

## NORFOLK SCHOOLS FORUM

Meeting on Wednesday 17 October 2018 09:00 – 12:00 hours at South Green Park  
Mattishall Tea/Coffee available from 08.30 hours

Individual members, named below, are asked to provide verbal reports for these items.

<b>09:00 - 09:05</b>	<b>1 Welcome and Introductions Apologies</b>		
<b>09:05 - 09:15</b>	<b>2 Minutes of Last Meeting held on 12 September 2018</b>		<b>2 - 6</b>
<b>09:15 - 09:20</b>	<b>3 Matters Arising</b> School Forum Membership <ul style="list-style-type: none"> <li>• Governor representation</li> </ul> Fair Funding Consultation <ul style="list-style-type: none"> <li>• Martin to use a percentage in the paperwork submitted for consultation</li> <li>• Additional information on Growth</li> </ul>		
<b>09:20 - 09:50</b>	<b>4 De-delegation, growth fund and central services budget</b> Martin Brock - Paper attached	<b>Decision</b>	<b>7 - 21</b>
<b>09:50-10:00</b>	<b>5 Forum guidance and terms of reference</b> Martin Brock - Paper attached	<b>Information/ Decision</b>	<b>22 - 30</b>
<b>10:00-10:30</b>	<b>6 DSG and High Needs Block update (verbal update/presentation - Chris Snudden</b>	<b>Information</b>	
<b>10:30 – 10:50</b>	<b>COFFEE</b>		
<b>10:50 -11:00</b>	<b>7 Central licencing scheme</b> Martin Brock - Paper attached	<b>Information</b>	<b>31 32</b>
<b>11:00 -11:45</b>	<b>8 Schools Block consultation</b> Sally Cutting/Martin Brock Paper Attached	<b>Comment</b>	<b>33 - 45</b>
	<b>9 <u>Communication</u></b>		
	<b>10 <u>Future Agenda Items</u></b>		
	<b>11 <u>Dates of Meetings</u></b>		

### **School Forum**

Wednesday 11 January 2019 09:00 – 12:00  
South Green Enterprise Centre Mattishall

# Norfolk Schools Forum

Minutes of Meeting held on Wednesday 12th September 2018

09:00 - 12:00 hours

South Green Park Mattishall

## Present:

Mark Adamson  
John Banbury  
Keith Bates, Eaton Hall Specialist Academy  
Holly Bowman  
Chris Caddamy, City College  
Alison Clarke, Robert Kett Primary School  
Carol Dallas, Taverham High School  
Sandra Govender  
Mike Grimble, Avenue Junior School  
Bob Groome  
David Hicks  
Fyfe Johnston, Clare School  
Clare Jones  
Howard Nelson  
Sarah Porter

Sarah Shirras, (Chair) St Williams Primary  
Fiona-Louise Tilden  
Joanna Tuttle  
Vicky Warnes  
Michael Bateman  
Martin Brock  
Paul Cook  
John Crowley

Sally Cutting  
Marilyn Edgeley  
Lucy Pattinson  
Chris Snudden  
Sara Tough (09.45)

Samantha Williams

## Apologies:

Alan Evans

## 1. Welcome

## 2. Minutes of Last Meeting

Accepted with minor corrections.

## Representing

Academies  
Early Years  
Special School Academy  
Nursery Schools  
(sub) 16 – 19 Representative  
Primary  
Secondary Academies  
Engage Trust  
Primary Governors  
JCC (Secondary phase)  
EMAT (substitute for Alan Evans)  
Special Schools  
Academies  
Diocesan Board of Education  
Academy Representative (substitute for Christina Kenna)  
Primary Schools  
Academy Representative  
Maintained Secondary  
JCC (primary phase)  
Head of Education High Needs  
Accountant  
Interim Finance Business Partner  
Head of Education, Achievement & Early Years Service  
Senior Accountant  
Admin Officer  
Admin Officer (Minutes)  
Assistant Director (Education)  
Executive Director Children's Services  
Schools Finance Manager

### 3. Matters Arising

Dedicated Schools Grant (DSG) – Martin Brock and Bob Groom met to discuss.

Changes to SEN top-up funding - Chris Caddamy confirmed the 16-19 funding was discussed with Steph Askew

Updated Scheme for Financing School - Sally Cutting confirmed an HR business partner came to the National Funding Working Group.

### 4. School Forum Membership

Due to the terms being out of date changes have been made to the membership of the School Forum Membership and new appointments are:

Joanna Tuttle - Maintained Secondary Representative

Alison Clarke and Sarah Shirras - Maintained Primary Representatives

Mike Grimble and Alex Robinson Primary Governors until the Governor issue is resolved.

There is a requirement for 2 primary and 2 secondary governor representatives.

### 5. High Needs Block

Chris Snudden presented on the High Needs Block and the following points were noted:

- Norfolk County Council faces a £90m gap through to 2021/22.
- Whilst Children's Services are having to make savings there is a strong recognition from Norfolk County Council of pressures on demand-led services
- This is Norfolk County Council's first Transformation Programme and Strategy
- £12-15m is available to undertake some transformation work.
- Benchmarking data shows more children in maintained schools who should be in complex maintained schools
- Capital investment intention is that no child is travelling a long distance to have their needs met and every group of schools has the capacity to access specialist provision needed for each child locally
- Cultural shift and quality provision – this work is in place and we are looking at a longer term building programme over 3 years
- There is a SEND Strategy with a Strategy Board – the format will be circulated to schools second half of term
- Real challenges around cultural and quality thinking – best people to challenge are school leaders, communication should be a school led strategy
- 0.5% transfer from Schools Block to High Needs Block will need Forum agreement however the Authority can go to the Secretary of State in the event that this is not agreed.

#### Action

Michael Bateman agreed a summary of the SEND Strategy will be sent out as soon as possible and before second half of term.

Michael Bateman continued the presentation and advised early intervention is the key as a large amount of the budget is taken up by exclusions. The following figures on the high needs block overspend were provided:

£m	15/16	16/17	17/18
High needs block	68.055	68.914	77.048
Expenditure	72.667	77.039	87.642
Overspend	4.612	8.125	10.594

Sara Tough said the Authority needs to have a better system of allocation - £20m requested up from £9m. The Authority would then have more leverage with members on future challenges.

## 6. Fair Funding Consultation/National Funding Formula

Martin Brock presented papers on the proposed changes to the distribution formula of the Schools Block of the Dedicated Schools Grant. Martin advised that feedback from today's meeting would help influence Martin's team to prepare paperwork for the consultation which opens on Friday 14<sup>th</sup> September. Currently there are six options being put forward. From the discussion that followed the following points were noted:

- Martin to use a percentage in the paperwork submitted for consultation instead of figures, as this gives a clearer picture.
- The final decision should be announced as having Schools Forum agreement. Consultation opens Friday.
- The option of none of the money going into the High Needs Block was unanimously voted to be removed

Forum members were asked to formally vote on the proposal that 0.5% will be transferred from the Schools Block and into the High Needs Block and that this was agreed by Schools Forum and therefore not included in the consultation.

For           15  
Against     0  
Abstain     2

There was an informal vote on whether the £4.5m available in April 2019 should go straight into the High Needs Block and the majority voted in favour of this. Sarah Tough explained that there was no guarantee that the £4.5m can go straight into the High Needs Block even if it is requested, but if it is not requested there is no guarantee it will go into schools at all.

## 7. Growth Fund

The following proposals were put to the meeting:

Proposal 1 – To increase the growth fund for 2019/20 by £80k and to add the following criterion to the existing growth fund criteria:

- Pupils moving from a closing school in advance of that school's official closure date will be funded at their new school at up to 5/12<sup>th</sup> of the AWPU value where the number of pupils received early is the greater of 10% of a year group or 5 pupils. The number of pupils on roll does not need to exceed the PAN.

Proposal 2 – To increase the growth fund for 2019/20 by £120k and to add additional criterion to the growth funding for significant growth:

- Where demographic growth (excluding popularity) in the new academic year exceeds the greater of 15% of the funded number on roll or 10 pupils, additional funding will be given at the relevant AWPU value x 7/12<sup>th</sup>. The number of pupils on roll does not need to exceed PAN.

Martin explained that historic data shows there has not been more than 1 school closure in a year and that the figures were based on a school closure with significantly higher numbers than usual. The proposals would mean an estimated 76p reduction per pupil across the mainstream schools.

