

Report of the Director of Children's Services to the meeting of the Children's Services Overview & Scrutiny Committee to be held on 1 November 2016.

Subject:

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Schools Forum Update

Summary statement:

Children's Services Overview and Scrutiny Committee has asked for a regular update on the work of the Schools Forum.

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Overview & Scrutiny Area:

Children's Services



1. SUMMARY

- 1.1 The Committee has asked for regular updates to be provided on the work of the Schools Forum.
- 1.2 The last update was presented to the Committee on 12 October 2016. The Schools Forum has met once since on 19 October. The decisions list from this meeting is attached at Appendix 1.
- 1.3 The Schools Forum has one further meeting scheduled for the autumn term on 7 December. The key meeting at which the Schools Forum will make final recommendations on the allocation of the 2017/18 Dedicated Schools Grant (DSG) will take place on 11 January 2017.
- 1.4 The principal items that were considered by the Schools Forum on 19 October were:
 - Primary and Secondary formula funding arrangements in Bradford for the 2017/18 financial year (the outcomes of our consultation).
 - The consultation on proposals for funding the early years free entitlements in Bradford for the 2017/18 financial year.
 - The consultation on proposals for funding High Needs provisions in Bradford for the 2017/18 financial year.
 - The future position of DSG centrally managed and de-delegated funds.

This report focuses on these key items and more information is provided in section 3 of this report. Committee Members will already be aware of these matters from the report presented to the 12 October meeting. As more detailed information on the position of DSG centrally managed and de-delegated items was provided to this meeting, an update will be provided verbally on the latest feedback from the Schools Forum.

- 1.5 At the time of writing this report the Government's awaited 2nd stage of consultation on Schools and High Needs Block National Funding Formula arrangements has not been published. If there is further to report at the Committee meeting, this will be done verbally.

2. BACKGROUND

- 2.1 Under national Regulations, every local authority is required to operate a Schools Forum. The primary function of a Schools Forum is to recommend to the Council's Executive Committee how the funding, which the Government provides for schools



and individual pupils (known as the Dedicated Schools Grant), is managed. The Forum also has some specific technical decision making powers. The DfE has stressed that it is essential that Forum membership arrangements keep pace with the changing landscape, in particular the conversion of maintained schools to academy status. The Forum must consider annually how best to provide for responsive arrangements, to ensure the Forum remains representative and to avoid any unintended bias towards any one phase. There are currently 7 academy members on Bradford's Schools Forum, alongside 20 representatives of maintained schools.

2.2 The Schools Forum meets every half term with an additional meeting in the autumn.

3. OTHER CONSIDERATIONS

3.1 Primary and Secondary formula funding arrangements in Bradford in 2017/18

As reported to the Committee on 12 October, the Schools Forum agreed on 21 September to the publication of our consultation on the 2017/18 primary and secondary funding formulae and central fund arrangements. We propose to maintain the existing formulae structure (the formulae factors and how these are used). The Forum considered the outcomes of this consultation on 19 October and its recommendations are shown in the Decisions List at Appendix 1. These recommendations will be presented to the Executive.

Further discussion is now taking place on the values of formulae factors and the value of additional contribution from the Schools Block to High Needs Block pressures. Please see paragraph 3.3 below.

3.2 Early Years formula funding arrangements in Bradford in 2017/18

The Schools Forum has approved the publication of our consultation on the approach to the funding of the early years free entitlements delivered by providers in Bradford (Nursery school, nursery classes and Private, Voluntary and Independent providers) in the 2017/18 financial year. Our proposals are put forward in the context of the Government's proposals for its Early Years Funding Reform (National Funding Formula), an outline of which was provided to the Committee on 12 October. Our consultation closes on 28 November 2016.

Our consultation paper is included at Appendix 2. Our proposals seek to provide for as much continuity in 2017/18 as possible, to allow time for providers to respond to funding changes. However, as our value of Early Years Block funding from Government is proposed to be reduced (by April 2019 a £3m reduction in funding for 3 and 4 years olds), the rates of funding for providers in Bradford will reduce, beginning from April 2017. The Forum will be considering whether one off monies within the DSG could be used to help protect against a substantial fall in rates for providers next year.

