

## **Minutes of a meeting of the Schools Forum held on Wednesday, 11 January 2017 at Committee Room 1 - City Hall, Bradford**

**11 January 2017**

Commenced 0805, Adjourned 1010,  
Reconvened 1035, Adjourned 1155

**18 January 2017**

Reconvened 0805, Adjourned 0945,  
Reconvened 1015, Concluded 1105

### **PRESENT**

#### SCHOOL MEMBERS

Bev George, Brent Fitzpatrick, Chris Quinn, Dianne Rowbotham, Dominic Wall, Donna Willoughby, Dwayne Saxton, Emma Hamer, Helen Williams, Ian Morrel, Lesley Heathcote, Michele Robinson, Nick Weller, Nicky Kilvington, Nigel Cooper, Sami Harzallah, Sue Haithwaite, Trevor Loft, Wahid Zaman

#### NON SCHOOLS MEMBERS & NOMINATED SUB SCHOOL MEMBERS

Alison Kaye Donna, Willoughby, Ian Murch and Irene Docherty

#### COUNCIL EXECUTIVE PORTFOLIO HOLDER – EDUCATION, EMPLOYMENT AND SKILLS

Councillor Imran Khan

#### LOCAL AUTHORITY (LA) OFFICERS

Andrew Redding - Business Advisor (Schools)  
Angela Spencer-Brooke - Strategic Manager, SEND and Behaviour  
Dawn Haigh - Principal Finance Officer (Schools)  
Judith Kirk - Deputy Director, Education, Employment and Skills  
Michael Jameson - Strategic Director, Children's Services  
Raj Singh - Financial Service, Business Advisor  
Stuart McKinnon-Evans - Director of Finance  
Sarah North - Principal Finance Officer (Schools)

#### OBSERVER

Councillors Pollard and Ward

#### APOLOGIES

11 January 2017 - Kevin Holland, Maureen Cairns, Ray Tate, Tahir Jamil and Executive Portfolio Holder - Councillor Imran Khan (Education, Employment and Skills).

18 January 2017 - Ray Tate, Sami Harzallah and Tahir Jamil

#### **DOMINIC WALL IN THE CHAIR**

**These minutes combine the reports presented, and discussion, which took place across 2 meetings. All decisions / recommendations are captured at the end of these minutes.**

### **229. DISCLOSURES OF INTEREST**

No disclosures of interest in matters under consideration were received.

**230. MINUTES OF 7 DECEMBER 2016 AND MATTERS ARISING (minutes)**

The Chair explained at the beginning of the 11 January meeting that the minutes of the 7 December Forum meeting are not available for presentation due to the volume of work that has been required preparing for this meeting and he asked the Business Advisor to prioritise this. The minutes will be presented to the March meeting. It was explained that specific matters arising relating to the December meeting related to information requests however, are reported back within this agenda.

**231. MATTERS RAISED BY SCHOOLS**

**No resolution was passed on this item.**

**232. STANDING ITEM - DSG GROWTH FUND ALLOCATIONS**

**No resolution was passed on this item.**

**233. NATIONAL FUNDING FORMULA DFE ANNOUNCEMENT / CONSULTATION (i)**

At the beginning of the 11 January meeting, the Chair stressed the toughness of the decisions that will need to be made by the Schools Forum. He stressed that these decisions focus on the position of the High Needs Block and the option for the 'strategic reset' of the DSG to enable the creation of new additional high needs places, now in the context of National Funding Formula, by moving monies in 2017/18 from the Schools Block. This is the culmination of the Forum's considerations over the autumn term (and earlier).

The Chair asked the Business Advisor (Schools) to update Members on the crucial announcements that have been made since the 7 December meeting and to confirm the position of the 2017/18 DSG. The Chair impressed on Members the importance of their understanding what is a very complicated picture. As such, the 11 January meeting is seen as an information presentation and questions meeting, with the Forum returning to make its recommendations on 18 January. The Chair asked Members to think about how they can gather feedback from school colleagues on these issues before 18 January meeting and to do this where they can.