Forum agreed that the criteria and level of fund will be decided as part of de-delegation at the October meeting and will not be included in the Fair Funding Consultation.

**Action: As requested by the meeting, Martin Brock to return to the next meeting with additional information.**

## 8. PFI Formula

Martin Brock presented 2 proposals to the meeting on the changes to the distribution of PFI funding within the funding formula from April 2019.

Proposal 1 – Increase delegation through the PFI factor of the mainstream formula in line with RPIx annually, as per the National Funding Formula.

Proposal 2 – Increase per-pupil delegation through the PFI factor for years 7-11 to bring it in line with the years R-6 per-pupil allocation.

Forum agreed that there is a need for these proposals and therefore they should be taken forward.

## **9. Any Other Business**

### Support Staff

All support staff will be getting a 2% pay increase. A consultation on this is continuing and UNISON are involved in these discussions.

## **10. Dates of Meetings**

17<sup>th</sup> October 2018 – 9am-12pm – South Green Park

## 1. De-delegated Services

Schools Forum are asked to vote by **maintained Primary and Secondary sector** on de-delegation of the below services. **Nursery schools** and **Special Schools** are offered this service as a buy back option, as they are not covered by de-delegation under the statutory finance regulations.

The services would be removed from the Basic per-pupil Entitlement, at a single per pupil rate, for all year groups, except for Free School Meal eligibility which would be removed from FSM deprivation funding. These are estimates based on the October 2017 census as we do not yet have the October 2018 census results which will drive the final 2019-20 de-delegation figures.

### 1.1 Staff Costs

Staff costs relating to redeployment, safeguarding duties, maternity cover, supply cover for special circumstances, suspended staff and additional costs relating to disabled staff. Should the amounts be de-delegated it is proposed that the current practice of allowing Special Schools to buy-back into the same fund is continued. Based on prior year figures the reduction to Basic Per-Pupil Entitlement values would be:

- Redeployment, £1.19 per pupil
- Safeguarding, £0.82 per pupil
- Maternity Cover, £17.50 per pupil
- Supply Cover, special circumstances, £2.92 per pupil
- Suspended staff, £4.99 per pupil
- Disabled Staff, £0.69 per pupil

The pupil amounts are the same as 2018/19 and the budgets are calculated on a year by year decreasing basis, as schools convert to academy status.

Total indicative budgets are;

- **Redeployment, £45,769** (£42,357 primary and £3,412 secondary)
- **Safeguarding, £31,538** (£29,187 primary and £2,351 secondary)
- **Maternity Cover, £673,069** (£622,897 primary and £50,172 secondary)

- **Supply Cover, special circumstances, £112,306** (£103,935 primary and £8,371 secondary)
- **Suspended staff, £191,921** (£177,615 primary and £14,306 secondary)
- **Disabled Staff, £26,538** (£24,560 primary and £1,978 secondary)

**Decision 1a** Staff costs for the Primary sector should be de-delegated

**Decision 1b** Staff costs for the Secondary sector should be de-delegated

### 1.2 Licences/Subscriptions

Subscriptions paid centrally by the Local Authority. This includes the Norfolk Governor Network Annual Grant (NGN), and the Consortium of Local Education Authorities for the Provision of Science Services (CLEAPSS). The reduction to the Basic Per-Pupil Entitlement value would be £0.70 per pupil.

**Total budget £26,923** (£24,916 primary and £2,007 secondary).

**Decision 2a** Licences/Subscriptions for the Primary sector should be de-delegated

**Decision 2b** Licences/Subscriptions for the Secondary sector should be de-delegated

### 1.3 Contingencies

Schools Forum are asked to consider de-delegation of a contingency budget for 2019/20, to be used to meet costs of sponsored academy deficits upon conversion.

Where a school with a deficit is to open as a sponsored academy, the deficit remains with the local authority. If Schools Forum agree to de-delegate a contingency provision then the deficit may be funded from that contingency, otherwise the cost must be funded from the LA's core budget.

As of January 2018, the Finance and Business Services Team were instructed by the Director of Children's Services not to accept any further licensed deficit budget plans.

In 2018/19 no contingency budget was de-delegated, and although there have been no academy deficit costs charged for so far in 2018/19, this is obviously not guaranteed to continue.

Amounts met by contingency for academy deficits in this financial year and the previous five years were as follows:



<b>Financial Year</b>	<b>Primary Deficits (£)</b>	<b>Secondary Deficits (£)</b>
2018/19 (to date)	0	0
2017/18	0	£149,635
2016/17	£28,527	£49,789
2015/16	£25,936	£665,000
2014/15	£138,379	£2,280
2013/14	0	£317,452
<b>TOTAL</b>	<b>192,842</b>	<b>1,184,156</b>

There are no further secondary academy deficits expected to occur as most secondary schools have now converted and those that remain are not currently forecasting deficit balances.

The average primary academy deficit over the last 6 years is £32,140 (the average deficit per school also works out to £32,140 as there were six primary deficits that happened during those 6 years).

The forecast for future deficits is low, with 4 schools totalling approximately £17k deficit as at the end of 2019/20 based on current budgeting. However, this does not give an indication of schools which may be near to a deficit and could easily move into a deficit position based on when they may convert. The effects of funding changes and salary increases have also not been forecast yet.

It would be prudent to hold a contingency to safeguard against further deficits. It is not possible to know the exact amount that could be required.

A small contingency of £100k would work out to £2.81 per primary pupil.

**Decision 3** Contingency for the Primary sector should be de-delegated

#### **1.4 Free School Meal eligibility**

The reduction to FSM deprivation funding would be £5.63 per eligible FSM primary and secondary pupil to provide a central service checking free school meal eligibility data.

The pupil amount is the same as in 2018/19 and the budgets are calculated on a year by year decreasing basis, as schools convert to academy status.

**Budget £24,183** (£22,837 primary and £1,346 secondary).

**Decision 4a** Free School Meals eligibility for the Primary sector should be de-delegated

**Decision 4b** Free School Meal eligibility for the Secondary sector should be de-delegated

## 1.5 Growth Fund

**The growth fund sits within the School Block and Schools Forum are required to vote on the criteria and amount.**

### Required Growth

In 2018/19, £950k was top-sliced from the Schools Block for growth fund. The following criteria were used for 2018/19:

- Growth has been identified by the authority as required in the area for the following academic year. i.e. a comparison of numbers between the two October counts, and;
- Growth must be the greater of 10% of a year group or 5 pupils and will be funded at 7/12th of Basic Pupil Entitlement, the starting point for the growth must be over and above a school's/academy's current Pupil Admission Number (PAN).
- Growth for an additional year group or class will be given at 7/12th of the Pupil Admission Number, e.g. a school/academy is increasing from an intake of 30 pupils to 60 pupils p.a. - school/academy will therefore qualify for 30x7/12th AWPU.
- There are no additional payments to schools or academies in respect of Infant Class Size Funding.
- Where growth fund payments are made to academies for the period September-March, the payment is continued by the local authority for the following April-August.

A total of £971,414 has been allocated for growth in 2018/19.

**It is proposed that £950k continues to be retained centrally for pre-16 growth, and allocated using the same criteria used for previous year (as listed above).**

This includes growth within existing schools and any new schools set up to meet basic need, whether maintained, academy or free school.

### Growth from School Closures

A paper was presented to Schools Forum in September, suggesting that an additional growth fund should be retained to meet costs within schools were there are school closures with pupils transferring early to a different school.

The paper assumed that a growth fund of up to £80k could be retained based on some assumptions being made and using the size of the largest recently closed (160 pupils).

Forum requested that the level of the fund be reviewed to only take into account based on known closures for the coming year, so that the amount top-sliced could be kept as small as possible.

At the moment, there are no schools that will definitely close in 2019/20. However, a modest growth fund to cover the potential closure of one school up to 30 pupils (based on sizes of previous small school closures) would allow for the possibility, if that is something that Forum wishes to do.

The broad assumptions being made would be:

- Likely that no more than one school would close in a year;
- Likely that none of these would be secondary schools;
- 50% of the closing school's pupils may transfer out of their school early;
- Of those pupils moving, 25% may go into schools where they do not trigger the suggested threshold of the greater of 10% of a year group or 5 pupils.
- Funding would only be for up to 5/12<sup>th</sup> (i.e. up to one school term) as an absolute maximum. Beyond which time the closing school's remaining budget share would be available for funding pupil movements.
- Funding would be given pro-rata of the Basic Per-Pupil Entitlement (officially referred to as Age Weighted Pupil Unit or AWPU) for the pupils involved.

