

## Rotherham Schools' Forum

**Venue:** Rockingham Professional Development Centre    **Date:** Friday, 24 November 2017

**Time:** 8.30 a.m.

### A G E N D A

1. Appointment of Chair for the 2017/18 School Year
2. Appointment of Vice-Chair for the 2017/18 School Year
3. Apologies for Absence.
4. Learning Community and Stakeholder Representatives (Pages 1 - 2)  
  
Discussion about membership of the Rotherham Schools Forum. Members may wish to view these documents via the DfE website :  
  
<https://www.gov.uk/government/publications/schools-forums-operational-and-good-practice-guide-2015>
5. Minutes of the previous meeting held on 16th June, 2017 (Pages 3 - 8)
6. Matters Arising from Previous Minutes
7. Contingency for Pupil Growth Funding Allocations (Pages 9 - 10)
8. Dedicated Schools Grant Funding for School Admissions and Appeals (Pages 11 - 12)
9. National Funding Formula for Schools and High Needs Funding (Pages 13 - 24)
10. The Value of the Rotherham Schools Forum  
  
Discussion of a proposal that in future the Schools' Forum shall meet in a virtual manner as far as is practically possible and / or legal.
11. Date of Next Meeting  
To determine dates of meetings of the Rotherham Schools' Forum for the remainder of the 2017/2018 academic year. Previously suggested :  
26 January, 02 March and 27 April, 2018

<b>Learning Community Representatives: -</b>		<b>Voting (and phase)</b>	<b>Substitute: -</b>
<b>Aston</b>	Deborah Ball (Treeton CE – becoming academy from August 2017)	Voting – primary matters	Donna Humphries (Aston Hall – academy from August 2016)
<b>Brinsworth</b>	John Henderson (Whiston Worrygoose – academy from September 2013)	Voting – primary matters	
<b>Clifton</b>	Lynne Pepper (Herringthorpe Infant – maintained school)	Voting – primary matters	Mark Young (Eastwood Village - academy from September 2015)
<b>Dinnington</b>	Rebecca Staples (Dinnington High - academy from February 2015)	Voting – secondary matters	Chis Eccles / Ian Holborn (Dinnington High - academy from February 2015)
<b>Maltby</b>	David Sutton (Maltby – academy from January 2010)	Voting – secondary matters	
<b>Oakwood</b>	David Naisbitt (Oakwood – academy from December 2013)	Voting – secondary matters	Ann Abel
<b>Rawmarsh</b>	Kay Sherburn (Rawmarsh Monkwood Primary School – academy from October 2014)	Voting – primary matters	
<b>St. Bernard's</b>	Siobhan Kent (St Bernard's – academy from July 2012)	Voting – secondary matters	
<b>St. Pius</b>	Helen McLaughlin (Wath Our Lady and St. Joseph's RC Primary)	Voting – primary matters	
<b>Swinton</b>	John Morrison (Swinton Community School – academy from October 2016)	Voting – secondary matters	John Woffenden
<b>Thrybergh</b>	VACANT (Thrybergh Academy and Sports College – academy from October 2013)	Voting – secondary matters	
<b>Wales</b>	Pepe Di'lasio (Wales High School – academy from October 2010)	Voting – secondary matters	Sue Hustler
<b>Wath</b>	Sally Armstrong (Wentworth CE – becoming academy from August 2017)	Voting – primary matters	David Silvester (Wath CE - academy from March 2017)
<b>Wickersley</b>		Voting – primary matters	
<b>Wingfield</b>	Paula Dobbin (Redscope Primary – maintained school)	Voting – primary matters	Joanne Cook (Greasbrough Primary academy from July 2015)
<b>Winterhill</b>	Joanne Parkin (Winterhill – academy from February 2016)	Voting – secondary matters	

<b>Stakeholders: -</b>			<b>Substitute: -</b>
<b>Special Schools</b>	Julie Mott (Newman School)	Voting	
<b>Maintained Nursery Schools</b>	Peter Gerrard	Voting	
<b>Pupil Referral Units</b>	Paul Bloor	Voting	
<b>Teaching Schools</b>	David Ashmore (Wickersley SSC – academy from March 2014)		
<b>PVI Early Years</b>	Steve Scott	Voting (shared with Early Years??)	Joanne Grey
<b>Primary Governor</b>	Sue Mallinder		
<b>Secondary Governor</b>	Alan Richards		
<b>Teaching Trade Unions</b>	Susan Brook		Fred Sprague
<b>Support Staff Trade Union</b>	GMB (Philip Harris) and UNISON (Sultan Mahmood)		UNISON (Michael Stowe)
<b>Diocese of Sheffield</b>	Geoff Gillard		
<b>Diocese of Hallam</b>			
<b>School Business Managers</b>	Laura Redmile (Wales High School – academy from October 2010)		Susan Hustler (Wales High School – academy from October 2010)
<b>Colleges</b>	Laura Reid (RNN Group)		Richard Williams (Thomas Rotherham College)

**ROTHERHAM SCHOOLS' FORUM  
FRIDAY, 16TH JUNE, 2017**

**Present:-** Mr. D. Naisbitt (Oakwood High School - in the Chair); Learning Community representatives:- Mrs. D. Ball (Aston Learning Community), Mrs. L. Pepper (Clifton Learning Community), Mrs. P. Dobbin (Redscope Primary School) and Mr. P. Di'lasio (Wales High School).

Other stakeholders:- Mrs. J. Mott (Special Schools), Mr. P. Gerrard (Maintained Nursery Schools), Mr. S. Scott (Day Nurseries – Private, Voluntary, Independent), Mr. A. Richards (Secondary Governors), Mrs. G. Rae (RNN Group) and Mr. S. Mahmood (UNISON).

Also in attendance:- Mrs. K. Borthwick (RMBC Assistant Director of Education and Skills), Mr. M. Chambers (RMBC Finance), Mrs. V. Njegic (RMBC Finance) and Mrs. P. Williams (RMBC Head of Inclusion).

Apologies for absence were received from:- Mrs. S. Kent (St. Bernard's RC High School), Mr. J. Morrison (Swinton Academy), Mr. G. Gillard (Sheffield Diocese), Mrs. S. Brook (NASUWT) and Mrs. L. Reid (RNN Group).

Observer in attendance : Mrs. E. Crossland (Education and Skills Funding Agency).

