

Rotherham Schools' Forum

Venue: Meeting Room 1 (Wing B) – **Date:** Friday, 18 January 2019
Floor 4, Riverside House
Time: 8.30 a.m.

A G E N D A

1. Apologies for Absence
2. Register of Interests
3. Minutes of the Previous Meeting held on 9th November, 2018 (Pages 1 - 3)
4. Matters Arising

Items for Discussion:-

5. Constitution
Deborah Ball to report.
6. Final 2019/20 school funding formula (TO FOLLOW)
Vera Njegic & Neil Hardwick to report.
7. Mid-year update on DSG position (Pages 4 - 7)
Vera Njegic & Neil Hardwick to report.
8. Update on HNB 2018/19 Forecast & 2019/20 budget setting (Pages 8 - 10)
Vera Njegic & Neil Hardwick to report.
9. Feedback from sub-groups (Verbal)
Paul Silvester to report.
10. 2019/20 Early Years Funding (Pages 11 - 13)
Aileen Chambers to report.
11. Forward Plan
12. Any Other Business

13. Dates of Future Meetings

- Friday, 5th April, 2019, 8.30 – 10.30 am Rockingham Professional Development Centre
- Friday, 21st June, 2019, 8.30 – 10.30 am Rockingham Professional Development Centre

**ROTHERHAM SCHOOLS' FORUM
FRIDAY, 9TH NOVEMBER, 2018**

Present:- Mrs. D. Ball (Treeton CofE Primary – in the Chair); Mr. D. Naisbitt (Oakwood High School)

Learning Community representatives:- Mr. A. Krabbendam (Kiveton Park Primary School) and Mr. P. Di'lasio (Wales High School), Mrs P. Dobbin (Redscope Primary School), Mrs L. Pepper (Herringthorpe Infant School), Mr. C. Harris (Wickersley Learning Community) and Mrs L Hatswell (Our Lady/ St Pius/St Joseph's).

Other stakeholders:- Mr. P. Silvester (Special Schools), Mr. A Richards (Secondary Governors), Mr M. Badger (UNISON), Mrs C. Hill (Kimberworth School/GMB Rep), Mrs S. Brookes-Mills (TRC) and Mrs G Adams

Also in attendance:- Mr. N. Hardwick (RMBC), Mrs. V. Njelic (RMBC Finance) and Mr. D. Fenton (RMBC Service Leader, School Organisation, Admissions and Appeals), Mr J. Stonehouse (RMBC), Mrs j. Lingrell (RMBC)

Apologies for absence were received from:- Mrs. S. Brook (NASUWT), Mr. S. Scott (Day Nurseries – Private, Voluntary, Independent) and Mr I. Henderson (H.R.)

86. APPOINTMENT OF CHAIR FOR THE 2018/19 SCHOOL YEAR

A new Chair was to be appointed for the 2018/19 school year, representatives were asked for nominations and Mrs D. Ball was nominated and appointed as Chair of Rotherham Schools' Forum.

87. APPOINTMENT OF VICE-CHAIR FOR THE 2018/19 SCHOOL YEAR

Mr P. Silvester was nominated and appointed as Vice-Chair for the 2018/19 school year.

88. WELCOME AND INTRODUCTION TO NEW RMBC OFFICERS

Mr. N. Hardwick, Mr J. Stonehouse and Mrs J. Lingrell were introduced and welcomed to Schools' Forum.

89. APOLOGIES FOR ABSENCE

Apologies for absence were received and accepted from Mrs. S. Brook (NASUWT), Mr. S. Scott (Day Nurseries – Private, Voluntary, Independent) and Mr I. Henderson (H.R.)

90. MINUTES OF THE PREVIOUS MEETING HELD ON 10TH JULY, 2018

Agreed:- That the minutes of the previous meeting of the Rotherham Schools Forum, held on 10th July, 2018, be approved as a correct record.