Based on 30 pupils, this would be:

30 pupils x 50% x 75% x 5/12<sup>th</sup> x £3,103.99 = £14,550. For simplicity, this could be rounded to **£15k**.

**It is proposed that £15k is retained from the Schools Block to fund early movement of pupils resulting from school closures.**

The suggested criteria for allocation are:

- Pupils moving from a closing school in advance of that school's official closure date will be funded at their new school at up to 5/12<sup>th</sup> of the AWPU value (1/12<sup>th</sup> for each full month) where the number of pupils received early is the greater of 10% of a year group or 5 pupils. The number of pupils on roll does not need to exceed the PAN.

### Significant Growth

A paper was presented to Schools Forum in September, suggesting that a significant growth fund, for pupil number increases in-year exceeding the greater of 15% of NOR or 10 pupils.

The suggested criteria were:

- Where demographic growth (excluding popularity) in the new academic year is the greater of 15% of number on roll or 10 pupils, additional funding will be given at the relevant AWPU value x 7/12<sup>th</sup>. The number of pupils on roll does not need to exceed the PAN.

If those criteria had been in place for 2018/19, modelling shows that 4 schools would have met the criteria, a total of £123,125, if growth was not linked to popularity.

Further information was requested around how the Local Authority would allocate this growth fund excluding popularity allocations which are not permitted through the growth fund.

The following additional criteria are suggested by the Local Authority:

Would be funded by growth	Would not be funded by growth
<p><b>Pure growth</b> – where the additional numbers are purely contributed to additional children living within the catchment of the school.</p> <p><b>Parental Preference</b> – growth fund money will only be allocated where roll increases due to increased parental preference or place allocation where there are no spare places in the catchment school.</p>	<p>Growth money will not be allocated to schools that have admitted children from out of area due purely to parental preference where there is space in their local school.</p>

The result of applying these extra checks is that the 4 schools that would reach the suggested significant growth thresholds were all due to growth through popularity in some form, and therefore there is probably nothing to gain by introducing this significant growth fund.

Previous modelling demonstrated that making the threshold for generating significant growth fund easier to reach increased the amount required to be top-sliced considerably (a 10% of NOR or 10 pupil minimum worked out to £949k). Although it is likely that many of those schools would then not qualify due to popularity anyway.

**Recommendation:** Do not include a significant growth fund for 2019/20 as all schools checked against the suggested criteria failed the test for an allocation due to growth through popularity. Lowering the threshold for a significant growth fund could result in a top-slice too large and this would impact on school budgets.

**Decision 5a** There should be a £950,000 centrally retained fund for pre-16 growth, with the same criteria to be used as in previous years for allocation of that funding.

**Decision 5b** There should be £15,000 centrally retained fund to support growth in schools resulting from the early movement of pupils following school closures. The suggested criteria are:

- Pupils moving from a closing school in advance of that school's official closure date will be funded at their new school at up to 5/12<sup>th</sup> of the AWPU value (1/12<sup>th</sup> for each full month) where the number of pupils received early is the greater of 10% of a year group or 5 pupils. The number of pupils on roll does not need to exceed the PAN.

## 1.6 Central Services School Block/Education Services Grant

The Central Services School Block funds local authorities for the statutory duties they hold for both maintained schools and academies. The CSSB brings together:

- Funding previously allocated through the retained duties element of the Education Services Grant (ESG)
- Funding for ongoing central functions, in Norfolk this is admissions, servicing of the Schools Forum and fees to Independent schools without SEN.
- Residual Funding for historic commitments, previously top-sliced from the schools' block, totalling £240,000
- The licences and subscriptions paid for centrally by the DFE.

Norfolk's indicative allocation for 2019/20, based on 104,429.5 October census numbers for the Central Schools Services Block is £3,337,379.

This is £29.66 per pupil plus £240,000 for agreed historic costs.

### Full Schools Forum are required to vote on the retention of the Central Services School Block.

Category	2018/19	2019/20	Difference	Explanation for change
<b>6a Central Functions</b>				
School Admissions	487,011	487,011	0	This is an allowable item under the regulations
Servicing of Schools Forum*	69,691	69,691	0	This is an allowable item under the regulations. See note below the table.
Fees to independent schools for pupils without SEN	100,000	100,000	0	This is an allowable item under the regulations.
<b>6b Historic Commitments</b>				
Miscellaneous – SACRE**	5,000	5,000	0	This can be evidenced as a historic commitment

				prior to April 2013.
Miscellaneous – Contribution towards the Director of Children’s Services central budgets- Early Intervention and Achievement.***	119,700	119,700	0	This can be evidenced as a historic commitment prior to April 2013. This meets the rules of contributing towards Education Benefit.
Miscellaneous – Joint User agreement Long Stratton Leisure Centre	50,000	50,000	0	We have a contract committing us to this expenditure. This school has now converted to an academy and agreement was reached that the liability will transfer to the school in 2020/21.
Termination of Employment Costs (existing pension costs)	64,994	64,994	0	This can be evidenced as a historic commitment prior to April 2013.
Total	896,396	896,396		

*\*This covers the clerk to the forum, an Education post in the MASH team, conference, supply and travel expenses.*

*\*\*Standing Advisory Council for Religious Education*

*\*\*\* Improvement and Strategy work, Head teacher and Educational conferences.*

### Education Services Grant

The Education Services Grant retained element became part of the Dedicated Schools Grant from September 2017. The indicative amount available is £23.87 per pupil after deducting the central licences automatically by the DfE (more info in agenda item no. 7) and historic commitments (£239,694) from the Central Services Schools Block. Schools Forum are required to vote on the retention of the funding by the Local Authority to carry out the duties detailed in the left-hand side of the table of Appendix 1.

**Decision 6a – Agree the central retained items**

**Decision 6b – Agree the Historic Commitments**

**Decision 6c – Agree the Education Services Grant retained element**

**Schools Forum decisions required:**

- **Agree de-delegated services and the central growth fund from the Schools Block**
  
- **Vote on items to be retained from the Central Services School Block**

## Appendix 1

**Statutory and regulatory duties**

<b>Responsibilities held for all schools</b>	<b>Responsibilities held for maintained schools only</b>
<p>Director of children's services and personal staff for director (Sch 2, 15a)</p> <p>Planning for the education service as a whole (Sch 2, 15b)</p> <p>Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)</p> <p>Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c)</p> <p>Formulation and review of local authority schools funding formula (Sch 2, 15d)</p> <p>Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e)</p> <p>Consultation costs relating to non-staffing issues (Sch 2, 19)</p> <p>Plans involving collaboration with other LA services or public or voluntary bodies (Sch 2, 15f)</p> <p>Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)</p> <p>Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)</p>	<p>Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 2, 57)</p> <p>Budgeting and accounting functions relating to maintained schools (Sch 2, 74)</p> <p>Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 2, 58)</p> <p>Monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies (Sch 2, 59)</p> <p>Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 for maintained schools (Sch 2, 60)</p> <p>Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 2, 61)</p> <p>Investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body (Sch 2, 62)</p> <p>Functions related to local government pensions and administration of teachers' pensions in relation to staff working at maintained schools</p>



Responsibilities held for all schools	Responsibilities held for maintained schools only
	<p>under the direct management of the headteacher or governing body (Sch 2, 73)</p> <p>Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 2, 76)</p> <p>HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition or organisation of staff (Sch 2, 64); determination of conditions of service for non-teaching staff (Sch 2, 65); appointment or dismissal of employee functions (Sch 2, 66)</p> <p>Consultation costs relating to staffing (Sch 2, 67)</p> <p>Compliance with duties under Health and Safety at Work Act (Sch 2, 68)</p> <p>Provision of information to or at the request of the Crown relating to schools (Sch 2, 69)</p> <p>School companies (Sch 2, 70)</p> <p>Functions under the Equality Act 2010 (Sch 2, 71)</p> <p>Establish and maintaining computer systems, including data storage (Sch 2, 72)</p> <p>Appointment of governors and payment of governor expenses (Sch 2, 73)</p>

**Table 9a: Central services responsibilities held by local authorities (statutory and regulatory duties)**

## Education welfare

Responsibilities held for all schools	Responsibilities held for maintained schools only
<p>Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)</p> <p>School attendance (Sch 2, 16)</p> <p>Responsibilities regarding the employment of children (Sch 2, 18)</p>	<p>Inspection of attendance registers (Sch 2, 79)</p>