**41. RETIREMENT OF SCHOOLS FORUM MEMBERS**

The Chairman informed everyone that this would be the last meeting to be attended by Mrs. J. Mott (Head Teacher of the Newman Special School, Rotherham) and by Mrs. K. Borthwick (RMBC Assistant Director of Education and Skills). Both Mrs. Mott and Mrs. Borthwick would be retiring in July 2017.

The Rotherham Schools' Forum thanked Mrs. Mott and Mrs. Borthwick for their contributions to the work of the Forum and wished them both a long and happy retirement.

**42. LEARNING COMMUNITY AND STAKEHOLDER REPRESENTATIVES**

Details were submitted of the current membership of the Rotherham Schools' Forum for the 2016/2017 academic year.

Agreed:- (1) That there shall be continual review of membership to ensure that the balance of academy and non-academy schools represented on the Rotherham Schools' Forum accurately reflects the balance of the sectors in the Rotherham Borough area.

(2) That, in advance of the next meeting of the Rotherham Schools' Forum, to be held on Friday 6th October, 2017, all Learning Communities, Multiple Academy Trusts, Schools and other stakeholders shall be asked to confirm the names of their representatives on the Rotherham Schools' Forum.

**43. MINUTES OF THE PREVIOUS MEETING HELD ON 17TH MARCH, 2017**

Agreed:- That the minutes of the previous meeting of the Rotherham Schools Forum, held on 17th March, 2017, be approved as a correct record.

**44. MATTERS ARISING FROM PREVIOUS MINUTES**

The following item was discussed:-

Minute No. 38 (Strategic Plan for High Needs Provision and Spend (Including Financial Strategy Update)) – it was agreed that the following updated documents shall be distributed to all members of the Rotherham Schools' Forum with the minutes of this meeting:-

(a) Special Education Needs and/or Disability (SEND) – the Sufficiency Assessment Report on Specialist Provision in Rotherham to 2021 (projection of future requirements for the Borough Council); and

(b) Forecasting Specialist Provision for Pupils with Special Educational Needs until 2021 (project framework for the Borough Council) – copies of the presentation slides.

**45. PRIMARY SCHOOL - WAVERLEY COMMUNITY**

Further to Minute No. 5(2) of the meeting of the Rotherham Schools' Forum held on 14th October, 2016, it was reported that a shortlist of five prospective sponsors had been selected for the new primary school within the Waverley settlement and these companies had been asked to provide their prospectuses for consideration at stage two of the process (March and April 2017). A panel representing stakeholders had been convened to engage in the identification of a potential sponsor.

The Government Department for Education continued to be kept informed of progress and the chosen sponsor would be formally ratified by the Regional Schools' Commissioner later in June 2017. The Local Authority would notify the unsuccessful companies. The submissions from all of the five prospective sponsors had been of a very high quality.

The new primary school at Waverley was scheduled to be opened at the beginning of the 2020/2021 academic year, in September, 2020 and was to be situated in a prime location in the Rotherham Borough area, near to the Advanced Manufacturing Park.

Agreed:- That the information about this new primary school be noted.

**46. SPECIAL EDUCATIONAL NEEDS / HIGH NEEDS**

Further to Minute No. 38 of the meeting of the Rotherham Schools' Forum held on 17th March, 2017, discussion took place on a draft document submitted by the Head of Inclusion (RMBC Education and Skills) containing a summary of the High Needs funding block out-turn for the 2016/17 financial year. The draft document and the Schools' Forum discussion highlighted the following salient issues:-

: the continuing large amount of expenditure and over-spending on the High Needs Block; the intention was that the over-spent sum of money (deficit) should gradually reduce during the course of the next three financial years;

: the continuing pressure on this Block of funding, compounded by the requirements for Education, Health and Care plan assessments of some children;

: the cost of specialist equipment for those pupils whose special educational needs require the use of such equipment;

: high needs sufficiency provision, including the cost of out-of-Authority placements;

: the probable impact of the High Needs National Funding Formula, which has been the subject of recent consultation and is yet to be announced by the Government Department for Education;

: the increasing demand of pupils with special needs;

: the capacity within the Special Schools within the Rotherham Borough area; most of these Schools are full, with no spare capacity and the consequence is that some pupils with slightly less severe needs are remaining in mainstream schools even though a placement at a special school would be appropriate for them;

: the Schools' Forum members acknowledged that the high needs sufficiency provision must meet the needs of students, in spite of the budget limitations;

: the importance of joint working between schools, children's social care and the health services in terms of meeting the needs of children who have special educational needs;

: the High Needs Sub-Group of the Rotherham Schools' Forum has a scheduled meeting on Monday, 10th July, 2017, during which there will be further discussion of high needs sufficiency provision;

: members of the Rotherham Schools Forum were invited to attend the conference for school leaders which was taking place on 22nd and 23rd June, 2017, with the session about High Needs scheduled for Friday 23rd June, 2017.

Agreed:- (1) That the information be noted.

(2) That the final approved version of the High Needs funding block out-turn report for the 2016/17 financial year be distributed to members of the Rotherham Schools' Forum in due course.

(3) That the documents listed at Minute No. 44 above shall also be distributed to members of the Rotherham Schools' Forum.

#### **47. EARLY YEARS**

Further to Minute No. 28 of the meeting of the Rotherham Schools' Forum held on 13th January, 2017, it was noted that the Government Department for Education required local authorities to allocate the funding to early education providers based on a local single funding formula. In addition, local authorities were required to fund all providers at the same base rate and must include a deprivation supplement for three and four year-olds' early education funding, with the option of including additional supplements. It was reported that the hourly rate had increased both for Private, Voluntary and Independent (PVI) Early Years and for the maintained sector.

Agreed:- That the information be noted.

#### **48. DEDICATED SCHOOLS GRANT**

Further to Minute No. 27 of the meeting of the Rotherham Schools' Forum held on 13th January, 2017, it was noted that a maximum contribution, totalling £154,000, had been approved in respect of the funding of the School Admissions Service in the 2017/2018 financial year. This allocation from the Schools Block of the Dedicated Schools Grant affected only the current 2017/18 financial year. In future financial years, such funding would be included in the Block Grant.

Agreed:- That the information be noted.