91. MATTERS ARISING FROM PREVIOUS MINUTES

None

92. SCHOOLS FORUM REPRESENTATION - PROPOSED MODEL

Representation was previously based on a learning community model, a model which better reflected the status of schools in 2018 was tabled for consideration. Members agreed in principle to the new model, Deborah Ball to disseminate the information into all schools prior to Schools Forum

reconstituting in January 2019.

Forum agreed continuation of the following sub-groups:

Early Years

Finance

High needs – next meeting 11th December 2018, 9:30 at Treeton Primary

93. HIGH NEEDS BLOCK - MID-YEAR UPDATE AND RECOVERY PLAN

There has been a redirection in the high needs block since 2015. There was a deficit of £1 million in 2015-16, this has increased to £10 million at the start of this year. Contributing factors include an increase in the number of EHCP coming through, 41 permanent exclusions and increased numbers in the PRU from 146 to 191. A recovery plan will require implementing to reduce the deficit year on year to include local specialist provision significantly increasing, reducing the number of out of area placements where possible, review top up arrangements, maintain EHC pupils in mainstream. The proposal is to transfer 1.5% from the school block to the high needs block, this has to go to the Secretary of State for approval.

Points considered / discussed:

- Colleagues discussed the contribution from Health to support children with EHCPs.
- Joint working with health and providers on more transparency for complex care placements
- Of the 2003 EHCP there are 80 complex care or continuing care cases which are funded on a child by child basis
- Special school nurses are funding through a commissioning arrangement
- EHCP with health/disability needs – schools are still having to fund through education
- Opportunity to review/challenge how much work is being commissioned
- Big collective responsibility to draw in those who don't sit at the table to understand the direction of travel
- An RESP group has been established with a remit on all matter educational. Presentation on RESP to come to a future meeting
- Concerns with top up element for pupils with EHCP in mainstream, further discussion to take place in sub groups

Agreed: Sufficiency Strategy Report to be re-circulated to Schools Forum representatives.

Agreed: A further budget monitoring update on the High Needs Block to be presented at the next meeting

94. SCHOOL FUNDING FORMULA CONSULTATION (INCLUDING OUTCOME FROM THE CONSULTATION)

The school funding formula consultation and outcome was tabled for consideration. A 0% minimum funding guarantee has been proposed. Schools Forum are required to vote upon specific elements in accordance with the powers and responsibilities assigned by the ESFA, in order to agree this eligible Schools Forum members voted on a number of proposals set out in the report.

1. **Do you agree with the principle that Rotherham is adopting in terms of prioritising an increase to the MFG to safeguard schools and academies from significant per pupil changes?**
8 Yes - 0 No
2. **Considering the district as a whole, and to ensure support for the most vulnerable children and young people in the district, do you support the transfer of the 1.5% from the schools block to the high needs block?**
4 Yes – 4 No
4. **Do you agree that the Local Authority should continue to provide for a growth fund? It is estimated for 2019/20 a budget of £479,000 is required.**
6 Yes - 2 No
5. **Do you agree that funding from the central school services block can continue to be held centrally for the services outlined above**
8 Yes – 0 No

Request for transition from the school block to the high needs block is to be submitted to the Secretary of State by 30th November 2018 as presented to Schools Forum. Schools Forum were agreeable to a 0.5% transfer should the 1.5% request be unsuccessful.