The Business Advisor presented the Authority's analysis of the National Funding Formula, Document GZ, beginning by reminding Members of the matters that the Schools Forum has considered across the autumn term and the estimates and 'educated guesses' that the Authority had made around the potential impact of National Funding Formula and key watch areas. The Business Advisor gave a summary of the key announcements that have been made and what these do to

confirm our understanding of Bradford's financial position in 2017/18 and beyond, referring to:

- The DfE's National Funding Formula 2<sup>nd</sup> stage consultation announcement of 14 December 2016
- The DfE's announcement on early years funding reform of 1 December 2016
- The National Audit Office's report on the real terms value of education funding, published on 14 December 2016
- The DfE's announcement on 2017/18 DSG allocations for local authorities, made on 20 December.

The Business Advisor also presented (in response to the requests made in December):

- A document, which set out more data on how Bradford's financial and High Needs Block position compares with the national picture.
- A document, which provided more detailed analysis of the position of unfilled high needs places in Bradford in 2016/17.
- A document, which provides an outline view of the High Needs Block over the next 5 years. Following initial consideration, the Forum asked for a more detailed picture of this, which was presented to the 18 January meeting.

In response to the presentation of this information, on 11 January, Forum members made the following main comments and asked the following main questions:

- What is the cash value of the funding of unfilled high needs places in 2016/17? The Business Advisor stated that this is estimated to be £675,000. It is expected that the value of funding related to unfilled places continues to be minimised.
- That the National Funding Formula appears to significantly more negatively affect the primary phase and smaller schools in Bradford.
- That Bradford appears to be heavily reliant on the proposed 3% floor factor.
- The weighting of Additional Educational Needs is recognised, but the movement away from IDACI and deprivation within this is also noted.
- That the NFF proposals will reduce Bradford's Schools Block and increase our High Needs Block over time. However, that the High Needs Block position is very challenging.
- That the erosion in the real terms value of funding is a massive issue for schools going forward and will have staffing implications.
- That overall the loss to Bradford as a result of the National Funding Formula (NFF) does not look as bad as expected. However, a cash neutral position hides some very significant challenges, including in the High Needs Block, where the full value of increase that the NFF suggests we should receive will be damped, and in the continued erosion of the value of funding in real terms.

The Business Advisor explained that a drafted response to the DfE's 2<sup>nd</sup> stage of consultation would be presented for consideration on 15 March.

## **Resolved –**

**That the information contained in Document GZ (and additional information presented on 18 January) be noted.**

### **234. UPDATE ON THE 2017/18 DSG FUNDING POSITION (i)**

The Business Advisor (Schools) presented the report, Document HA, to the 11 January meeting, which updated members on the position of the Dedicated Schools Grant for the 2017/18 financial year. He explained that the critical aspect of the School Forum's discussion will be how the £7.02m pressure within the High Needs Block in 2017/18 is to be resolved. He explained how the £7.02m pressure is created and why this is different from the £6.8m figure presented to the December meeting.

The Chair emphasised to Members that the Forum must recommend a balanced DSG to the Council. Within this, the Forum must be careful to understand the value of reserve being deployed in 2017/18.

The Business Advisor, using an options document tabled on the day on 11 January meeting, explained the range of options that have been considered and are being put forward for the management of the £7.02m pressure. He explained that, of the 6 main options, 3 of these have been discounted, leaving 3 for consideration (referred to as options 2, 3 and 4):

- Option 2: Transfer the £2.1m headroom from the Schools to the High Needs Block, taking £4.9m of spending out of the High Needs Block.
- Option 3: Transfer a total of £4.5m from the Schools to the High Needs Block (£2.1m headroom; £2.4m explicit contribution), taking £2.5m of spending out of the High Needs Block.
- Option 4: Transfer a greater sum e.g. £5.6m from the Schools to the High Needs Block (£2.1m headroom; £2.4m explicit contribution; £1.1m further contribution), taking £1.4m of spending out of the High Needs Block.

It was explained that the Forum must consider the impact of these options and also the 'achievability' of savings across both the short and longer terms. Much of the Forum's discussion focused on a) these options in the context of national funding formula in the future and b) the immediate additional pressure that an 'explicit' formula funding reduction would produce within delegated budgets. The content of a 'preferred' option 4 model became more defined following the Forum's initial discussion. Following the Forum's request, an additional report was presented on 18 January, which set out a fully worked through option 4 method for balancing the 2017/18 DSG. A further additional report was also presented to the 18 January meeting, which provided a more detailed view of the potential impact on the PRUs (within option 4) of a reduction in the value of direct ranges funding for pupils without EHCPs.