#### **49. NATIONAL FUNDING FORMULA AND HIGH NEEDS NATIONAL FUNDING FORMULA: DEPARTMENT FOR EDUCATION CONSULTATION (STAGE 2)**

Further to Minute No. 39 of the meeting of the Rotherham Schools' Forum held on 17th March, 2017, it was reported that the calling of the General Election (held on Thursday 8 June 2017) had delayed the issuing of the outcome of the Government's consultation (stage 2) about the National Funding Formula for Schools, including the High Needs National Funding Formula. The Schools' Forum discussed the following issues:-

(i) Rotherham has a history of large expenditure on High Needs;

(ii) during the current 2017/18 financial year, there has been a realignment of the budget with an allocation of £3 millions being transferred from the Schools Block to the High Needs Block.

Agreed:- (1) That the eventual outcome of the Government's consultation (stage 2) about the National Funding Formula for Schools, including the High Needs National Funding Formula be reported to the next meeting of the Rotherham Schools' Forum to be held on Friday, 6th October, 2017.

(2) That, further to (1) above, the High Needs Sub-Group of the Rotherham Schools' Forum shall consider further the detail of the High Needs National Funding Formula at its meeting scheduled to take place on Monday 3rd July, 2017.

## 50. ROTHERHAM SCHOOLS' FORUM - REVIEW OF PURPOSE

A discussion took place on the role and purpose of the Rotherham Schools' Forum, during which the following issues were highlighted:-

: ways of ensuring representation from the widest possible range of learning communities, multiple academy trusts, schools and other stakeholders;

: identifying the challenges and schedule of activities for the Schools' Forum;

: ways of enabling the Schools' Forum to perform the scrutiny role, especially in terms of budget monitoring;

: the importance of sharing appropriate information;

: the practice of the Chair serving for a period of two years;

: the establishment of appropriate sub-groups enabling specific issues to be considered in detail;

: identifying issues which require a decision of the Schools' Forum;

: the membership list shall be updated during the Summer 2017.

Members of the Schools' Forum were invited to submit any additional comments to the Chair and/or the Vice Chair, via electronic mail:-

[D.Naisbitt@oakwood.ac](mailto:D.Naisbitt@oakwood.ac)

[trpdball@rgfl.org](mailto:trpdball@rgfl.org)

Members of the Schools' Forum were also invited to study the following relevant documents concerning the role and purpose of a Schools' Forum:-

Operational and Good Practice Guide



[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/572724/Schools\\_forums\\_operational\\_and\\_good\\_practice\\_guide.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/572724/Schools_forums_operational_and_good_practice_guide.pdf)

Schools' Forum Structure

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/417331/Schools\\_forums\\_structure.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/417331/Schools_forums_structure.pdf)

Schools' Forum's Powers and Responsibilities

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/572987/Schools\\_forums\\_powers\\_and\\_responsibilitiesFINAL\\_Nov16.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/572987/Schools_forums_powers_and_responsibilitiesFINAL_Nov16.pdf)

Schools' Forum Self-Assessment Tool Kit

<https://www.gov.uk/government/publications/schools-forums-operational-and-good-practice-guide-2015>

Agreed:- (1) That the Rotherham Schools' Forum shall continue to endeavour to ensure the full participation of all learning communities, multiple academy trusts, schools and other stakeholders in the role of the Forum.

(2) That an updated membership list be reported to the next meeting of the Rotherham Schools' Forum, to be held on Friday, 6th October, 2017.

#### **51. DATE OF NEXT MEETING**

Agreed:- (1) That the next meeting of the Rotherham Schools' Forum take place on Friday 6<sup>th</sup> October, 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 Fridays (all of these dates are subject to confirmation):-

24 November 2017

26 January, 2 March, 27 April and 15 June 2018.

<b>REPORT FOR SCHOOLS FORUM</b>
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<b>1.</b>	<b>Date of meeting:</b>	<b>Friday 24 November 2017</b>
<b>2.</b>	<b>Title:</b>	<b>Contingency for Pupil Growth funding allocations</b>
<b>3.</b>	<b>Directorate:</b>	<b>Children and Young People's Services</b>

## **1. Background**

- 1.1 Pupil numbers are increasing within the Borough as verified by the latest DfE School Capacity and Planning (SCAP) scorecard as a 15% increase in Primary pupils (which is a further 2% increase since the previous scorecard) and a 1% increase in Secondary pupils since 2010. The current Primary phased impact has been planned for by the introduction of 1,732 permanent eventual through school places created between November 2011 and September 2020. In response to this a programme of Secondary school expansions has commenced to accommodate the expected future demand for places.
- 1.2 This report outlines the transitional *funding (7/12 funding for maintained Schools and 12/12 funding for Academies)* required to support the additional staffing requirements for expanding schools in the Borough until school census funding generates the income for the additional pupils.

## **2. Key Issues**

- 2.1 The impact on children and families can be significant where siblings are separated across more than one school due to a lack of school places; parents are reluctant to take up offers of a school place due to logistical and financial constraints around travel; and there is a potentially negative impact on one or more of the children's attendance within the family unit, impacting on participation and achievement of wider educational outcomes.
- 2.2 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.

## **3. Key actions and relevant timelines**

- 3.1 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.

- 3.2 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:

**2018/19 Academic Year Recommended Allocations**

<b>School</b>	<b>Amount</b>
Wath C of E	£56,076
Wath Victoria	£56,076
Sandhill	£56,076
Brinsworth Howarth	£32,711
Cortonwood Inf	£56,076
Brampton Ellis (x 2)	£112,152 x 2 cohorts
Wickersley SSC	£62,556
Wath Comprehensive	£36,211
Wales High	£62,556
<b>Total</b>	<b>£530,490</b>

**4. Risks and mitigation**

- 4.1 There are always risks and uncertainties when a school expansion takes place as, increasing pupil numbers in one school could impact on another schools numbers. However as detailed in section 1 of this report, pupil numbers are rising across the Borough and the trend is set to continue with the implementation of the local plan. Local Authorities have a statutory duty under the School Organisation (Prescribed Alterations) Regulations 2013 to satisfy parental preferences for school places as far as possible within funding parameters.

**5. Recommendations to Schools Forum**

- 5.1 It is recommended that the 2018/19 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 2019/20 and the pre start up allocation funding for the Waverley new Primary School.