- 95. TEACHERS' PAY GRANT AND TEACHERS' PENSION GRANT**
The pay award is over and above the 1% schools would have expected. Specialist provision is not funded, this comes through the high needs block.
The pension grant will cover the additional costs to schools following the contribution rates increase from September 2019. Funding beyond 2019/20 has not been agreed.
- 96. 2019/20 CONTINGENCY FOR PUPIL GROWTH FUNDING ALLOCATIONS**
Funding is allocated to schools each year based upon numbers on roll on Census day in October of the preceding year. It is recommended that the 2019/20 allocation of £478,972 be approved by Schools' Forum from the pupil growth element with the schools block to meet additional staffing costs due to demographic growth, if not agreed, schools would have to fund themselves.
Schools' forum approved the funding.
- 97. DATE OF NEXT AND FUTURE MEETINGS:-**
Friday 18th January 2019
Friday 5th April 2019
Friday 21st June 2019

Schools Forum Briefing

1.	Date of meeting:	18th January 2019
2.	Title:	DSG 2018/19 – MID YEAR UPDATE REPORT
3.	Directorate:	CYPS

1. SUBJECT: DSG 2018/19 – MID YEAR UPDATE REPORT

2. PURPOSE OF REPORT

To update all members of Schools Forum on the the wider dedicated schools grant (DSG) position for 2018/19.

3. RECOMMENDATION (S)

That members note the current position.

4. REASON FOR RECOMMENDATION (S)

To ensure Schools Forum members are aware of the current year position of the wider dedicated schools grant (DSG) and the impact this has on the DSG reserve.

5. BACKGROUND INFORMATION

5.1 The 2017/18 outturn provided the closing DSG reserve balances to be;

High Needs Block	-£10.735m
Early Years Block	£0.033m
Total	-£10.702m

On closure of the 2017/18 accounts the local authority had not been notified of the final early year's adjustment for 2017/18 as a result of the January schools & early year's census. The local authority estimated that this would be £185k clawback. On the 16th July 2018 the ESFA provided the final allocations to local authorities and for Rotherham the adjustment was an increase in funding of £127k.

The overall impact of the ESFA final allocations is that the LA received £312k of additional income than initially anticipated and this has been

analysed below;

	Variance	No. PTE pupils	% of PTE pupils
3&4yo universal funding	£217k	89	0.2%
3&4yo extended funding	£37k	15	1.5%
2yo funding	£15k	5	2.2%
EY Pupil Premium	£17k	57	1.5%
DAF	£26k	43	2.2%

The spring 2018 census is also used to re-run the allocations for 2018/19 financial year as outlined further in 5.2 below.

The additional £312k has been included with the Early Years Budgets for the 2018/19 financial year.

5.2 2018/19 overall DSG position

The initial allocations were issued in December 2017 and the latest December 18 allocations have been updated as follows;

	Dec 2017 (£m)	Dec 2018 (£m)	Movement (£m)
Schools block (incl. academy allocations)	£187.107m	£187.107m	Nil
Central schools block	£1.084m	£1.084m	Nil
High Needs block (incl. EFA funded places)	£29.517m	£30.230m	+£0.713m)
Early Years block	£17.108m	£17.224m	+£0.116m)
Total	£234.816m	£235.645m	(£0.829m)

The above table excludes block transfers

The High Needs adjustment can be analysed as:

Additional Funding for Imported Places (Jan 18 Census)	(£120k)
Additional High Needs Funding (nationally £125m)	(£593k)

The Early Years adjustment (following Jan 18 census) can be analysed as:

3 & 4 year old universal funding	-£173k
3 & 4 year old extended funding	+£453k
2 year old funding	-£113k

Nursery School Supplementary Funding	-£51k
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Excluding EFA direct funding of academies (and high needs places) the revised DSG allocations are;

	Allocation	Additional information
Schools block	£49.889m	After recoupment for all conversions up to and including July 2018
Central schools block	£1.084m	
High Needs block	£24.233m	Allocation less £5.997m for ESFA direct funded places
Early Years block	£17.224m	Incl. EYPP & DAF funding allocations
Total	£92.431m	

5.3

As at the end of December (period 9), the anticipated outturn position is as follows:

Early Years has an anticipated underspend of £xxx, the major forecast variances since the budget was set in relation to the £xxx underspend are;

- xxx
- xxx
- xxx

High Needs DSG has a forecast overspend of £4.965m with further details to be provided in the "Update on HNB 2018/19 Forecast & 2019/20 Budget" paper to Schools Forum.