**Table 9b: Central services responsibilities held by local authorities (education welfare)**

## Asset management

Responsibilities held for all schools	Responsibilities held for maintained schools only
<p>Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)</p> <p>General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)</p>	<p>General landlord duties for all maintained schools (Sch 2, 77a &amp; b (section 542(2)) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have:</p> <ul style="list-style-type: none"> <li>• appropriate facilities for pupils and staff (including medical and accommodation)</li> <li>• the ability to sustain appropriate loads</li> <li>• reasonable weather resistance</li> <li>• safe escape routes</li> <li>• appropriate acoustic levels</li> <li>• lighting, heating and ventilation which meets the required standards</li> <li>• adequate water supplies and drainage</li> <li>• playing fields of the appropriate standards</li> </ul>

Responsibilities held for all schools	Responsibilities held for maintained schools only
	<p>General health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc. Act 1974)</p> <p>Management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012)</p>

**Table 9c: Central services responsibilities held by local authorities (asset management)**

### Central support services

Responsibilities held for all schools	Responsibilities held for maintained schools only
No functions	<p>Clothing grants (Sch 2, 53)</p> <p>Provision of tuition in music, or on other music-related activities (Sch 2, 54)</p> <p>Visual, creative and performing arts (Sch 2, 55)</p> <p>Outdoor education centres (but not centres mainly for the provision of organised games, swimming or athletics) (Sch 2, 56)</p>

**Table 9d: Central services responsibilities held by local authorities (central support services)**

### Premature retirement and redundancy

Responsibilities held for all schools	Responsibilities held for maintained schools only
No functions	Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 2, 78)

**Table 9e: Central services responsibilities held by local authorities (premature retirement and redundancy)**

## Monitoring national curriculum assessment

Responsibilities held for all schools	Responsibilities held for maintained schools only
No functions	Monitoring of National Curriculum assessments (Sch 2, 75)

**Table 9f: Central services responsibilities held by local authorities (monitoring national curriculum assessment)**

## Therapies

Responsibilities held for all schools	Responsibilities held for maintained schools only
No functions	This is now covered in the high needs section of the regulations and does not require schools forum approval

**Table 9g: Central services responsibilities held by local authorities (therapies)**

## Other ongoing duties

Responsibilities held for all schools	Responsibilities held for maintained schools only
<p>Licences negotiated centrally by the Secretary of State for all publicly funded schools (Sch 2, 8); this does not require schools forum approval</p> <p>Admissions (Sch 2, 9)</p> <p>Places in independent schools for non-SEN pupils (Sch 2, 10)</p> <p>Remission of boarding fees at maintained schools and academies (Sch 2, 11)</p> <p>Servicing of schools forums (Sch 2, 12)</p> <p>Back-pay for equal pay claims (Sch 2, 13)</p> <p>Writing to parents of year 9 pupils about schools with an atypical age of admission, such as UTCs and studio schools, within a</p>	No functions

Responsibilities held for all schools	Responsibilities held for maintained schools only
reasonable travelling distance <sup>1</sup> (Sch 2, 23)	

**Table 9h: Central services responsibilities held by local authorities (other ongoing duties)**

### Historic commitments

Responsibilities held for all schools	Responsibilities held for maintained schools only
Capital expenditure funded from revenue (Sch 2, 1) Prudential borrowing costs (Sch 2, 2(a)) Termination of employment costs (Sch 2, 2(b)) Contribution to combined budgets (Sch 2, 2(c))	No functions

**Table 9i: Central services responsibilities held by local authorities (historic commitments)**

## Schools Forum Guidance and Terms of Reference

### Summary

In September the DfE released updated Schools Forum guidance, available here: [schools forum guidance](#)

The guide is for all parties interested in Schools Forums and details the requirements of the meetings as well as setting out roles and responsibilities of the Schools Forum members.

The updates are mostly to formatting but there are two paragraphs that have additional wording, these are highlighted in this paper.

**Information** – Information on updates to the DfE’s updated Schools Forum guidance for information only.

**Decision** - Schools Forum are asked to agree a change to Norfolk’s Constitution and Terms of Reference, requiring a substantive substitute to be identified by Forum members.

### 1. Updated guidance

As well as changes to formatting of the guidance document, the following paragraphs have been amended (the additional wording is in bold).

#### Training

“17. Schools forum members will need the skills and competencies to manage Forum business (as detailed in [school forum powers and responsibilities](#)) and to take a strategic view across the whole education estate whilst acting as representative of the group that has elected them. Furthermore, they should be easily contactable and pro-active in raising the profile of issues and communicating decisions, and the reasons behind them, effectively. **Good practice for schools forums would be to offer training to new or existing members who may benefit from this.**”

This means for example, that the members may wish to attend national or regional events or other relevant training activities, the costs of which, where necessary, can be supported from the Schools Forum budget. Local and national bodies have a key role to play in developing the competencies of forum members.

### Timing of meetings

“78. The frequency and timing of meetings of the schools forum should be agreed in advance of each financial or academic year; **these should take into consideration deadlines for the local authority such as disapplication requests and the submission of the authority proforma tool (APT)**. It’s good practice to publish the dates of meetings on the schools forum website. In drawing up this cycle of meetings, in consultation with the schools forum, the local authority should provide a clear overview of the key consultative and decision-making points in the school funding cycle. These will be drawn from a combination of national and local information and should inform the basic agenda items that each meeting needs to cover. For instance meetings will need to be scheduled at appropriate points to enable the schools forum to consider the outcomes of local consultations and national announcements.”

Norfolk already takes these deadlines into account when planning Schools Forum meetings.

## **2. Change to Schools Forum Terms of Reference – Member attendance/substitutions**

### Attendance

Schools Forum is reminded of the following provision within section 4 (b) of Norfolk’s Constitution and Terms of Reference:

“If a Member does not attend for three consecutive meetings, or send a substitute, then the Forum will determine at the third meeting whether that Member should continue to serve on the Forum.”

The Schools Forum clerk maintains a register of attendance and will highlight to Schools Forum any members that have not met the required attendance/substitute arrangements.

### Substitutions

The following guidance is provided by DfE in respect of member substitutions:

“Substitutes: the local authority must make arrangements to enable substitutes to attend and vote (where appropriate) at schools forum meetings. This applies to schools members, academies members and non-schools members. The arrangements must be decided in consultation with schools forum members.”

To help ensure appropriate substitute representation, **it is proposed to amend the following paragraph to Norfolk’s Constitution and Terms of Reference**, under section 7, “Quorum/Substitutes”.

Existing wording - “Members may appoint a substitute with full voting rights provided the substitute fulfils the same criteria as the appointed Member”.

Proposed wording – “All Forum members must identify a substantive substitute that is deployed by the relevant organisation when the elected member cannot attend. The substitute must fulfil the same criteria as the appointed member”.

The purpose of this change is to ensure that there is consistency of knowledge and representation at Schools Forum meetings.

**For consideration by Schools Forum:**

**Information** – Schools Forum are asked to note the DfE’s updated Schools Forum guidance, the changes to wording are highlighted in this paper.

**Decision** – Schools Forum to agree the change to Norfolk School Forum’s Terms of Reference.



## Norfolk Schools Forum

### Constitution and Terms of Reference

#### 1. TITLE

The title of the Committee will be “Norfolk Schools Forum” and will be referred to hereafter as “The Forum”.

#### 2. ROLE/FUNCTION

The Forum’s functions are:

- Formula change (including redistributions) - must be consulted on (voting is restricted to schools members and PVI representatives) and informs governing bodies of all consultations.
- Makes decision on movement of up to 0.5% of the schools block to other blocks.
- Finance issues – Gives a view and informs all governing bodies of all consultations:
  - arrangements for pupils with special educational needs
  - arrangements for use of pupil referral units
  - arrangements for early years provision
  - administration arrangements for the allocation of central government grants
- Minimum Funding Guarantee – Gives a view on any LA proposals for exclusions from MFG for application to the DfE
- To agree, by maintained primary and secondary school member representatives for their phases, the amounts of funding to be de-delegated for maintained schools under the following specific areas:
  - Contingencies
  - Administration of Free School Meals
  - Insurance
  - Licences/subscriptions
  - Staff costs – supply cover
  - Support for minority ethnic
  - Pupils/underachieving groups
  - Behaviour support services
  - Library and museum services
  - School improvement
- General duties for maintained schools, for contribution to responsibilities that local authorities hold for maintained schools – would be decided by

the relevant maintained school members (primary, secondary, special and PRU).