**6. Name and contact details**

Dean Fenton  
 Head of Service – School Planning, Admissions and Appeals  
[Dean.fenton@trotherham.gov.uk](mailto:Dean.fenton@trotherham.gov.uk)

<b>REPORT FOR SCHOOLS FORUM</b>
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<b>1.</b>	<b>Date of meeting:</b>	<b>Friday 24 November 2017</b>
<b>2.</b>	<b>Title:</b>	<b>Dedicated Schools Grant - Admissions and Appeals Funding</b>
<b>3.</b>	<b>Directorate:</b>	<b>Children and Young People's Services</b>

## 1. Background

- 1.1 This report proposes a revised model for funding with a change from a mixture of DSG and traded services to a DSG funded model creating a saving to schools and academies for School Planning, Admissions and Appeals Services.
- 1.2 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. The Department for Education (DfE) guidance for 2017/18 has since relaxed this rule for Admissions.
- 1.3 The Local Authority subsequently made a request to Schools Forum for a contribution from all schools totalling £154k towards funding to maintain the statutory duty to coordinate admission arrangements with all admission authorities within the local authority area and with neighbouring authorities. This request was approved by Schools Forum for 2017/18.
- 1.4 Admissions and Appeals Services are offered to all Schools and Academies as a traded service either by Service Level Agreement (SLA) for Academies and Service Level Entitlement (SLE) for Maintained Schools. All but 2 schools/academies in Rotherham have SLA's / SLE's with the Council for Admissions and all schools/academies have agreements in relation to appeals.
- 1.5 The total cost of the School Planning, Admission and Appeals Services is £422k plus £126.00 per admission appeal to meet costs for case preparation, clerking, premises, translation costs, panel member expenses, legal advice and other associated costs. There are between 450 and 600 Admission Appeals heard annually meaning that the current charging arrangement would generate a charge of between £56.7k to £75.6k annually under current financial arrangements once maintained schools are brought in to this schedule from 2018.
- 1.6 The costs are currently met for the services through a funding allocation of £154k from DSG (agreed by Schools Forum for 2017/18), £84k revenue linked to SLE's (*which the Local Authority intends to recharge maintained schools to recoup from 2018, plus the cost of admission appeals at the current rate of £126.00 per appeal*) and £184k from income from academy SLA's totalling £422k and £126.00 per admission appeal. The total cost of Admission and Appeals services is £422k plus between £56.7k to £75.6k for appeals dependant on academic year volume.

- 1.6 The variation between the proposed total cost of services of £450k from DSG and the current charge (£422k + £56.7k to £75.6k) includes the costs for relief clerk cover, raising invoices, processing accounts, ad-hoc legal advice etc which would create a saving to schools and academies of between £27.7k and £47.6k should the proposal be approved to fund the whole service from DSG as opposed to trading via SLA's.

## 2. Key Issues

- 2.1 Schools Forum are asked to consider 2 options regarding the funding of School Admissions and Appeals services for schools:

2.1.1 **Option 1**

Maintain the current funding arrangements outlined in section 1 of this report

2.1.2 **Option 2**

Replace the current funding model with a single funding arrangement from DSG of £450k to fund Planning, Admissions and Appeals Services for all schools and academies, reducing administration and staff cover costs by removing the need for traded financial transactions and passing on a saving to schools.

## 3. Key actions and relevant timelines

- 3.1 The current DSG allocation funding agreement expires at the end of the 2017/18 financial year and traded services around admissions are invoiced in 2 parts – April to August (5/12 of total cost) and September to March (7/12 of total cost) annually. Invoices for Appeals are sent on a pay as you go basis. With this in mind, schools and academies will need to be notified of the financial decision in advance of 1<sup>st</sup> April 2018.

## 4. Risks and mitigation

- 4.1 The Local Authority has a statutory duty to ensure a sufficiency of school places in its local area and to coordinate admission arrangements with all admissions authorities in its own area and with neighbouring local authorities. Given the current traded services model and dependency on 'buy back' rates, there is uncertainty on an annual basis around the staffing profile to meet the coordination responsibilities. A fixed model of funding would allow a stable structure for planning, admissions and appeals services and create a saving to schools.

## 5. Recommendations to Schools Forum

- 4.1 It is recommended that Schools Forum approve option 2 and replace the current SLA / SLE trading model with funding the service from DSG at a cost of £450k generating a saving to schools (£27.7k to £47.6k annually) as outlined in the report and minimising financial transactions.

## 6. Name and contact details

Dean Fenton (Head of Service – School Planning, Admissions and Appeals)  
Tel: 01709 254821 Email: [dean.fenton@rotherham.gov.uk](mailto:dean.fenton@rotherham.gov.uk)

## SCHOOLS FORUM REPORT

### Subject: National Funding Formula Update: Schools Revenue Funding 2018-19

#### 1. Introduction

The Education Skills and Funding Agency (ESFA) has now released guidance for Local Authorities and Schools on revenue funding for 2018-19. The full National Funding Formula (NFF) for 2018-19 and 2019-20 has been confirmed along with indicative DSG allocations with final updates in December 2017.

#### 2. Summary

Dedicated Schools Grant (DSG) will be allocated in four blocks based on national funding formulae for April 2018. These are Schools, High Needs, Early Years and Central School Services. Funding in the Schools Block will be based on a national formula but Local Authorities (LA's) can continue to fund schools on local formula for 2018-19 and 2019-20. Based on indicative modelling Rotherham's DSG for Schools Block will increase by 1.3% and High Needs Block by 2.8% in 2018-19. Funding for Central Services will increase by 2.5%. Indicative allocations are attached in Appendix 1. De-delegation of funding to LA's for central provision of services is still permitted with agreement of School Forum.

#### 3. Headline changes to formula announced through ministerial statement.

- There is an additional £1.3 billion for Schools and High Needs across 2018-19 and 2019-20.
- In 2018-19 all LA's to receive an increase compared to DSG levels in 2017-18.
- The NFF set notional allocations for each school, aggregated up to calculate the Schools Block.
- Schools Block allocation – 0.5% increase per pupil - pupil-led
- Minimum per pupil thresholds in 2018-19 of £3,300 per Primary and £4,600 per secondary (£3,500 and £4,800 in 2019-that the 2018-19
- MFG will continue – flexibility to set between 0% and minus 1.5% so LA's have the flexibility to offer higher levels of protection locally than previously.
- Pupil numbers – include integrated resource numbers on roll
- Schools Block ring-fenced from 2018-19 but can transfer up to 0.5% with Forum agreement. This equates to £925k. An objection to a transfer or should the LA wish to transfer more than 0.5% an application to the Secretary of State is required by 30<sup>TH</sup> November 2017.
- Confirmation that the High Needs funding will be based on a national funding formula, rather than being based on a historic roll forward method used in previous years.