Based on the above, the level of DSG central reserves deficit will increase from a deficit of £10.735m (carried forward from 2017/18) to £15m at the end of 2018/19 as outlined below;

Reserve brought forward	-£10.735m
Plus: in-year overspend	(£4.965m)
Anticipated reserve at 31.03.19	-£15.700m

This would equate to 6.66% of the overall DSG allocation.

In summary, the financial sustainability of the high needs block remains a significant cause for concern for the district which will require addressing for 2019/20.

6.1 REDETERMINATION OF BUDGETS

As is the case now, where pupils are excluded, funding should flow in-year from the school that has excluded the pupil to the provision that take responsibility for the pupil.

Page 34 of the guidance states that the local authority must deduct the amount within the formula relating to the age and personal circumstances of that pupil. This means the deduction covers all elements of the school block formula including FSM & EAL factors.

The adjustment for a particular exclusion must now only relate to the current financial year and cannot be applied to subsequent years.

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Schools Forum Briefing

1.	Date of meeting:	18th January 2019
2.	Title:	Update on HNB 2018/19 Forecast & 2019/20 Budget Setting
3.	Directorate:	CYPS

1. SUBJECT: Update on HNB 2018/19 Forecast & 2019/20 Budget Setting

2. PURPOSE OF REPORT

To update all members of Schools Forum of the position on the High Needs Block

3. RECOMMENDATION (S)

That members note the current position.

4. REASON FOR RECOMMENDATION (S)

To ensure Schools Forum members are aware of the current year position on the 2018 /19 High Needs Block & 2019/20 Budget.

5. BACKGROUND INFORMATION

- 5.1 The High Needs Block (HNB) is £31.2m and is under significant pressure due to rising numbers of children supported in specialist provision and the rising costs of Education Health Care (EHC) plans. Consequently, the central DSG reserve has changed over a two year period from a £1m reserve deficit at the end of 2015/16 to £10.7m deficit at the end of the 2017/18.

6. 2018/19 BUDGET POSITION

- 6.1 The forecast at end of December shows an in year overspend of £4.9m (see table below) based on minimal anticipated growth and therefore if the pressures on EHCs continue this will incur further financial pressures

High Needs Block Forecast Outturn 2018/19 as at 31st December 2018			
High Needs Budget	Revised Budget 2018/19	Forecast Outturn 2018/19	Forecast Outturn Variance 2018/19
	£'000	£'000	£'000
Special Schools (Place and Base Top Up)	13,009	13,191	182
Primary Resource Unit	173	173	0
Secondary Resource Unit	317	317	0
Top Up Funding (Element 3 funding for Schools)	3,134	3,660	526
Post 16 FE Colleges Top up Funding	849	1,134	285
Alternative Provision	4,274	4,305	31
Out of Authority Placements	5,179	9,111	3,932
Inclusion Services	2,467	2,504	37
Other Education Services	692	664	-28
CCP and FE Places (Funded directly by EFA)	1,073	1,073	0
Total High Needs Block 2018/19	31,167	36,132	4,965

The forecast overspend of £5.0 with the main areas of increased spend are

- Special School Places
- Top Up Funding
- Out of Authority Placements (OoA)

6.2 Whilst the majority of the financial pressures in the table above are linked to Out of Authority placements it does not reflect the specific growth in spend as several lines of spend are allocated funds linked to delegation of funding through the High Needs formula.

6.3 The estimated £5m in-year overspend will increase the DSG central reserve from £10.7m to a deficit of £15.7m.

2019/20 HNB BUDGET

	2018/19 HNB (Dec 2018)	2019/20 HNB (Dec 2018)	Movement (£m)
7. High Needs block (incl. EFA funded places)*	£30.230m	£31.440m	+£1.210m)

* the allocations include the additional HNB allocation (£593k) but excluded any transfer of funds between the DSG blocks

The additional £1.2m in 2019/20 is a combination of moving towards the full implementation of the High Needs Formula £950k and growth in place numbers.