On 11 January, the Business Advisor explained how the confirmed 2017/18 DSG Schools Block position is different from what was previously estimated due to the changes in data that have been recorded by schools in the October 2016 census.

The reduction in the FSM% in the primary phase was particularly highlighted. In response to this, Members asked for further analysis to be presented to the 18 January meeting. Following consideration of this, Members asked for an analysis of the difference in FSM% between reception and year 6 to be presented to the March meeting.

The Chair explained that this change in Census data, and the creation of £2.1m of headroom within the Schools Block, alongside the information we now have about National Funding Formula, alters our view of the options for the contribution from the Schools Block to the £7.02m High Needs Block pressure in 2017/18; moving away from a blanket 1.5% formula funding reduction. The Business Advisor explained this further with reference to Document HD and the options document tabled on 11 January.

The main comments made by Forum Members and the main questions asked on 11 January are recorded below:

- How will schools feel the financial benefit from the creation of new high needs places (when delegated funding will reduce but children with SEND may still be in the mainstream school)? Schools are facing massive financial pressure. A discussion followed from this question on how transition will take place and how children will be placed in new / expanded provisions from a variety of sources, including transferred from mainstream schools. Input was provided by the Chair and the Authority's Strategic SEN Manager.
- Which of the options fully resolves the £7.02m DSG pressure? The Business Advisor explained that it is only either options 3 or 4 that resolve this, and only option 4 resolves this as well as enabling the financing of new high needs places.
- Will the Schools Block continue in the future to be required to contribute to the High Needs Block? The Business Advisor explained that, on current analysis, 2017/18 would be the last year in which a contribution could be taken from the Schools Block. Although authorities may be permitted to transfer monies under National Funding Formula in the future, because Bradford is a loser in the Schools Block and the majority of schools hit the floor protections, it is highly unlikely that we will have any headroom to transfer. In thinking about a transfer in 2017/18, we also need to think about the High Needs Block position over the next 5 years and that a transfer in 2017/18 will substantially strengthen the High Needs Block position (this is the opportunity to 'strategically reset' the DSG allocation).
- The Vice Chair expressed her concerns where the 2017/18 DSG allocation does not enable new high needs places creation. However, it is understood that consideration of option 3 or option 4 is a 'very big deal' for schools.
- How much saving can be made in the High Needs Block in 2017/18, to reduce the amount of Schools Block that needs to be transferred? The options, impact and pros and cons need to be presented more fully. It is expected that a suite of measures across the Schools and High Needs Block will be engaged to balance the DSG in 2017/18 to 'spread the pain'.
- It was noted that the option 4 methodology included the use of £0.5m of reserve.

Reconvening on 18 January:

- Whether the Council's reserve could be employed to support the DSG's position in 2017/18? The Director of Finance clarified that the DSG is expected to manage its own pressures.
- The representative of Secondary Maintained schools Headteachers reported that he had asked for the view of colleagues on the outline options; 4 indicated support for option 4 and 3 for option 3. He added that the benchmarking data clearly supports the view for the expansion of high needs places in Bradford.
- A representative of Secondary Maintained governors reported that he had contacted colleagues, who have highlighted to him their concerns about the impact of any reduction in formula funding budgets in 2017/18. Colleagues are seeking re-assurance that such a reduction will help to resolve existing issues as well as building capacity for the future. The Authority's SEND Strategic Manager responded to provide re-assurance that the Authority is looking for the quick release of vulnerable children from mainstream settings into expended provisions this term.
- Representatives of Maintained Primary Schools reported that, although there is very clear concern about the impact on budgets, option 4 is supported so that new high needs places can be created. Colleagues stress to the Authority that these places now must be created as quickly as possible.
- The Chair reported that he would summarise colleagues' views from conversations that he has had as 'concerned resignation'. Forum Members.
- A representation of the Trades Unions stated that the Schools Forum and Bradford schools should understand that the financial position isn't the making of anyone in Bradford, but that if the Forum does not make a recommendation now to support the High Needs Block, there will be difficulties to face in the future.
- The Chair asked the Director of Finance to give his view about the financial position and the decisions to be taken by the Forum. The Director expressed his understanding of the difficulties of balancing the budget in 2017/18. Looking across the High Needs Block in the longer term supports the view that action needs to be taken now to enable high needs provision to move forward. The Forum has talked about these issues for sometime and now needs to take a firm decision.
- A question was asked about how, within option 4, the saving from the reduction in the direct funding of placements in the PRUs of pupils without EHCPs will actually be delivered. The Business Advisor stated that this will be discussed further with the BACs Strategic Group (there are options for the management of this).
- The Chair, on behalf of the Forum, stated for the minutes, that the position of the funding of Building Schools for the Future within the DSG continues to irritate.
- A request was made for an update to be given on the financial positions of maintained schools, specifically with reference to the possibility of liabilities resulting from deficit in schools that may convert as sponsored academies.