**Vera Njagic: Principal Finance Officer**

## SCHOOLS FORUM REPORT

### Subject: Schools Funding Formula Review 2018-19

#### Introduction

This report is to update Forum on the national funding formula (NFF) and the implications for schools. The Education Skills and Funding Agency (ESFA) has issued details of the national formula for calculating Schools Block DSG.

#### Summary

The indicative 2018-19 Schools Block DSG is based on the accumulation of individual school allocations under the NFF, LA's have the flexibility to allocate funding on a local formula for 2018-19 and 2019-20. The NFF is largely unchanged from the proposals outlined earlier in the year. The main changes are:

- A minimum basic per pupil amount for primary of £2,747, KS3 of £3,863 and KS4 of 4,386,
- An additional factor to provide a minimum pupil led funding amount (all pupil led factors) £3,300 for primary and £4,600 for secondary in 2018-19.
- Increase in the funding floor so that DSG funding to LA's provides for an increase of at least 0.5% per pupil in 2018-19 and at least 1% in 2019-20

The details of the NFF factors and values together with Rotherham's formula are outlined below:

Table 1 - Local and NFF Factors and Values

Factors	2017-18 Rotherham formula		National Funding Formula	
	Primary	Secondary	Primary	Secondary
AWPU Primary	£3,068.00		£2,746.99	
AWPU KS3		£4,835.00		£3,865.65
AWPU KS4		£5,034.00		£4,385.81
Dep FSM	-	-	£440.00	£440.00
Dep Ever 6	£548.00	£625.00	£540.00	£785.00
IDACI Band A	-	-	£575.00	£810.00
IDACI Band B	-	-	£420.00	£600.00
IDACI Band C	-	-	£390.00	£560.00
IDACI Band D	-	-	£360.00	£515.00
IDACI Band E	-	-	£240.00	£390.00
IDACI Band F	-	-	£200.00	£290.00
LPA	£537.00	£477.00	£1,050.00	£1,550.00
EAL 3	£367.00	£367.00	£515.00	£1,385.00
Lump sum	£117,000.00	£117,000.00	£110,000.00	£110,000.00

.Table 1 shows:

- A significantly higher basic per pupil funding in the local formula especially at KS3 and KS4
- Higher factor values for deprivation under the NFF
- Slight reduction in the lump sum value in the NFF

Based on October 2016 census data the 2018-19 indicative Schools Block DSG allocation is £184.822m, an increase of £2.339 over 2017/18 (1.3%).

LAs have the flexibility to allocate funding to schools either on the basis of the NFF or retain a local formula.

The LA has undertaken formula modelling to compare allocations to schools under the current formula, the NFF and a combination of both after taking into account the following:

- The proportion of funding allocated by the local formula is significantly different from that allocated by the NFF. (83% basic entitlement led & 6.5% additional needs led compared to 73% & 18%)
- The local distribution of funding between primary and secondary is 1:1.42, the national average ratio is 1:1.29 which has been kept by the ESFA in the NFF.

## **Recommendations**

The LA recommends a formula review with a Sub Group of Schools Members to consider options for the formula for 2018-19.

**Vera Njelic: Principal Finance Officer**



NFF INDICATIVE SUMMARY TABLES

SCHOOLS BLOCK

2017/18 Baseline funding - Actual	Total	2018/19 Provisional Allocation	17/18 Pupil Nos.	Amount pp	Total	2019/20 Illustrative Allocation	Total	NFF if fully implemented	Total
Formula led factors & MFG	£176,292,114	Primary	23,076	£3,958.54	£91,347,269	Primary	£180,152,914	Primary	£181,221,981
Growth Fund	£677,985	Secondary	15,951	£5,462.37	£87,130,264	Secondary		Secondary	
Historic growth, Premises & mobility	£5,512,406	Historic growth, Premises & mobility		£6,344,231	£6,344,231	Historic growth, Premises & mobility	£6,503,963	Historic growth, Premises & mobility	£6,503,963
<b>TOTAL</b>	<b>£182,482,505</b>	<b>TOTAL</b>			<b>£184,821,764</b>	<b>TOTAL</b>	<b>£186,656,877</b>	<b>TOTAL</b>	<b>£187,725,944</b>

Provisional change over baseline	£2,339,259	£4,174,372	£5,243,439
Provisional % change over baseline	1.3%	2.3%	2.9%

HIGH NEEDS BLOCK

2017/18 Baseline funding - Actual	Total	2018/19 Provisional Allocation	Total	2019/20 Illustrative Allocation	Total	NFF if fully implemented	Total
Elements used in funding floor and gains	£25,607,632	Elements of the NFF 18-19 allocations incl in the gains calc - not subject to change	£26,395,890	Elements of the NFF 19-20 allocations incl in the gains calc - not subject to change	£27,187,766	Elements of the NFF 20-21 allocations incl in the gains calc - not subject to change	£27,639,182
Elements excluded from funding floor and gains	£2,869,000	Elements of the NFF 18-19 allocations excl from gains calc & subject to change	£2,869,000	Elements of the NFF 19-20 allocations excl from gains calc & subject to change	£2,869,000	Elements of the NFF 20-21 allocations excl from gains calc & subject to change	£2,869,000
<b>TOTAL</b>	<b>£28,476,632</b>	<b>TOTAL</b>	<b>£29,264,890</b>	<b>TOTAL</b>	<b>£30,056,766</b>	<b>TOTAL</b>	<b>£30,508,182</b>

£4,000 \* 673 pupils = £2,692,000 plus net importer 29.5 pupils @£6,000 per pupil = £177,000

Baseline reduced by £253,368 Trsf to SB for SEN units in schools	change to elements of the 18-19 allocations incl in the gains calc	£788,258	change to elements of the 19-20 allocations incl in the gains calc	£1,580,134	change to elements of the 20-21 allocations incl in the gains calc	£2,031,550
	% change to elements of the 18-19 allocations incl in the gains calc	3.1%	% change to elements of the 19-20 allocations incl in the gains calc	6.2%	% change to elements of the 20-21 allocations incl in the gains calc	7.9%
	% change in provisional NFF allocations for 18-19 over 17-18 baseline	2.8%	% change in provisional NFF allocations for 19-20 over 17-18 baseline	5.5%	% change in provisional NFF allocations for 20-21 over 17-18 baselines	7.1%