- Decides on the central spend on the criteria for allocating funding from:
  - Funding for significant pre-16 growth including new schools set up to meet basic need, whether maintained or academy
  - Funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years
- Decides for each line central spend on:
  - Early years block provision
  - Funding to enable all schools to meet the infant class size requirement
  - Back-pay for equal pay claims
  - Remission of boarding fees at maintained schools and academies
  - Places in independent schools for non-SEN pupils
  - Services previously funded by the retained rate of the ESG
  - Admissions
  - Servicing of Schools Forum
- Decides for each line central spend on:
  - Capital expenditure funded from revenue – agreed prior to April 2013
  - Contribution to combined budgets – agreed by Schools Forum prior to April 2013
  - Existing termination of employment costs – approved prior to April 2013.
  - Prudential borrowing costs - commitment must have been approved prior to April 2013.
- It is deemed good practice that the authority will inform school forum on central spend on:
  - High needs block provision
  - Central licences negotiated by the Secretary of State.
- Decides on carry forward deficit on central expenditure to the next year to be funded from the schools budget.
- Approves Scheme of Financial Management changes (school members only)
- It is deemed good practice that the Schools Forum are asked to give a view on length of office of members.
- Determines voting procedures
- Elects Chair of School Forum.
- Contracts – gives a view and informs all governing bodies.

### 3. MEMBERSHIP

- (a) The membership of the Forum will be:

#### **School members – 15 members**

- 4 Primary Headteachers or governors
- 1 Secondary maintained school representative
- 1 Special School Headteacher
- 1 Nursery School Head teacher or governor
- 1 Special School Academy rep
- 1 AP Academy Rep
- 6 Academy rep – this is not restricted to principals, senior staff or governors

#### **Non School members – 6 members**

- 1 16-19 representative
- 1 Early Years PVI representative
- 1 C of E Diocesan Rep
- 1 Roman Catholic Rep
- 1 JCC Primary Rep
- 1 JCC Secondary Rep

- (b) All school Members will be elected according to the process decided upon by their relevant constituency and all non-school Members will be nominated by their relevant bodies.
- (c) A headteacher representative means a principal, deputy headteacher, bursar or other person responsible for the financial management of the school.
- (d) Give the Education Funding Agency observer status at Schools Forum meetings, with the right to participate in discussions

#### 4. TERMS OF MEMBERSHIP AND CONDUCT OF MEMBERS

- (a) Members should abide by the National Code of Local Government Conduct: if a proposal directly affects an issue in which they might have a pecuniary interest a Member should declare that interest and withdraw from the meeting and take no part in the decision.
- (b) If a Member does not attend for three consecutive meetings, or send a substitute, then the Forum will determine at the third meeting whether that Member should continue to serve on the Forum.
- (c) A member of the Forum will hold office for a maximum of four years after which they must stand for reappointment if they wish to continue. A Member may resign at any time. There is no limit to the number of terms an eligible Member may serve. A new appointment or replacement Member will serve for a four-year term.
- (d) The appointment of any Forum member will end before the expiry of their term of membership if the member concerned ceases to hold the office by virtue of which they became eligible for appointment to the Forum.

#### 5. ELECTION OF CHAIRMAN AND VICE-CHAIRMAN

The Forum will elect a Chairman and Vice-Chairman annually. If necessary, this will be done by a majority of votes cast by individual Members. The Chairman and Vice-Chairman should be from different groups of the Forum, if possible. The Chairman must not be an elected member or officer of the Local Authority.

#### 6. SECRETARIAT AND PROVISION OF ACCOUNT TO SCHOOLS

The LA will carry out the secretariat function of the Forum and be responsible for ensuring that a record is kept of each meeting. The secretariat will, as soon as reasonably possible, inform the governing bodies of schools maintained by the LA and academies of all consultations carried out in accordance with regulations. The LA will also inform all schools of the name of any member elected to the Forum within one month of the appointment.

#### 7. QUORUM/SUBSTITUTES

- (a) To be quorate there must be at least eleven Members in attendance.
- ~~(b) Members may appoint a substitute with full voting rights provided the substitute fulfils the same criteria as the appointed Member.~~
- (b) All Forum members must identify a substantive substitute that is deployed by the relevant organisation when the elected member cannot attend. The substitute must fulfil the same criteria as the appointed member.

- (c) The name of the substitute Member will be notified to the Secretary by the appointed Member prior to the start of the meeting.
- (d) Confine the voting arrangements to allow only schools and academy members and providers from the private, voluntary and independent sector to vote on the funding formula

## 8. PROCEEDINGS

Meetings of the Forum will be held at least four times a year. Wherever possible, the notification convening a meeting, along with the full agenda, will be circulated at least 7 days before the meeting and minutes published promptly on their website.

Schools Forum will hold public meetings as is the case with other council committees.

The LA will limit the number of other local authority attendees ~~from~~ participating in meetings unless they are a Lead Member with primary responsibility for children's services or education in the authority or for the resources of the authority, a Director of Children's Services (or their representative), the Chief Financial Officer (or their representative) or are providing specific financial or technical advice (including presenting a paper to the Forum).

It is within the rights of the Forum to set up working groups/sub groups to investigate issues requiring investigation.

Subject to paragraphs 8 – 10 of the Schools Forum (England) Regulations 2012 the Forum may determine their own voting procedures.

## 9. MEMBERS' EXPENSES

- (a) All expenses of the Forum will be met by the LA and, in accordance with the Regulations, charged to the Schools Budget.
- (b) Expenses for attendance at meetings will be reimbursed in accordance with the scheme approved by the Forum.

10. URGENT DECISIONS OUTSIDE MEETINGS

If an urgent decision is required and there is insufficient time to convene a full Forum meeting, the Chair may decide to implement the following emergency procedure:

All members will be contacted by email (or telephone if they do not have email access) and asked to respond. The decision will stand if the majority of all members responding are in agreement. At least ten members must have responded and every effort should be made to contact each constituent group.

## Central Licencing Scheme

### Summary

In September 2018, the DfE updated their website to make the benefits of the central licencing scheme clearer, and to give more details about what schools can do with their copyright licences.

The updated guidance is available in full here: [Copyright licences for state schools in England](#)

A summary is provided to Schools Forum in this paper **for information only**.

### 1. What is covered by the DfE scheme

The Department for Education (DfE) buys copyright licences for all state-funded primary and secondary schools in England – covering schools for almost all their copyright requirements.

Purchasing these licences directly means that DfE can save schools money and the administrative time involved in applying for many different licences.

The DfE scheme covers the following educational establishments:

- local-authority-maintained schools (including maintained nurseries)
- academies
- free schools
- special schools (these are schools for children with special educational needs or disabilities)
- non-maintained special schools
- pupil referral units (these provide education for children who can't attend a mainstream school)

The Dedicated Schools Grant Central School Services Block is currently top-sliced for licences that are paid centrally by the DfE (the costs are to be treated by the local authority as commercial in confidence as per DfE instruction). The cost to each authority is based on census numbers as well as the number of schools and is automatically top-sliced by the DfE from the Dedicated Schools Grant.

The licences cover;

**Christian Copyright Licensing International (CCLI)**, for copying and projecting hymns and other Christian music

**Copyright Licensing Agency (CLA)**, for copying text and still images from most books, journals and magazines plus a range of digital publications

**Education Recording Agency (ERA)**, for recording and use of radio and television programmes and clips, including catch-up services like BBC iPlayer, for educational use. The Centre for Education & Finance Management administers this licence.

**Filmbankmedia (PVSL)**, for showing films

**Motion Picture Licensing Company (MPLC)**, for showing films

**Mechanical Copyright Protection Society (MCPS)**, for making CDs and DVDs containing copyright music. The Centre for Education and Finance Management administers this licence.

**NLA Media Access (NLA)**, for copying from newspapers and magazines. The Copyright Licensing Agency administers this licence.

**Performing Rights Society (PRS)**, for musical performances. The Centre for Education and Finance Management administers this licence.

**Phonographic Performance Limited (PPL)**, for playing recorded music. The Centre for Education and Finance Management administers this licence.

**Schools Printed Music Licence (SPML)**, for copying and arranging from printed music publications. The Copyright Licensing Agency administers this licence.