**Resolved –**

**That the information contained in Document HA be noted.**

**235. UPDATE 2016/17 CENTRALLY MANAGED FUNDS SPENDING POSITION (i)**

The Business Advisor (Schools) presented an analysis on 11 January, Document HB, which updated members on the position of 2016/17 funds and the value of one off funding available. It was explained that this is purely a repeat of the information presented to the Forum on 7 December (and is provided only for reference).

**Resolved –**

**That the information contained in Document HB be noted.**

**236. CENTRALLY MANAGED AND DE-DELEGATED FUNDS 2017/18 (i)**

The Business Advisor (Schools) presented in summary the report on 11 January, Document HC, which set out the position of the funding of Schools and Early Years Block central and de-delegated items from the DSG, to enable Members to make recommendations and decisions under agenda item 11. This document was returned to on 18 January within the decision making, which is recorded at the end of these minutes.

**Resolved –**

**That the information contained in Document HC be noted.**

**237. INDICATIVE DELEGATED BUDGETS 2017/18 (i)**

The Business Advisor (Schools) presented the report on 11 January, Document HD, which showed the indicative value of delegated allocations for individual schools, academies and early years and high needs settings for the 2017/18 financial year and also shows the draft Primary and Secondary and Early Years Pro-formas. A number of additional models showing the impact of different options on primary and secondary schools and academies were presented to the Forum across the 2 meetings. The minutes (deliberately) do not record the questions asked by Members seeking clarification on the modelling.

On 11 January a request was made for further information on the reduction in (cessation of) the Education Services Grant allocations for academies. This was presented on 18 January.

On 11 January a key line of inquiry by Forum members was how the movement of a substantial amount of DSG monies out of the Schools Block to the High Needs Block in 2017/18 will affect the value of the 3% protection allocated to schools in the future under National Funding Formula. The Business Advisor explained that this was very complicated, but that his modelling had shown that the DSG in total would not gain or lose as a result of such a transfer, but that the benefit would be 'locked in' to the High Needs Block in the future rather than in the Schools Block. Meaning that the value of 3% protection allocation to schools on this factor would

be lower (and under option 4 would be the most affected) but that the base starting point for the High Needs Block would be higher.

**Resolved –**

**That the information contained in Document HD (and additional information presented on 18 January) be noted.**

## **238. FINAL RECOMMENDATIONS AND DECISIONS 2017/18 DSG (a)**

The Business Advisor (Schools) presented on the 11 January, Document HE, which summarised the decisions and recommendations that the Schools Forum is asked to make in setting the allocation of the DSG and final formula funding arrangements for the 2017/18 financial year. The Forum was asked to take decisions / make recommendations on the items listed under the following main headings:

- Schools and Early Years Block Central and De-Delegated Items
- Growth Fund Allocations
- The High Needs Block
- The Allocation of Available One Off Monies
- Early Years Funding and Pro-Forma
- Primary & Secondary Funding and Pro-Forma

Please note that the 'option 4' that is referred to in the list of decisions list below relates to the Document 3 that was presented to the Schools Forum meeting 18 January 2017.