CENTRAL SERVICES BLOCK

2017/18 Baseline funding - Actual	Total
Reported spend on ongoing functions	£1,045,000
<b>TOTAL</b>	<b>£1,045,000</b>

2018/19 Provisional Allocation	Total
Reported spend on ongoing functions	£1,071,417
<b>TOTAL</b>	<b>£1,071,417</b>

2019/20 Illustrative Allocation	Total
Reported spend on ongoing functions	£1,094,285
<b>TOTAL</b>	<b>£1,094,285</b>

NFF if fully implemented	Total
Reported spend on ongoing functions	£1,266,972
<b>TOTAL</b>	<b>£1,266,972</b>

Admissions	£154,000
CLA Licences	£241,937
Former ESG	£646,262
Forum	£3,000
<b>TOTAL</b>	<b>£1,045,199</b>

Provisional change	£26,417
% Provisional change	2.5%

Provisional change	£49,285
% Provisional change	4.7%

Provisional change	£221,972
% Provisional change	21.2%

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## Summary Sheet

### Schools Forum

24<sup>th</sup> November 2017

### High Needs Finance Update and Budget Sustainability Options

**Is this a Key Decision and has it been included on the Forward Plan? No**

### Report Author(s)

Mark Chambers, Assistant Director, Children and Young People's Services (CYPS)

### Ward(s) Affected

Borough-Wide

### Summary

This paper summarises the financial position in 2017/18 of the High Needs Block of the Dedicated Schools Grant (DSG). The recent growth in volume through increased demand for special educational places and the impact on cost is outlined and compared against previous years.

Finally, options to bring the High Needs Budget to a sustainable level are explored in light of the changes to the High Needs Fair Funding Formula, National Schools Funding Formula and the Council's SEND Sufficiency Strategy.

### Recommendations

- Note the in-year High Needs forecast of expenditure as per October 2017.
- Note the growth in demand for Education and Health Care Plans in Rotherham.
- Consider options to provide future budget sustainability.

### Background Papers

SEND Sufficiency Report to Cabinet (September 2017)

## High Needs Finance Update and Budget Sustainability Options

### 1. Recommendations

- Note the in-year High Needs forecast of expenditure as per October 2017.
- Note the growth in demand for Education and Health Care Plans in Rotherham.
- Consider options to provide future budget sustainability.

### 2. Background

- 2.1 Rotherham faces considerable pressure in continuing to meet the needs of pupils with Special Educational Needs and Disabilities (SEND). There are increasing numbers of pupils with an Education, Health and Care Plan (EHCP) or its predecessor, the Statement of Special Educational Needs (SEN) and in-borough special school provision is currently over-subscribed.
- 2.2 Wherever possible children and young people should have their needs met in their chosen mainstream setting, educated alongside their peers within their local community. However for children with more complex needs specialist settings are sometimes more appropriate. Whether they are educated in mainstream schools or through specialist provision, these children and young people have a right to additional funding through the High Needs Budget – part of the Dedicated Schools Grant – through which their educational needs must be met.
- 2.3 During recent years Rotherham has faced growing pressure on the High Needs Budget which has resulted in year on year deficits. In 2015/16 the High Needs in-year deficit was £1.004m; in 2016/17 it was £4.632m (a cumulative deficit of £5.636m); and in 2017/18 it is forecast to be £4.361m (a cumulative deficit of £9.997m).
- 2.4 Over the same three year period the number of children and young people with EHCPs and their predecessor SEN has grown. In 2015/16 (Jan-16) the number of EHCP/SEN was 1,230; in 2016/17 (Jan-17) it was 1,539; and in 2017/18 the current position (Nov-17) is 1,776.
- 2.5 The High Needs Budget allocation has increased year on year but, partly due to Rotherham's low funding baseline compared to neighbouring boroughs and nationally, the budget uplifts have not been sufficient to match the acceleration in demand and the increase in the cost of provision.

### 3. Key Issues

- 3.1 The latest high needs budget monitoring for October 2017 is reporting an in-year overspend of £4.361m. The forecast cumulative deficit – the deficit carried forward from previous years added to the in-year forecast – is £9.997m.

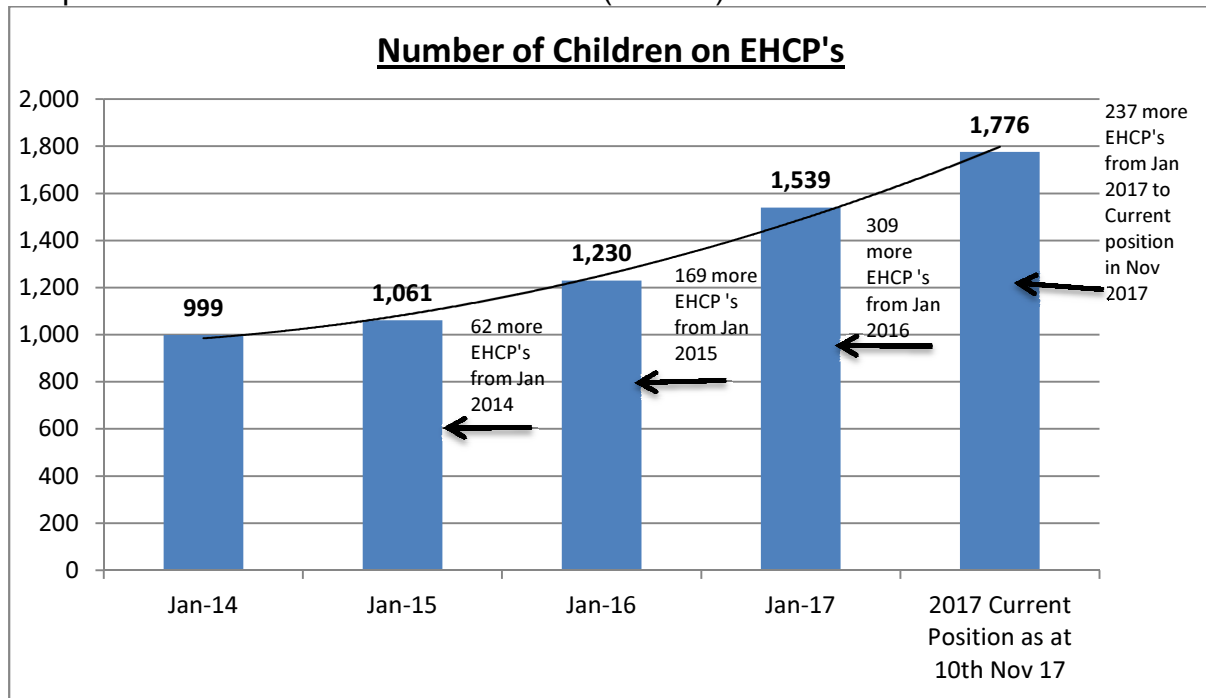
Table 1: Financial Deficit and Rise in EHCPs