## 2. What is not covered by central licencing

The following educational establishments are not covered by the DfE scheme:

- sixth-form colleges
- local-authority-maintained schools that provide only for 16- to 19-year-olds
- academies that provide only for 16- to 19-year-olds
- independent fee-paying schools

Also, the licences do not cover:

- images on websites, unless the website is covered by the CLA or NLA Media Access – you can check using CLA's 'Check Permissions Tool' available here: <https://www.cla.co.uk/cla-schools-licence>
- content accessed directly from YouTube
- some extra-curricular activities, for example showing films to a paying audience; please visit the <http://www.copyrightandschools.org/> website for more information

**No decision required by Schools Forum. This paper is for information only.**



## **Fair Funding Consultation/National Funding Formula**

### **Summary**

This report sets out the proposed changes to the funding distribution formula of the Schools Block of the Dedicated Schools Grant (DSG) from April 2019.

Schools Forum are asked to:

- Consider and comment on the proposed changes to the distribution formula of the Schools Block of the Dedicated Schools Grant.
- Consider and comment on the movement of funding to the High Needs Block, above the 0.5% already agreed at September's Forum meeting.

The final arrangements for the 2019/20 National Funding Formula were announced on the [www.gov.uk](http://www.gov.uk) website on 24 July 2018.

It has been confirmed that local authorities will receive their Dedicated Schools Grant allocations for 2019/20 and 2020/21 based on the National Funding Formula, but under a 'soft formula', will continue to determine individual school budgets according to local formulae, following local consultation.

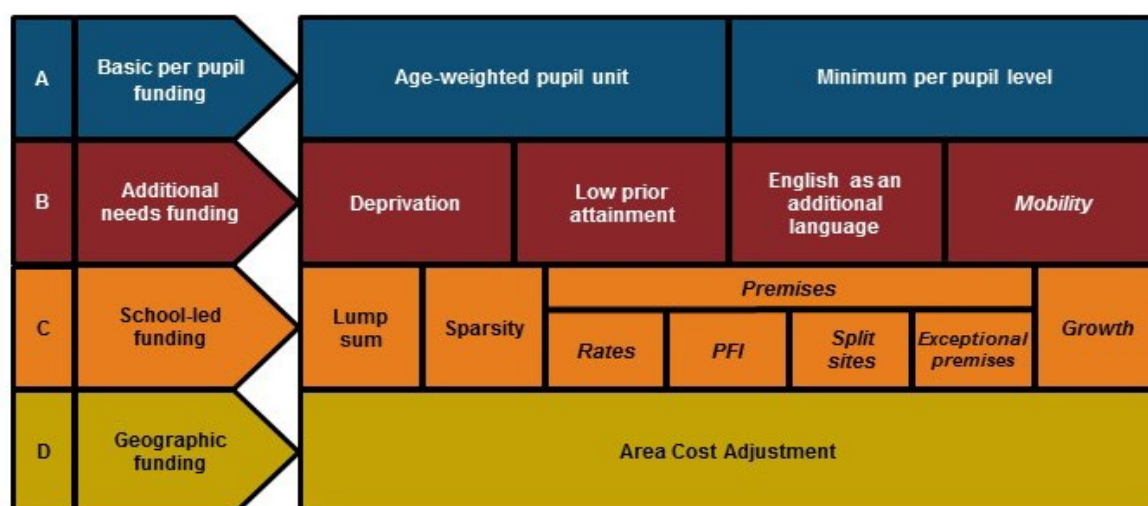
No clear timescale has yet been provided by the DfE for implementation of the 'hard formula'. The DfE are clear that this is the direction of travel.

Norfolk's latest indicative Schools Block DSG allocation for 2019/20 is £477.62m, compared to £473.04m received in 2018/19. An increase of £4.58m.

In our consultation we sought views on moving the local funding formula fully to the DfE's National Funding Formula unit values.

We were also seeking support for an additional transfer of funding from the Schools Block to the High Needs Block in 2019/20 to meet the ongoing cost pressures of high cost pupils, over and above the 0.5% of Schools Block already agreed by Schools Forum for 2019/20.

The illustration below shows the factors within the National Funding Formula.



The table below compares Norfolk current local formula (2018/19) unit rates for each funding factor against the 2019/20 rates under the National Funding Formula.

Funding Factors	Norfolk 2018/19 Unit value	NFF 2019/20 Unit Value
<b>Basic Per Pupil Funding</b>		
Age Weighted Pupil Amount (AWPA) Primary	£3,103.99	£2,747
AWPA Secondary – KS3	£3,768.51	£3,863
AWPA Secondary – KS4	£4,731.53	£4,386
Minimum Per pupil funding level: Primary	£3,300	£3,500
Minimum Per pupil funding level: Secondary	£4,600	£4,800
Minimum Per Pupil funding Level -All through	£3,842	£4,042
<b>Additional Needs</b>		
Current FSM Primary	£336.67	£440
Current FSM Secondary	£336.67	£440
FSM Ever 6 Primary	£0.00	£540
FSM Ever 6 Secondary	£0.00	£785
IDACI band F: Primary	£385.71	£200
IDACI band F: Secondary	£522.41	£290
IDACI band E: Primary	£497.37	£240
IDACI band E: Secondary	£641.42	£390
IDACI band D: Primary	£799.53	£360
IDACI band D: Secondary	£962.51	£515
IDACI band C: Primary	£830.05	£390
IDACI band C: Secondary	£995.04	£560
IDACI band B: Primary	£1,169.99	£420
IDACI band B: Secondary	£1,355.92	£600
IDACI band A: Primary	£1,169.99	£575
IDACI band A: Secondary	£1,355.92	£810
Low Prior Attainment: Primary	£624.73	£1,022
Low Prior Attainment: Secondary	£745.10	£1,550

English as an additional language: Primary	£356.59	£515
English as an additional language: Secondary	£356.59	£1,385
<b>School Led Funding</b>		
Lump Sum: Primary	£98,268	£110,000
Lump Sum: Secondary	£175,000	£110,000
Sparsity: Primary	£18,438	£25,000
Sparsity: Secondary	£100,000	£65,000
Additional Sparsity Sum for small secondary schools (350 pupils or less)	£50,000	£0 (not stated to be continuing in NFF papers)

### **Summary of NFF Changes in 2019/20**

The funding factors within the National Funding Formula, used for determining allocations of Dedicated Schools Grant to local authorities, remain unchanged for 2019/20 except for some small amendments explained below.

#### **Low Prior Attainment**

The NFF primary Low Prior Attainment (LPA) factor value has been reduced from £1,050 in 2018/19 to £1,022 in 2019/20. This is to reflect the LPA cohort that has increased over the past six years because of changes to the Early Years Foundation Stage Profile in 2013, and is required to maintain the current total proportion of allocation for primary LPA funding through the National Funding Formula.

At the same time, the DfE are removing the data weighting from the results within the funding formula. In Norfolk, the newer-style EYFSP results are currently weighted down to 58.54% within the formula to maintain a level of allocation consistent with previous years, but this will change from 2019/20 so that 100% of all EYFSP results are included for calculating allocations, giving a significant increase to LPA allocations for primary schools (the effect is included in all options modelled for consultation).

#### **Minimum Per-Pupil Levels**

The minimum per pupil funding level for primary schools will increase from £3,300 in 2018/19 to £3,500 in 2019/20, and the minimum per pupil funding level for secondary schools will increase from £4,600 in 2018/19 to £4,800 in 2019/20. For all-through schools (years R-11) this equates to an increase of the minimum per pupil funding level from £3,842 in 2018/19 to £4,042 in 2019/20.

There will also be new minimum per pupil funding levels of:

- £4,600 for Key Stage 3-only schools and KS3 year groups in middle schools;
- £5,100 for Key Stage 4-only schools.

## **Funding Formula Options 2019/20**

In April and June 2018 a Schools Forum working group met to consider the implementation of the National Funding Formula for 2019/20. The group membership was carefully selected to reflect the mix of schools in Norfolk.

The working group also considered managing the cost pressures within the High Needs Block in the context of additional Schools Block DSG.

The NFF Working group supported moving to the National Funding Formula to avoid a 'cliff-edge' in future when the formula is fully implemented by the DfE, with the protection of a Minimum Funding Guarantee (MFG) on school budgets, to smooth the transition. The MFG protection will ensure that no school budget will reduce by more than 1.5% per-pupil on the pupil-led factors. In order to afford this we need to apply a funding cap for gaining schools.