***Recommended –***

*Please note that the 'option 4' that is referred to in this decisions list relates to the Document 3 that was presented to the Schools Forum meeting 18 January 2017.*

### **1. SCHOOLS & EARLY YEARS BLOCKS CENTRAL AND DE-DELEGATED ITEMS 2017/18**

**FUNDS FOR THE 2017/18 FINANCIAL YEAR AGREED BY SCHOOLS AND ACADEMIES MEMBERS ON A RELEVANT PHASE SPECIFIC BASIS (EARLY YEARS, PRIMARY AND SECONDARY):**

**Resolved –**

- (1) Schools Forum Costs: agreed to continue the DSG budget at the 2016/17 value of £10,000.**
- (2) School Admissions: agreed to continue the DSG budget at the 2016/17 value of £577,600.**
- (3) DSG Matched Contribution to School Improvement: agreed to ratify the decision already made by the Schools Forum on 6 January 2016, but**



with the additional amendment agreed within the application of 'option 4', to

- a. Continue for the period 1 April 2017 to 31 August 2017 at reduced values (the values for the period 1 April 2015 to 31 August 2015 reduced by 25%) plus a further reduction of £24,121 (from the application of adjustment no. 9 under 'option 4').
  - b. Cease at 31 August 2017, with the sums released to Primary, Secondary and Early Years delegated budgets in 2017/18 and 2018/19.
- (4) Education Services Grant Centrally Retained Duties: agreed to passport to the Local Authority's budget 95% of the ESG Centrally Retained Duties Grant that has been transferred into the DSG Schools Block, at £1.331m in 2017/18, in support of the statutory duties delivered by the Local Authority on behalf of all state funded schools and academies. This incorporates the 5% reduction agreed within the application of 'option 4' (adjustment no. 8).
- (5) Early Years Single Formula Adjustments: agreed to hold a contingency of £200,000 within the EYSFF (Early Years Block) to meet the costs of in year adjustments relating to the termly recalculation of nursery funding and any specific EYSFF exceptional circumstances allocations.

**SCHOOLS MEMBERS REPRESENTING MAINTAINED SCHOOLS ONLY AGREED THE FOLLOWING VALUES OF DE-DELEGATED FUNDS AS PER DOCUMENT HC AND ITS APPENDICES 1 AND 2 FOR THE 2017/18 FINANCIAL YEAR:**

- (6) ESD School Support (Primary only): continue de-delegation from the primary phase at the 2016/17 per pupil value.
- (7) Costs of FSM Eligibility Assessments: continue de-delegation from both the primary and secondary phases at the 2016/17 per FSM values, with contributions containing to be taken using FSM Ever 6 data.
- (8) Fisher Family Trust: continue de-delegation from the primary phase at the cost of subscription. The representatives of maintained primary schools agreed for the Chair and Vice Chair to work with officers to agree the final subscription option for the primary phase. Agreed not to de-delegate for this purpose from the secondary phase.
- (9) Trade Union Facilities Time – Negotiator Time: continue de-delegation from the early years, primary and secondary phases at the 2016/17 per pupil values.
- (10) Trade Union Facilities Time – Health and Safety Time: continue de-delegation from the early years, primary and secondary phases at the 2016/17 per pupil values.
- (11) School Maternity / Paternity 'insurance' fund: continue de-delegation

from early years (nursery schools) and primary phases at a value forecasted to afford the scheme for a full year and repay the 2016/17 overspending. Cease de-delegation for / access to this scheme for the secondary phase at 1 July 2017 (so no new claims after 1 July but with existing claims honoured until these expire), with a full year de-delegation contribution initially taken and an end of year reconciliation of cost with reimbursement back to contributing schools (where necessary).

- (12) **School Staff Public Duties and Suspensions Fund:** continue de-delegation from the early years (nursery schools) and primary phases for a full year, providing a total budget of £40,000. Cease de-delegation from the secondary phase for this purpose from April 2017 (meaning that no fund will be available to the secondary phase in 2017/18).
- (13) **School Re-Organisation Costs (Safeguarded Salaries):** continue de-delegation from both the primary and secondary phases for the actual cost of continuing safeguarded salaries.
- (14) **School Re-Organisation Costs (Sponsored conversions budget deficits):** de-delegate from the primary phase to provide a sum of £150,000 that will be available to meet the cost of deficit balances of primary schools that convert to academy status under sponsored arrangements during 2017/18. The Schools Forum to be provided with in year monitoring reports where this provision is used.
- (15) **Exceptional Costs & Schools in Financial Difficulty:** continue de-delegation from the primary phase to provide a budget of £100,000. Cease de-delegation from the secondary phase for this purpose at 1 April 2017 (meaning that no fund will be available to the secondary phase in 2017/18).