Year	In-Year Deficit (£m)	Cumulative Deficit (£m)	No. of EHCP or SEN	Rise in EHCP from previous year
2015/16	1.005	1.005	1,230	169
2016/17	4.631	5.636	1,539	309
2017/18*	4.361	9.997	1,776	237

\*End Oct-17 full year expenditure forecast (year to date EHCPs)

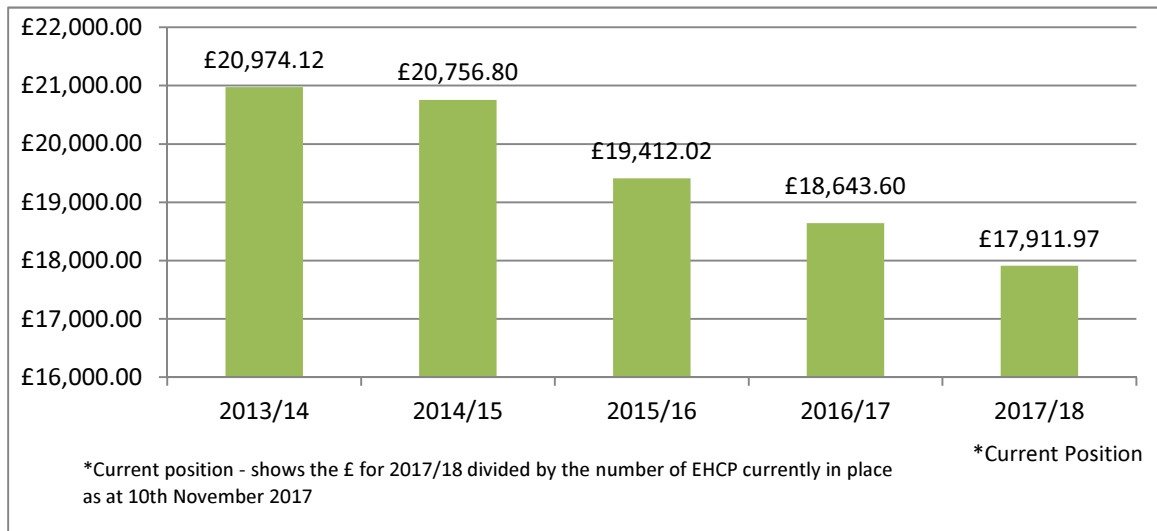
3.3 The number of EHCPs (or SEN) in Rotherham is currently 1,776 as of 10<sup>th</sup> November 2017. A deficit on the high needs budget has been evident for the last three years in spite of increases to the annual allocation. Over the same period, the number of children and young people with EHCPs or SEN Statements has dramatically increased. The high needs budget has increased, through annual uplifts and transfers of funding from the Schools Block, however this has not been sufficient to keep up with demand for specialist and bespoke education places.

Graph 1: Number of Children with EHCP (or SEN)

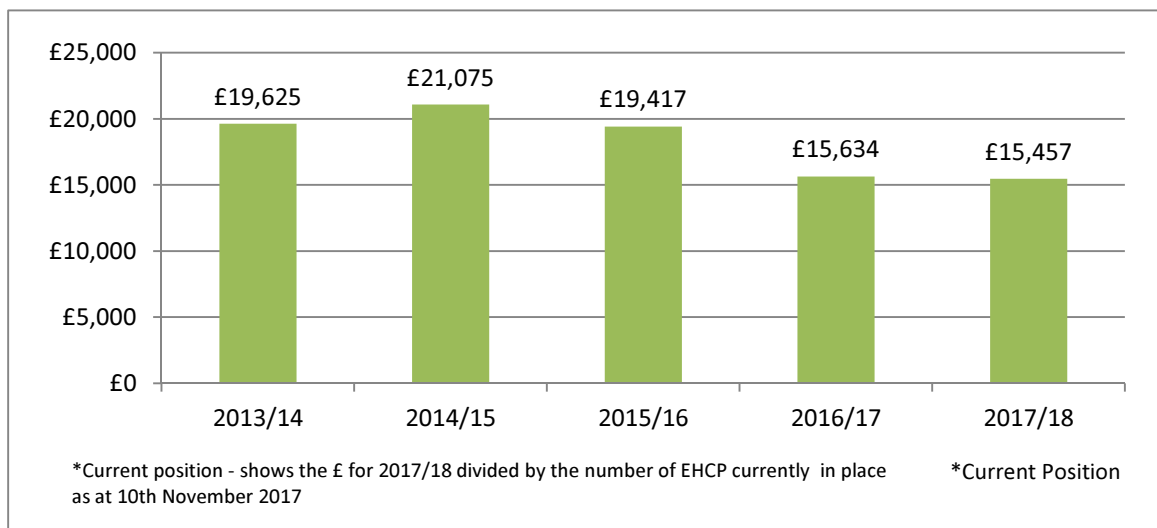


3.4 Expenditure has risen, but at a slower rate than demand. As a result there has been a reduction in average spend per EHCP. The graphs below show the reduction in spend per plan and the theoretical cost limit per plan based on the budgeted allocation per year.