The working group also supported the transfer of any additional Schools Block DSG received in 2019/20 into the High Needs Block to meet the continued budget pressure. A transfer of 0.5% to the High Needs Block has already been agreed, as a minimum, by Schools Forum for 2019/20. The local authority intends to make an application to the Secretary of State for transfer of the 2019/20 Schools Block increase of £4.58m, bringing the total transfer to £6.94m (including the 0.5%).

### **Summary of Options**

A summary of the different options for funding schools in 2019/20 is given in the table below, followed by more detailed written explanations.

Please note: All modelling is based on October 2017 data, actual budgets will be issued using October 2018 census data and may change significantly if the number of pupils differs.

All options assume that £950k will continue to be top-sliced for in-year growth fund allocations as in previous years (the final level of the growth fund will be agreed at the October Schools Forum meeting).

For individual school detail, please refer to the detailed technical papers alongside this consultation.

	<b>Option 1A</b>	<b>Option 1B</b>	<b>Option 2A</b>	<b>Option 2B</b>
	<b>NFF</b>	<b>NFF</b>	<b>Local Formula</b>	<b>Local Formula</b>
	<b>2019/20</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2019/20</b>
<b>£950k Growth Fund top-sliced</b>	✓	✓	✓	✓
<b>Additional £4.58m moved to High Needs Block</b>	✓	x	✓	x

<b>0.5% of Schools Block moved to High Needs Block</b>	✓	✓	✓	✓
<b>MFG protection to school budgets of -1.5%</b>	✓	✓	✓	✓
<b>Funding cap on gainers under NFF</b>	+0.3%	+5.2%	Not Required	Not Required
<b>2019/20 Minimum Per-Pupil Funding Levels</b>	✓	✓	✓	✓
<b>Overall increase Primary Schools</b>	x	x	x	✓
<b>Overall increase Secondary Schools</b>	✓	✓	✓	✓

### Option 1A

**NFF with movement of £6.94m (0.5% plus extra £4.58m) to the High Needs Block. This is the Local Authority's and Schools Forum's NFF Working group preferred option.**

The Schools Block DSG funding to remain at the current 2018/19 level (including top-sliced growth fund of £950k) and implementation of NFF factors/values.

This alleviates some of the cost pressures within the High Needs Block and safeguards against a 'cliff-edge' within school budgets when the National Funding Formula is fully implemented by DfE.

Minimum Funding Guarantee (MFG) has been maintained at -1.5% and a funding cap is required of +0.30% on schools that would gain under the National Funding Formula.

Under this option, there would be an overall decrease of approximately -£2.16m for primary schools and an increase of £2.16m for secondary schools. This movement reflects the fact that NFF funding values are weighted more beneficially to secondary schools than the current local formula.

All schools would receive at least the recommended minimum per-pupil funding for 2019/20 (£3,500 for primary and £4,800 for secondary).

## Option 1B

### **NFF with movement of 0.5% to the High Needs Block.**

The Schools Block DSG funding will increase by £4.55m (including top-sliced growth fund of £950k) and implementation of NFF factors/values.

This option does not alleviate the cost pressure within the High Needs Block. Without a further transfer of funding from the Schools Block the High Needs Block is not on a sustainable financial basis.

This would result in a formula allocation of £474.28m for 2019/20, compared to a formula allocation of £469.73m in 2018/19. An increase of approximately £4.55m via the funding formula, and a transfer to the HN Block of £2.388m to the HN Block (up slightly from £2.365m transferred in 2018/19 as it represents 0.5% of the higher 2019/20 Schools Block figure).

The Minimum Funding Guarantee has been maintained at -1.5% and a funding cap is required of +5.2% on schools that would gain under the National Funding Formula.

Under this option, there would be an overall decrease of approximately -£0.98m for primary schools and an increase of £5.53m for secondary schools.

All schools would receive at least the recommended minimum per-pupil funding for 2019/20 (£3,500 for primary and £4,800 for secondary).

## Option 2A

### **Local Formula with movement of £6.94m (0.5% plus extra £4.58m) to the High Needs Block.**

The Schools Block DSG funding to remain at the current 2018/19 level (including top-sliced growth fund of £950k) using the current local formula factors/values.

This option would alleviate some of the cost pressures within the High Needs Block but would not safeguard against a 'cliff-edge' within school budgets when the National Funding Formula is fully implemented by DfE.

This would result in a formula allocation of £469.73m for 2019/20, equalling the formula allocation in 2018/19. There would be no increase to formula funding, however, the remaining 2019/20 DSG funding allocation of £6.94m would be transferred to the HN Block (up from £2.365m transferred in 2018/19).

Minimum Funding Guarantee (MFG) has been maintained at -1.5%. No funding cap would be required for gains.

Under this option there would be a decrease of -2.26% in the pupil-led factors due to the primary low prior attainment data weighting being removed for 2019/20. There is a large increase to primary low prior attainment allocations.

All schools would see a reduction from reduced pupil-led factor values, with the exception that primary schools' losses may be completely offset by an increase in low prior attainment. There are many secondary school losses, but for those that do increase this is due to an increase in minimum per-pupil funding level for 2019/20.

Under this option, there would be an overall decrease of approximately -£0.27m for primary schools and an increase of £0.27m for secondary schools.

All schools would receive at least the recommended minimum per-pupil funding for 2019/20 (£3,500 for primary and £4,800 for secondary).

## **Option 2B**

### **Local Formula with movement of 0.5% to the High Needs Block.**

The Schools Block DSG funding will increase by £4.55m (including top-sliced growth fund of £950k) and would be allocated via increases to the current local formula per-pupil factors/values.

This option does not alleviate the cost pressure within the High Needs Block. Without a further transfer of funding from the Schools Block the High Needs Block is not on a sustainable financial basis.

This option does not safeguard against a 'cliff-edge' within school budgets when the National Funding Formula is fully implemented by DfE.

This would result in a formula allocation of £474.28m for 2019/20, compared to a formula allocation of £469.73m in 2018/19. An increase of approximately £4.55m via the funding formula, and a transfer to the HN Block of £2.388m to the HN Block (up slightly from £2.365m transferred in 2018/19 as it represents 0.5% of the higher 2019/20 Schools Block figure).

Minimum Funding Guarantee (MFG) has been maintained at -1.5%. No funding cap would be required for gains.

Despite an extra £4.55m allocated via the formula, this option sees a slight decrease of -0.60% in the pupil-led factors due to the primary low prior attainment data weighting being removed for 2019/20. There is a large increase to primary low prior attainment allocations.

There would be overall increases of approximately £3.4m to the primary sector and £1.16m to the secondary sector. However, many individual secondary schools would see reductions in funding due to the -0.60% reduction on pupil-led factors.

All schools would receive at least the recommended minimum per-pupil funding for 2019/20 (£3,500 for primary and £4,800 for secondary).

## Consultation

There were 82 attendees at the consultation sessions held at various locations around the county in September and early October. A workshop was also held at the Headteachers conference with good attendance.

The Local Authority received 77 responses on the survey held with schools, 49 of the responses were from primary (including infant and junior), 22 secondary, 1 special schools and the remaining 5 were recorded as 'other'.

Of the 77 respondents to the survey 23 schools had attended the consultation sessions.

The overall ranking of the options following consultation is as follows:

Option	Overall Rank	Votes
Option 1B: NFF & £2.388m to HN Block	1	33
Option 2B: Local Formula & £2.388m to HN Block	2	24
Option 1A: NFF & £6.94m to HN Block	3	18
Option 2A: Local Formula & £6.94m to HN Block	4	2

There was a stronger preference for implementing the National Funding Formula, but a number of schools voiced concern regarding the movement of the additional funding generated by the new National Funding Formula into the High Needs Block.

Below is a summary of the consultation responses.

### Summary of Comments in support of the National Funding Formula.

"We must get to NFF as soon as possible. It's the only fair way!"

"As a secondary this makes the most financial sense and safeguards staffing and the provision we deliver"

"Secondary funding has been too low with costs increasing substantially especially given the complex curriculum changes at KS3 and KS4 as well as staffing costs."

"Would provide the biggest amount of money to schools in our trust at a time when we are all desperately worried about funding."

"Schools should be directly funded under the National Fairer Funding Formula and receive full allocation to meet their individual needs. High Needs Block is currently not fit for purpose and re-allocating yet more funds will not solve the current issues."