**ALL FORUM MEMBERS BY CONSENSUS AGREED THE PRINCIPLES BEHIND THE MANAGEMENT OF THESE FUNDS, THAT:**

- (16) Funds set for 2017/18 will continue to be managed by the Schools Forum. The Forum will be provided with monitoring reports during the year, especially showing the impact of further conversions of maintained schools to academy status between April and September.
- (17) Any over or under spending against these 2017/18 funds will be written off from, or added back to, the DSG's de-delegated funds in 2018/19 on a maintained school phase specific, fund specific, basis i.e. if maintained primary schools overspend in the maternity / paternity insurance scheme fund the value of the fund created through de-delegation in 2018/19 will need to compensate for this.
- (18) These decisions set the position for the 2017/18 financial year only. All de-delegated funds are required by the Regulations to be reviewed for 2018/19. It is expected that de-delegation will be required to cease across all areas at 1 April 2019.

## **2. GROWTH FUND ALLOCATIONS AND PROVISION 2017/18**

**ALL SCHOOLS AND ACADEMIES MEMBERS BY CONSENSUS AGREED TO:**

- (19) That the allocations from the Growth Fund for existing & known expansions and bulge classes in 2017/18, listed for reference in Document 8 (the values of these allocations are slightly amended following the application of the adjustments numbered 5 to 7c under the agreed 'option 4' – the value of confirmed allocations is £1,634,161).
- (20) That an additional planned budget of £980,000 to be held for new in year allocations for both Primary and Secondary schools and academies. This planned budget is split £300,000 Primary and £680,000 Secondary.

## **3. THE HIGH NEEDS BLOCK 2017/18**

**ALL FORUM MEMBERS BY CONSENSUS AGREED:**

- (21) To retain all current budget allocations within the High Needs Block in the 2017/18 financial year unless otherwise specifically stated. This is done on the understanding that the review and re-commissioning of SEND teaching support services may mean that centrally managed budgets are re-aligned during the financial year.
- (22) To retain the existing structure of the High Needs Funding Model (Place-Plus) to calculate delegated allocations for the 2017/18 financial year but with the following amendments:
- a. To adjust the cash budget protection factor applied to special schools, DSPs and the primary behaviour centres, so that this factor limits a setting's reduction in Place-Plus funding to 3.0% of last year's allocation.
  - b. To establish at April 2017 a small setting funding factor for resourced provisions attached to mainstream settings, which would be applied for the funding of DSPs (not ARCs) and the primary behaviour centres.
- (23) To calculate the initial planned cost of High Needs Block spending in 2017/18 on the allocation of places for Bradford-located settings outlined in Document HE Appendix 2. To reduce however, the value of planned budget for the creation of additional places by £152,200 (this is the additional adjustment no. 15 agreed under the application of 'option 4').
- (24) To help support meeting the funding gap in the overall DSG that is the result of the growth in pressure in the High Needs Block, and to continue to secure efficient use of monies, by making the following adjustments:

- a. Reduce the rates of Top Up in the HNB Funding Model for all Place-Plus calculated budgets by 1.5% ('option 4' no. 2).
- b. Reduce all centrally managed / non-Place-Plus HNB budgets by 5% ('option 4' no.s 4 and 10).
- c. That, for the mainstream SEN Funding Floor, the variable values are reduced by 1.5%, and the lump sum values, reduced by 25% ('option 4' no.s 3 and 13).
- d. Remove the specialist equipment budget for special schools ('option 4' no.s 11 and 12), meaning that no additional funding will be allocated to special schools for this purpose in 2017/18.
- e. Reduce the DSG's planned budget on alternative provision by £100,520 through the amendment of the formulaic basis of the funding of pupils without EHCPs from September 2017. How this saving is to be delivered (via either a direct reduction in funding allocated to provisions or through reimbursement from the BACs) is to be further discussed with the provisions and the BACs Strategic Group. ('option 4' no. 14).

(25) That the Early Years Block will make a contribution of £300,000 in 2017/18 to match fund the existing High Needs Block budget of £300,000 ('option 4' no. 1). This will create a total budget of £600,000 for Early Years SEND Inclusion. How this budget is to be allocated, building on current practice, will be considered by the Early Years Working Group, with recommendations to be presented to the Schools Forum in March.