The disapplication request to the Secretary of State to agree a transfer of 1.5% (£2.7m) from the Schools Block to the High Needs Block has not yet been decided but forms part of the short term plans to mitigate the financial pressures.

- 7.1 The Assistant Director Commissioning, Performance & Inclusion is leading on the action plan for the High Needs Block with the aim of making it financially sustainable. The
- 7.2 strategy over the coming years is to develop sufficient provision in Rotherham as outlined in the SEND Sufficiency Strategy and development of more local provision reducing the reliance on out of authority provision to in borough. In doing so the average saving per place is estimated to be £30,000 per annum. To support this
- 7.3 strategy a placement tracker is being developed to compare funded places to places on role and ensure efficient use of resources.

An SEMH Strategy for Rotherham is currently being co-produced and will set out a number of partnership activities to address the needs of children with SEMH effectively and reduce demand for higher tier services, including alternative provision. The Strategy will recommend a review of inclusion services to ensure they are value for money, high quality and appropriate to meet demand.

- 7.4 Additional areas to be monitored and reviewed to control expenditure include:

- Utilise all existing placements in the borough
 - Review Top Up arrangements
 - Final approval through the AD Commissioning and Performance for all additional funding requests
- 7.5 • Strengthen parent and carer knowledge the offer from available and suitable Rotherham provision in the early stages of the Education, Health and Care Plan process to minimise out of authority parental preference.
 - To continue to work with schools to maintain pupils in mainstream settings wherever possible.

The DfE have recently undertaken a consultation with proposals to implement closure monitoring of the Dedicated School Grant for those councils with a DSG deficit with proposals that councils with a DSG deficit should have a recovery plan to remove the deficit within 3 years and in those cases where this is not possible to operate within the annual DSG allocation within 3 years. The consultation is linked to a significant number of councils now having an overall DSG deficit due to the financial pressures in the High

- 7.6 Needs Block with lobbying for additional monies to be provided to councils to reflect the demands for High Needs provision.

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Schools Forum Briefing

1.	Date of meeting:	18th January 2019
2.	Title:	Early Education and Inclusion Support Funding – Proposals for 2019-20
3.	Directorate:	CYPS

1. Background

- 1.1 The purpose of this report is to detail the statutory guidance in place for the allocation of early education and inclusion support funding and proposals for the allocation of 2019/20 funding.
- 1.2 Following the outcome of the Department for Education's (DfE) Early Years national funding formula consultation in 2016 a national single funding formula was introduced by the DfE in 2017/18 for the allocation of early education funding to all schools and providers. Local Authorities (LAs) are required to allocate the funding to early education providers based on a funding formula made up of a single base rate and a mandatory deprivation supplement (for 3/4 year old early education). LAs can retain 5% of the 3 / 4 year old budget allocation to fund central services
- 1.3 Local authorities are required to consult providers on annual changes to their local formula. Schools forums must also be consulted on changes to local early years funding formulas, including agreeing central spend by 28 February, although the final decision rests with the local authority.
- 1.4 The DfE initial 2019/20 allocation for the Dedicated Schools Grant Early Years Block is detailed below. This will provide the funding for early education places in schools and other early years providers. This funding will be adjusted based on January 2019 and January 2020 census returns.

2019/20 Dedicated Schools Grant Early Years Block Allocation (Dec 18)	
3& Year old Funding (15 hours funding)	9,741,480
30 Hours Entitlement Funding	3,179,494
Early Years Pupil Premium	199,456
2 Year Early Education	3,105,936
Nursery Stability Funding for maintained Nursery Schools	916,285
Early Years Disability Access Fund	81,795
Early Years Block	17,224,447

- 1.5 The above amounts are based on the single funding formula allocation of £4.30 per hour for 3 / 4 year olds and £5.20 per hour for 2 year olds. These rates were set by Central Government as part of the National Funding Formula for 2017/18. The Department for Education has made it clear that there will be no increase in the hourly rates allocated to allow for inflationary pressure before 2020/21.