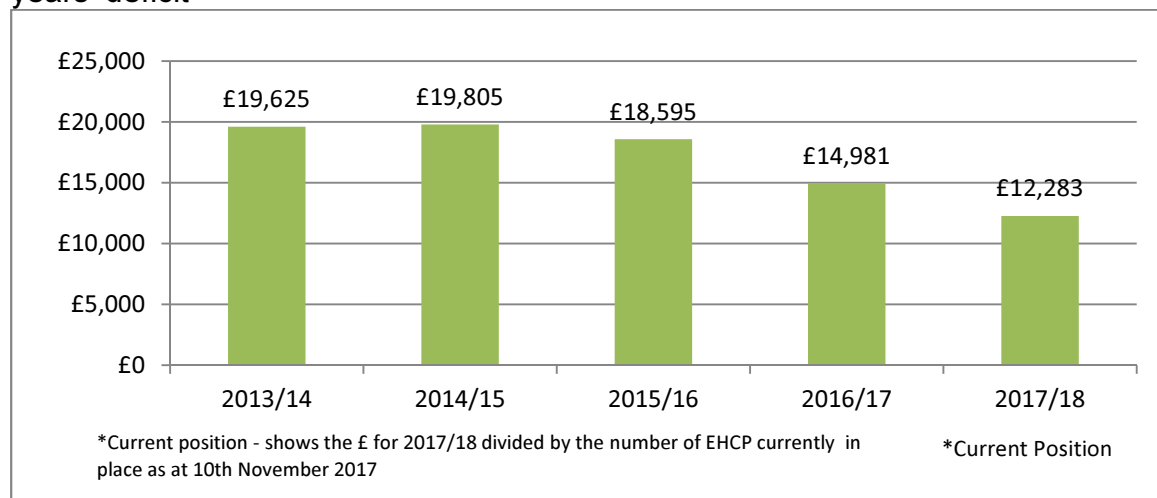
Graph 2: High Needs Average Spend per EHCP (or SEN)



Graph 3: High Needs Budget Allocation per EHCP (or SEN)



Graph 4: High Needs Budget Allocation per EHCP (or SEN) adjusted for previous years' deficit



- 3.5 The graphs above show: (i) average spend per plan; (ii) the parameters that would apply if spend was limited to annual allocations – budget per plan; and (iii) annual allocations less previous years deficits – adjusted budget per plan. The challenge of operating within the existing financial envelope is clear and currently unachievable.
- 3.6 The immediate aim needs to be for a re-basing of the high needs budget and the implementation of the SEND Sufficiency Strategy – Cabinet paper in September 2017 – to reduce the average cost per plan to a level that is sustainable over the long term.
- 3.7 The council has met demand for SEND placements via the commissioning of places not just in mainstream but in special schools, sixth form provision, alternative provision and independent specialist provision. An increase in pupils needing special school provision and specialist provision in other settings has also led to increase costs. Insufficient places in specialist provision remains an issue in the borough. This has been mitigated to a degree with 135 new special school places being utilised compared to January 2015 and will be further addressed through the implementation of the SEND Sufficiency Report to Cabinet in September 2017 and the creation of a further 125 places.
- 3.8 The table below shows the educational setting for children and young people with education and health care plans and where there are increases (and pressures) in terms of placements.

Table 2: Education Placement Mix – January 2015 to November 2017

	Number of EHCP/SEN Jan-15	EHCPs across settings Jan-15	Number of EHCP/SEN Nov-17	EHCPs across settings Nov-17
Total	1,061		1,776	
Rotherham Mainstream Education	433	40.8%	533	30.0%
Rotherham Special Schools	535	50.4%	670	37.7%
Rotherham - Pupil Referral Units	17	1.6%	49	2.8%
Out of Authority Provision	68	6.4%	142	8.0%
Rotherham Other Provision (P-16 & EOTAS)	8	0.8%	382	21.5%

	EHCP Growth Jan-15 to Nov-17	EHCP growth across Settings %	Percentage of additional EHCP places compared to Jan-15
Total	715		
Rotherham Mainstream Education	100	14.0%	23.1%
Rotherham Special Schools	135	18.9%	25.2%
Rotherham Pupil Referral Units	32	4.5%	188.2%
Out of Authority Provision	74	10.3%	108.8%
Rotherham Other Provision (P-16 & EOTAS)	374	52.3%	4675.0%

- 3.9 In table 2 the areas of cost pressure are clear. All settings have experienced increased demand since 2015. Use of out of authority places has more than doubled. This has had the most significant impact on the high needs budget as shown in table 3.

Table 3: Spend on out of authority placements

Year	OoA Spend £m	Increase £m
2015/16	5.397	
2016/17	7.426	2.029
2017/18	8.313	0.887

- 3.10 The strategy over the coming years needs to focus on transferring reliance from out of authority provision to in borough. In doing so the average saving per place would be £35,000.
- 3.11 The number of children placed out of the authority is 160 (November 2017). It will not be appropriate to move some of the children and young people who are in settled placements that are working well and producing good outcomes. However for some children and their families a move to an educational placement in Rotherham would be preferable. If 25% children currently educated outside of Rotherham in higher cost settings were brought into Rotherham provision the average full year saving per place would be £35,000.
- 3.12 The High Needs Fair Funding Formula indicative allocation for Rotherham is due to increase compared to the 2017/18 level, rising to approximately £30.3m by 2019/20. Based on current spending levels of £31.9m (2017/18 forecast) this would still be £1.6m short of the cash limit required to fund current levels of education provision for children with identified special educational needs and disabilities.

#### **4. Options considered and recommended proposal**

- 4.1 Option 1: Do nothing – this is not a realistic option given the existing growing pressures on the budget and predicted continued growth in demand.
- 4.2 Option 2: To implement the SEND Sufficiency Strategy and earmark approximately 40 children and young people to place back in Rotherham rather than in out of authority provision. This would save in the region of £1.4m per annum. This could, with a stretch target applied, eradicate the predicted future budget gap. It would not deal with the existing, and future – through to the end of 2018/19 – cumulative deficit.
- 4.3 Option 3: As per option 2 with an additional proposal to fund the cumulative deficit by transferring funding from the Schools Block of the DSG. If this option was to be explored further there are various methods regarding the amount that could be transferred and the timeframe (number of years) it would need to be applied for in order to clear the historic deficit.

#### **5. Consultation**

- 5.1 Schools Forum – 24<sup>th</sup> November and joint High Needs and Finance Sub-Group scheduled for 29<sup>th</sup> November.



**6. Timetable for Decision Making**

- 6.1 A disapplication request to the Department of Education regarding the transfer of more than 0.5% of the schools block of the DSG to the high needs block – 30<sup>th</sup> November 2017 and 19<sup>th</sup> January 2018.

**7. Financial and Procurement Implications**

- 7.1 The financial implications are contained with sections 3 and 4.