#### **4. THE ALLOCATION OF ONE OFF MONIES (DSG UNDERSPEND)**

ALL FORUM MEMBERS NOTED THAT:

(26) Further approval is not sought for the allocation of the £75,724 relating to funds to be retained for the same purpose or re-allocated back to delegated budgets in 2017/18 (as this is a requirement of the Finance Regulations).

(27) No value of one off monies is allocated generally into delegated formula funding budgets in 2017/18.

(28) £3.544m of the £5.798m has already been committed to be spent after 1 April 2017 by decisions taken by the Schools Forum taken at previous meetings (shown in sections 1 and 2 of Document HB Appendix 2). Members are not being asked to revisit these:

- a. Financial Support for Beckfoot Upper Heaton Academy  
£1.938m
- b. Post Opening Diseconomies of Scale – Bradford Forster Academy  
£0.324m

- c. Joint Improvement Investment Fund (retained balance)  
£0.294m
- d. Behaviour Support monies  
£0.338m
- e. Deficit of a Secondary School Converting to Academy Status  
£0.650m

**ALL FORUM MEMBERS BY CONSENSUS AGREED TO:**

- (29) Retain £500,000 to be spent in 2018/19 to provide some additional protection, for 2018/19 only, against the reduction in funding rates for the 3 and 4 year old free entitlement provision that will come from the DfE's national early years funding reform at April 2018. How the £500,000 will be allocated into the Early Years Single Funding Formula in 2018/19 will be further considered by the Early Years Working Group.
- (30) Earmark £520,790 of reserve to be used to offset the gap in the 2017/18 DSG budget following the application of 'option 4' should this be necessary (should the spending position of the DSG not change during 2017/18 to the negate the need to call on this reserve).
- (31) Retain the remaining £1.232m as the DSG's resilience reserve.

**5. EARLY YEARS FUNDING AND PRO-FORMA 2017/18**

**SCHOOLS AND ACADEMIES MEMBERS (BY CONSENSUS ON A PHASE SPECIFIC BASIS) AGREED:**

- (32) To 'ring-fence' the Early Years Block in 2017/18 and to apply this principle in future years. Ring-fencing means that:
  - a. Contributions are not taken from the Early Years Block in support of pressures in any other DSG Block, with the exception of the funding of the Early Years SEND Inclusion budget, where it is expected that the Early Years Block will contribute alongside High Needs Block resources and that the Early Years Block's contribution will increase where spend on Early Years SEND Inclusion increases.
  - b. Increases and decreases in both expenditure and income relating to the Early Years Block are contained within the Early Years Block i.e. the Early Years Block manages its own pressures.
  - c. Any over or under spending in the Early Years Block in 2017/18, that is not dealt with in 2017/18, will be recycled back into or written off from the 2018/19 Early Years Block.
  - d. Within the Early Years Block, the budget for the 2 year old offer is treated discretely from the budget for the 3 and 4 year old offer with a 'passporting' principle applied. This means in 2017/18 that

the increase in the 2 year old rate of funding within the DSG is passed on to 2 year old hours providers and that the decrease in the 3 and 4 year old funding rate within the DSG is passed on to 3 and 4 year old hours providers.

- e. The specific funding added by the DfE into the Early Years Block for the Nursery School Supplement is spent only on supporting our nursery schools. In 2017/18, this funding is utilised in maintaining 2016/17 rates of funding for the delivery of the 3 and 4 year old offer in the nursery schools.

(33) To the structure of the Early Years Single Funding Formula (EYSFF) for 2017/18. In summary, allocations for early years providers will be calculated as follows:

- a. Using the technical, administrative, payment and counting arrangements, and timetable, that are already established and have been used to calculate and pay allocations in the current 2016/17 financial year. The full details of these arrangements are set out in the Technical Statement. The administration of the extended 30 hours offer from September 2017 will be brought into these existing administrative arrangements.

b. The 2 Year Old Offer:

- i. The simple universal rate of funding per hour for all types of provider, without supplement, will be retained.
- ii. This rate is set at the value of the rate the Government funds the Early Years Block (EYB) i.e. 100% pass through of the Government's rate to providers, which has BEEN confirmed at £5.20 in 2017/18.

