co-ordination of admissions arrangements in the borough. Activities including School Organisation, monitoring and tracking and coordinated consultations / admissions work – all LA statutory functions.
- £84k admissions administering work for LA maintained schools (traded for academies).

The Council is requesting that the £154k is funded from the School Block in 2017/18.

In order to ensure equity between academies and maintained schools, the Council is of the view that the maintained schools should pay their fair share, a maximum of £84k in 2017/18. Given maintained school representation at school forum is low, it may be best to defer a decision regarding this to a separate meeting of maintained school heads and council officers.

### **Recommendations**

That Schools Forum:

- Agree to fund statutory admission functions totalling a maximum of £154k.

That Schools Forum (maintained schools only):

- Note the issue regarding funding the administering of admissions and agree for a meeting of maintained representatives to discuss a contribution of no more than £84k to the LA.

**SCHOOLS FORUM REPORT****Subject: Early Education Funding Rate 2017/18****Summary**

The outcome of the DfE consultation requires local authorities (LA's) to allocate the funding to early education providers based on a local single funding formula. LA's are required to fund all providers at the same base rate and must include a deprivation supplement for 3/4 year old early education funding, with the option of including additional supplements. LA's can retain 5% of the 3 / 4 year old budget allocation to fund central services.

Early years national funding formula Operational guide December 2016 states:

*Schools forums must be consulted on changes to local early years funding formulae, including agreeing central spend by 28th February, although the final decision rests with the local authority.*

**Recommendations to Schools Forum**

- Note the decisions made and approved by the Children and Young People's Departmental Leadership Team regarding the Early Years 2017/18 allocation (Appendix 1).

## Appendix 1

## BRIEFING PAPER

1.	<b>Date of meeting:</b>	<b>January 2017</b>
2.	<b>Title:</b>	<b>Proposed Early Education Funding Rate 2017/18</b>
3.	<b>Directorate:</b>	<b>CYPS</b>

## 1. Background

Following the outcome of the Department for Education's (DfE) Early Years national funding formula consultation, the DfE has provided local authorities with initial budget allocations for the Early Years Dedicated Schools Grant (EY DSG) for 2017/2018. This will provide the funding for early education places in schools and other early years providers. See below the allocation for Rotherham (this budget will be adjusted based on January 2017 and January 2018 census returns):

<b>Initial 2017/18 Early Years Block Allocation</b>	
3/4 year Early Education	£10,217,239
30 Hour Childcare (from September 2017)	£1,532,692
Nursery School Stability	£987,302
Early Years Pupil Premium	£221,903
Disability Access Fund	£86,100
2 Year Early Education	£3,396,349
	<b>£16,441,585</b>

The outcome of the DfE consultation requires local authorities (LA's) to allocate the funding to early education providers based on a local single funding formula. LA's are required to fund all providers at the same base rate and must include a deprivation supplement for 3/4 year old early education funding, with the option of including additional supplements. LA's can retain 5% of the 3 / 4 year old budget allocation to fund central services.

A local consultation has been carried out with all private, voluntary and independent (PVI) providers and schools to gather views on the make-up of the local funding formula and the proportion of the budget to allocate to supplements. The outcome of the consultation is included at Appendix 2. Based on the consultation responses it is proposed that the Rotherham early education formula for 3 / 4 year olds is made up of:

- Base Rate
- Medium Deprivation Supplement (10p per hour)
- High Deprivation Supplement(15p per hour)
- No additional supplements to be included

In addition the three nursery schools will receive the nursery school stability funding.

The consultation response favoured an allocation of 2% of the budget on the deprivation supplement. It is therefore proposed that EY DSG 3/4 year old allocation is proportioned as detailed below:

5%	Centrally Retained	£587,496
2%	Deprivation Supplement	£234,998
93%	Early Education Base Rate (for 15 and 30 hour entitlements)	£10,927,435

This would equate to the following hourly rate for providers for 3/4 year old early education provision:

Base Rate	£4.00
Deprivation Supplement	0p / 10p / 15p

In addition providers can apply for Early Years Pupil Premium for eligible children at a rate of 53p per hour. Disability Access Fund of £615 per year is also available for children claiming Disability Living Allowance.

A total of 66 schools and 184 PVI providers are currently contracted to deliver early education places. Based on information gathered as part of the Childcare Sufficiency Assessment in June/July 2016, 9.4% (17) of PVI providers charge more than £4.00 per hour for fee paying families based on their daily rate, with the remainder charging £4.00 per hour or less.

**2 year old early education funding**

The DfE have confirmed that the hourly rate for 2 year old early education provision for Rotherham will be £5.20. All of this funding must be passported directly to providers without any central retention.

**Nursery school stability funding**

The DfE has allocated £987,302 of nursery school stability funding to Rotherham for distribution to the three nursery schools to support funding levels whilst further consultation takes place around the future funding of nursery schools. The three nursery schools have been consulted on the distribution of this funding, and they have all agreed that they would like the funding to be split equally between the three nursery schools. Therefore it is proposed that each nursery school receives one third of the nursery school stability funding allocation in addition to the funding detailed above.