1.6 A local consultation was carried out in 2016/7 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. It was agreed that 2% of the 3 / 4 year old budget would be allocated to eligible settings based on an aggregate Index of Multiple Deprivation score of pupils attending, A modelling exercise was carried out to review the distribution of the deprivation supplement for 2018/19 calculated at child level based on take-up of early years pupil premium however the findings from the analysis raised concerns of a negative impact on settings delivering to children from the most deprived areas of the borough and on presentation to the Early Education Working Group agreement was given to maintain the existing formula in 2018/19.

1.7 **Rates passported to providers is detailed below:**

3 / 4 year old hourly rate	£4.00 plus deprivation supplement if eligible
3 / 4 year old Deprivation Supplements	Medium Deprivation Supplement 10p per hour High Deprivation Supplement 15p per hour
2 year old hourly rate	£5.20
Nursery Stability Funding	£916,285 split equally between 3 nursery schools

5% of the 3 / 4 year old budget has been retained for central spend in 2017/18 and 2018/19 (however not all of the funding was allocated to in-year spend).

1.9 **Early Years Pupil Premium / Disability Access Funding;** Providers can apply for Early Years Pupil Premium for eligible children at a rate of 53p per hour and Disability Access Funding of £615 per year is also available for children claiming Disability Living Allowance.

1.10 **SEN inclusion fund;** DfE guidance (Early years entitlements: local authority funding of providers Operational guide 2018 to 2019) states that LA's are required to have a special educational needs inclusion fund. These funds are intended to support local authorities to work with providers to address the needs of individual children with SEN. Local authorities should target SEN Inclusion Funds at children with lower level or emerging SEN. Children with more complex needs and those in receipt of an Education, Health and Care Plan (EHCP) continue to be eligible to receive funding via the high needs block of the DSG. The value of the fund must take into account the number of children with SEN in the local area, their level of need, and the overall capacity of the local childcare market to support these children. Local authorities must consult with early years providers to set the value of their local SEN inclusion fund. Local authorities will establish their SEN Inclusion Funds using funding from either one or both of their early years block and high needs block of the DSG. Local authorities should pass the majority of their SEN inclusion fund to providers in the form of 'top up grants' on a case-by-case basis.

1.11 Rotherham had an inclusion support grant which funded the private and voluntary sector prior to the statutory guidance recommendation. Since 2017/18 the funding has been made available to school nursery/F1 provisions as well as private childcare providers. A budget of £461k was allocated from the High Needs Block for 2018/19 which supports children across all age ranges to access childcare / early education / out of school provision. The rates allocated for 1:2 support are £2.58/hour per child for a 3 / 4 year old and £1.98/hour per child for a 2 year old to contribute to the employment of an additional member of staff.

2. Proposals

2.1 It is proposed to maintain the above funding rates in 2019/20 as summarised below:

3 / 4 year old hourly rate	£4.00 plus deprivation supplement if eligible
3 / 4 year old Deprivation Supplements	Medium Deprivation Supplement 10p per hour High Deprivation Supplement 15p per hour
2 year old hourly rate	£5.20
Nursery Stability Funding	£916,285 split equally between 3 nursery schools

It is proposed to allocate approximately 2% of the 3 / 4 year allocation to the deprivation supplement.

It is proposed to retain 5% of the 3 / 4 year old funding to contribute to central costs.

The Inclusion Support Grant will initially continue with rates as outlined in 1.11, with a full review of the Inclusion Support Funding allocation process to be undertaken.

2. Name and contact details

Aileen Chambers, Head of Service - Early Years and Childcare, Tel ext: 54770, email aileen.chambers@rotherham.gov.uk