c. The 3 and 4 Year Old Offer, incorporating the extended 30 hours entitlement:

- i. Continue to use 3 different Setting Base Rates (nursery classes, nursery schools and PVI providers). The same rates will be used to fund the 15 and the 30 hour entitlements in each type of setting.
- ii. Continue our current Deprivation and SEN Supplement, using the 3 year average of Index of Multiple Deprivation (IMD) data. Our total spending will be reduced from 13.2% of budget currently to 10%.
- iii. Cease the separate (and additional) formula funding for looked after children, currently funded at £333 per term. Looked After Children will continue to receive additional funding through the Early Years Pupil Premium.
- iv. Bring the catering supplement for nursery schools into the

nursery school setting base rate and deprivation rate funding (this is a technical change that does not change levels of funding allocated to individual schools).

- v. Continue Bradford's nursery school sustainability supplement, without reduction, but bring the extended 30 hours into the calculation of this from September 2017.
  - vi. Maintain 2016/17 rates of funding for the delivery of the 3 and 4 year old offer in the nursery schools (utilising the DfE's specific Nursery Schools Supplement).
  - vii. Reduce 3 and 4 year old funding rates according to the needs of affordability (so that the overall Early Years Block balances for 2017/18) with reference to the expected trajectory of the Government's funding reform, as set out in Document HD Appendix 5.
- (34) To approve the Early Years Pro-Forma for 2017/18, set out in Document HD Appendix 5. This pro-forma sets out the proposed setting base rates of funding under the full EYSFF for 2017/18 as well as the mean deprivation and SEN rate. Please note that deprivation and SEN rates for individual providers will be confirmed once January 2017 postcode data is available to calculate updated IMD scores.

## **6. PRIMARY AND SECONDARY FORMULA FUNDING AND PRO-FORMA 2017/18**

**SCHOOLS AND ACADEMIES MEMBERS (BY CONSENSUS ON A PHASE SPECIFIC BASIS) AGREED:**

- (35) The value of the DSG's contribution to the Building Schools for the Future affordability gap for 2017/18 set at £6,607,720, which is the 2016/17 value plus an estimated 3.5% RPIX (an increase of £223,449). That this contribution be split between schools on the same % basis as in 2016/17 (based on the school's unitary charge value).
- (36) That all the 'option 4' adjustments relating to reductions in the values of delegated formula allocations for primary and secondary schools and academies, as set out in Document 3 – numbers 5, 6, 7a, 7b and 7c - be applied. This has the effect of transferring to the High Needs Block in 2017/18 the sum of £5.605m from the delegated formula funding budget within the Schools Block. Added to the additional £94,178 transferred from the centrally managed Schools Block under option 4 (adjustment numbers 8 and 9), it is agreed that a sum of £5.70m in total is transferred to the High Needs Block in 2017/18 from the Schools Block.
- (37) The Primary and Secondary Pro-forma for the 2017/18 financial year, using Document 9 as a reference point. Members understood that, in agreeing the application of 'option 4' consent is also given for the submission on the Pro-forma to the Education Funding Agency

calculated on this basis. That the final Pro-forma be circulated to Members for their reference.

(38) That updated information is provided to the March meeting on the anticipated volume of conversions of maintained schools to academy status in Bradford and the likelihood of liabilities resulting from the conversion of schools holding deficit budgets.

(39) That additional information is provided to a future Forum meeting on the causes of the changes (reductions) in the percentages of primary-aged children recorded in the October 2016 Census as eligible for Free School Meals under the Ever 6 Free School Meals measure. That the information to be presented also gives sight of the extent of difference in FSM% recorded for pupils in Year 6 vs. pupils in Reception.

**239. ANY OTHER BUSINESS**

No resolution was passed on this item.

**240. SUMMARY OF ADDITIONAL REPORTS**

No resolution was made on this item.

**241. DATE OF NEXT MEETING**

The next meeting of the Schools Forum is Wednesday 15 March 2017.

Chair

**Note: These minutes are subject to approval as a correct record at the next meeting of the Schools Forum.**

THESE MINUTES HAVE BEEN PRODUCED, WHEREVER POSSIBLE, ON RECYCLED PAPER