The table below sets out our estimate of the changes in rates of funding for



providers that will be brought about by the Government's reforms across the 2017-2019 period, based on our broad proposals for the timing of change that are set out in our consultation document. These estimates come from analysis of the modelling presented in the Government's consultation. As such, they are very indicative and should be viewed with caution. The assumptions behind these rates are described further in the background document.

ESTIMATED Rate Per Hour	2016/17 Actual	2017/18	2018/19	2019/20
2 YO Offer - Universal Base Rate	£4.83	£5.20	£5.20	£5.20
3 & 4 Year Old Entitlement				
Setting Base Rate – Nursery Schools	£5.70	£5.45	£4.12	£4.11
Setting Base Rate – Nursery Classes	£4.13	£4.11	£4.11	£4.11
Setting Base Rate – PVI Providers	£4.62	£4.42	£4.12	£4.11
Mean Deprivation & SEN Rate	£0.68	£0.50	£0.49	£0.47
Nursery Schools Supplement	£1.07	£1.87	£3.16	*
Looked After Children Additional	£1.75			
Early Years Pupil Premium	£0.53	£0.53	£0.53	£0.53

* the continuation of the Nursery Schools Supplement at April 2019 is current uncertain

The Authority will more closely assess the potential impact of this proposed funding reduction on our Early Years Foundation Stage outcomes, the financial sustainability of individual providers, the continuation of nursery schools in their current forms, and the sufficiency of free entitlement places.

3.3 High Needs formula funding arrangements in Bradford in 2017/18

The Schools Forum has also approved the publication of our consultation on the approach to the funding of High Needs providers in the 2017/18 financial year. These proposals are put forward in the context of the announcement by Government in July 2016 of the delay in the implementation of National Funding Formula arrangements, with changes now expected to be introduced from April 2018. An outline of the position of National Funding Formula reforms was provided to the Committee on 12 October.

Our consultation paper is included at Appendix 3. Our consultation closes on 28 November 2016. Our proposals again seek to provide for as much continuity in 2017/18 as possible but also to respond to maximise value for money within our High Needs Block allocation and to better support the costs of resourced provisions.

Committee Members are reminded of the context of these proposals - that the size and continuing growth of the cost pressure within the High Needs Block is one of key issues the Local Authority, with the Schools Forum, must manage. The High Needs Block continues to be under significant financial pressure; overspending in 2016/17 in total by £5.6m (10%), and estimated to overspend by a further £5.4m in 2017/18, against the notional DSG budget allocated by the DfE. This is largely the



result of demographic stresses, which will continue for a number of years. This overspending is met currently through contributions from the Schools and Early Years Blocks within the DSG. The report to the Committee on 12 October outlined the seriousness of the consideration that is currently being given to a substantial reduction in primary and secondary formulae funding values in 2017/18 in order to meet the growth in cost within the High Needs Block.

4. FINANCIAL & RESOURCE APPRAISAL

Not applicable – this is an update for information.

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

Not applicable – this is an update for information.

6. LEGAL APPRAISAL

Not applicable – this is an update for information.

7. OTHER IMPLICATIONS

7.1 EQUALITY & DIVERSITY

Not applicable – this is an update for information.

7.2 SUSTAINABILITY IMPLICATIONS

Not applicable – this is an update for information.

7.3 GREENHOUSE GAS EMISSIONS IMPACTS

Not applicable – this is an update for information.

7.4 COMMUNITY SAFETY IMPLICATIONS

Not applicable – this is an update for information.

7.5 HUMAN RIGHTS ACT

Not applicable – this is an update for information.

7.6 TRADE UNION

Not applicable – this is an update for information.

7.7 WARD IMPLICATIONS



Not applicable – this is an update for information.

**7.8 AREA COMMITTEE ACTION PLAN IMPLICATIONS
(for reports to Area Committees only)**

Not applicable – this is an update for information.

8. NOT FOR PUBLICATION DOCUMENTS

None

9. OPTIONS

Not applicable – this is an update for information.

10. RECOMMENDATIONS

10.1 Committee Members are asked to consider and to note the information provided in this update.

11. APPENDICES

Appendix 1 – Schools Forum meeting 19 October Decisions List

Appendix 2 - Early Years Consultation Paper 2017/18

Appendix 3 - High Needs Consultation Paper 2017/18

12. BACKGROUND DOCUMENTS

None