**SEN inclusion fund**

It has been confirmed that each LA is required to establish an SEN inclusion fund to support providers to meet the needs of children with SEND. Rotherham already has an inclusion support grant which funds the private and voluntary sector, but will need to make this available to school nursery/F1 provisions from April 2017. When the 30 hours of childcare offer is introduced in September 2017, children with SEND will be in provision for longer periods of time and further funding will need to be made available to meet this need. The 2016/17 budget for the Inclusion Fund is £210k which is allocated from the High Needs Block. It is projected that a budget of approximately £420k will be required to extend the funding to schools and meet the 30 hour childcare need. It is proposed that this amount is allocated from the High Needs Block.

**2. Key Issues**

The EYCS are aware that a small number of Rotherham providers are concerned about the new hourly rate and the sustainability of their businesses should they offer the new 30 hour entitlement from September 2017 based on an hourly rate of £4.00.

### 3. Key actions and relevant timelines

January 2017:

- Report to DLT proposing hourly rate and central retention
- Inform Schools Forum of agreed hourly rate and central retention information

February/March 2017:

- Re-contract with all early education providers

April 2017:

- Introduction of new national funding formula and local funding rate

### 4. Recommendations to DLT

- Approve the £4.00 per hour hourly rate for 3/4 year old early education funding.
- Approve the 2% retention of 3/4 year old funding for the purposes of the required deprivation supplement.
- Approve the 5% retention of 3/4 year old funding for the purposes of central functions in the Early Years and Childcare Service
- Approve the £5.20 hourly rate for 2 year olds
- Approve the distribution of the nursery school stability funding as an equal split between the three nursery schools.
- Approve £420K to be allocated from the High Needs block for the purposes of the Inclusion Support Grant.

### 5. Name and contact details

Jane Moore, Early Years Quality and Curriculum Adviser, Tel 01709 334005, email [jane.moore@rotherham.gov.uk](mailto:jane.moore@rotherham.gov.uk)

Aileen Chambers, Early Years and Childcare Manager (Early Education, FIS, Sufficiency), Tel ext: 54770, email [aileen.chambers@rotherham.gov.uk](mailto:aileen.chambers@rotherham.gov.uk)

## Appendix 2 – Early Education Funding 2017/18 - Local Consultation Results

### Deprivation Supplement Options:

The DfE have indicated it will continue to be a requirement to include a deprivation supplement as part of the funding formula for 3 / 4 year olds.

The purposes of the deprivation element of the funding formula are:

- To target under-achievement among children from socially deprived backgrounds
- To allocate additional funding to settings which support children from socially deprived backgrounds, to enable them to provide the additional support required so as to 'promote their opportunity to achieve at equivalent levels to other children'
- To support settings' efforts to target deprivation appropriately e.g. through specialist skills and training, additional staff and increased resources.

### Please tick one option:

	<b>11 responses received</b>
Retain same % of funding to be distributed through this supplement	<b>8</b>
Increase % of funding to be distributed through this supplement. If ticked please propose an alternative % in the comments section.	<b>1</b>
Decrease % of funding to be distributed through this supplement. If ticked please propose an alternative % in the comments section.	<b>2</b>

### Distribution of the Deprivation Supplement:

Currently the High level deprivation supplement (15p per hour) is allocated to settings with a deprivation score of 37> (equivalent to 17% most deprived areas) and the Medium level deprivation supplement (10p per hour) is allocated to settings with a deprivation score of between 21 and 36 (equivalent to 18% - 40% most deprived areas) (based on average IMD score of children attending provision).

### Please indicate which option you would prefer to be used for the 2017/18 allocation of deprivation supplement:

	<b>11 responses received</b>
Distribute using the current formula – 10p for Medium or 15p for High deprivation	<b>6</b>
Change to one supplement rate only to the most deprived children based on one of the following options:	
Only fund settings with a ranking of 10% most deprived	<b>1</b>
Only fund settings with a ranking of 20% most deprived	<b>2</b>
Other. If ticked please propose an alternative in the comments section.	<b>2</b>

**Other Supplements:**

The DfE allows local authorities to include additional supplements as part of the local single funding formula to meet any local policy objectives. The other supplements suggested as options are for: rurality/sparsity; flexibility; efficiency; delivery of additional 15 hours free childcare.

Please note – a reduction in the base rate would be required in order to pay any additional supplements.

**Please indicate whether you would like any of the following additional supplements to be included in the Rotherham early education formula.** If any are ticked please propose what level of supplement you consider would be appropriate and what criteria would be applied to distribute such supplement:

<b>4 responses received</b>	
Rurality / sparsity	
Flexibility	<b>1</b>
Efficiency	<b>2</b>
Delivery of additional 15 hours childcare	
Other	<b>1 (mobility)</b>

**Consultation on additional supplements introduced as an option in the DfE response to national consultation:**

**32 responses**

Should the local authority include a supplement for 'Quality' as part of the Early Education funding formula:

<b>NO</b>	35	<b>YES</b>	5
-----------	----	------------	---

Should the local authority include a supplement for 'English as an Additional Language (EAL)' as part of the Early Education funding formula (please note this would require providers to gather additional information for the LA to administer such a supplement):

<b>NO</b>	35	<b>YES</b>	4
-----------	----	------------	---