“After attending the Fair Funding meeting at Educate Norfolk Meeting this seems to be the best option to enable all schools to have a graduated approach to any funding changes that will be inevitable when the NFF is used in the future.”

“The preference is for the NFF as opposed to the Local Model as the local model sees many secondaries in deprived areas having a reduction in funding when there is an acknowledged under funding of secondaries. However, the Trust has grave concerns regarding the redistribution of funding away from highly deprived schools to less deprived ones that seems inherent to the National Funding Formula.”

“To achieve the fastest possible move to allocation in line with the national formula which is intended to redress the balance of funding in favour of secondary pupils.”

### **Summary of comments in support of remaining on the local formula.**

“Formula selected that would result in the least loss of money in the 2019/20 budget.”

“Whilst I appreciate the logic of helping schools to avoid a 'cliff edge' scenario by moving towards the NFF hard formula, I feel it is an unnecessary choice. With the DFE announcing that the soft formula can be employed through 2020/21 and many previous failed attempts to introduce such a formula I do not think that the fact that 'The DFE are clear that this is the direction of travel' is reason enough to launch ourselves off the cliff.”

“This is the option which loses us least money [option 2B]. If we have to have NFF then Option 1A would be our preference. “

“We do not support the move to the NFF as it does not recognise the challenges faced by Norfolk’s primary sector, specifically the average size of Norfolk primary schools. As such the Council should recognise all of the work that has gone into the local formula over the years to reflect Norfolk schools’ needs and use the flexibility it has to continue the local arrangements.”

“I feel that the local formula was been designed to meet the needs of Norfolk schools, which are different to more urban counties and should be protected as such.”

“The NFF fails to acknowledge the needs of the Norfolk Primary sector, specifically because of the scale that these schools tend to be. Whilst acknowledging the requirements of the high needs block, the diversion of funds from other school provision clearly has a negative and concerning impact on those schools’ ability to deliver quality teaching, especially considering the SEND funding changes that have happened recently. Under funding and therefore resource pressures here may well cause additional pressures to be necessarily exported from the schools into the higher needs facilities.”

“Reduce impact on primary schools and maintain benefits of existing well thought out local scheme”

“This seems to be the best order if we take the number of children affected by each of the models put forward! Far less Norfolk children lose out if we go with Option 2B.”

“I believe that the authority has over the years in its own formula has attempted to reflect the balance of need to our county and between sectors. There is much evidence that focus on early years and foundation of learning tools in primary has significant impact on achievement at later stages and is therefore more efficient. I am also concerned that Norfolk has an historical shortfall in funding high ends needs and understand the need to “recover” losses. However, the higher suggestion of retention by NCC will seriously harm the primary schools and their ability to manage additional needs.”

### **Summary of comments in favour of moving funding to the High Needs Block.**

“There has been a 10% shift in population moving across to the High Needs Block and not a 10% increase in the support and funding/ provision available to meet the needs of the young people and the tension on the system is now untenable with not enough places and high levels of tribunals coming through the system costing a fortune to address through the legal process or by going out of county or to independent places - investment must come our way - we cannot afford to maintain staff levels in our provisions without additional funding following pay rises across the board that are coming this is a huge concern. The NFF is going to apply eventually so we may as well begin to address this with immediate effect”

“Our preference is with the transfer of £6.94m to HN block in option1A (and agree with the reasoning in the consultation paper) and also that a move to the NFF is preferable for the 2019/20 year (hence we have rated the NFF options as 1 & 2) however the option of giving £6.94m and staying on the local formula (option 2A) seems to negatively affect a large majority of the schools so we have put this as our fourth preference.”

“I support the work and findings of the LA and Schools Forum's NFF Working group in my first choice of Option 1A. I have selected Option 2A as it would alleviate some of the cost pressures within the HNB.”

“I believe this offers the fairest distribution of funds (option 1A) and allows for gradual adjustment. We do have a moral duty to support the High Needs block and failure to do so will lead to on-going issues for Norfolk schools.”

“I support the need for more monies from the school block to high needs block and the preferred option.”

“We support the schools forum proposals and understand the reasons behind these as the best way forward”

“The Trust is fully supportive of the transfer to the High Needs Block to address the sufficiency agenda and create greater high needs capacity in Norfolk, as this will support the move away from out-of-county and private sector placements.”

“We will, for this year, support 1A although we note that this ‘hold back’ of Our school budget is not creating any common pot that we can apply to for specific need - but simply a ‘bail out’ to reduce the forecast deficit of NCC High Needs. We hope this is not good money after bad, as it will cost our Federation £20k over the year”

“I think it's better to move to NFF sooner in line with other areas, I don't think percentage to high needs block can be avoided currently”

“[Option 1A] - To enable schools to have a protected move to the NFF. To ensure schools are given a fairer allocation of the budget. To improve standards and provide valuable funding for the high needs block”

### **Summary of comments against movement of funding to the High Needs Block.**

“The more money that comes directly in to school budgets the better, they are very, very tight at the moment.”

“Due to the cohorts of children that come into our school it is essential that the funding is used to support primary young learners for early intervention. With appropriate support the number of EHCP, exclusions and special placements should reduce and therefore lighten the pressure on the high needs block.”

“With this transfer of funding from the Schools’ block to the High needs block, schools’ budgets are not on a sustainable financial basis and schools are foregoing money that the DfE earmarked for schools to provide a more equal national playing field, therefore my two preferred options put the majority of money into schools.”

“My preferred option puts the majority of funding away from the high needs block. The transfer of funding from the Schools’ Block to the High Needs Block, schools’ budgets are not on a sustainable financial basis and schools are foregoing money that the DfE earmarked for schools to provide a more equal national playing field”

“1B, this option allows for 0.5% to be transferred to the High Needs Block to address some of the pressures within this budget. If additional funding is diverted to the High Needs Block this will reduce funding which should be directed to schools’ budgets as indicated within the NFF to provide support, teaching and learning in our schools. Options 1A, 2A & 2b will add significant budget pressures and will result in schools having to reduce teaching and the capacity to support students throughout their education.”

“To be honest, option 1B is the one which will give us the greatest increase to our funding.”

“The relationship with the high needs funding remains another key factor, the recent changes to the SEND cluster funding are having a significant impact on the primary schools and their ability to manage additional needs, as such we strongly oppose

moving any more than the 0.5% into the high needs block. Moving a substantial amount of funding away from schools will only increase this difficulty and in turn put more pressure on the high needs funding for the Council.”

“We believe that the maximum available should be allocated to schools directly. We have the best ability to provide inclusive school SEND support.”

“On average Norfolk schools have been underfunded for years compared to the national average. The NFF is meant to start addressing these national inequalities and create a more level playing field. It seems bizarre that as soon as the NFF is introduced NCC favours taking all of the additional money allocated by the NFF out of the schools’ block. This is going against the entire purpose of the NFF - to reduce inequality in school income per pupil throughout the nation and would further disadvantage Norfolk schools as a whole.”

“Schools are very stretched and the Government Funding (6.94 million) was intended to help schools. I object to the total amount going to the High Needs Block. This is not the first time Norfolk has denied schools the funding from government but kept it to balance the books at County Hall.”

“With regards to the high needs element. It cannot be right that schools take a single year hit off their funding to balance a LA deficit that has been built up over years. More importantly the lack of a published detailed plan gives little faith that this will be the only movement between the blocks required. Are we clear as to central government’s view/response to historic deficits before supporting moving such a substantial amount of money from schools - especially without a clear plan for the future.”

“Surely it possible that the LA can ease the pressures by using budgets from outside the schools’ block. It seems unfair and illogical that schools should be being made to pay for the under-investment in the infrastructure over previous years, especially those schools who are already squeezing their budget very hard to be as inclusive as possible.”

## **Proposal**

It is proposed to implement the unit values and methodologies (e.g. sparsity thresholds, use of FSM6 deprivation) of the National Funding Formula for the financial year 2019/20, and use the new rates for the minimum per pupil funding levels for primary and secondary. Although there is no clear date for full implementation, the DfE have been clear that this is the intended direction of travel.

It is prudent to give schools that lose funding under the new formula time to plan, this option avoids a ‘cliff-edge’ in future when the formula is fully implemented by the DfE, with the protection of a Minimum Funding Guarantee (MFG) on school budgets, to smooth the transition. The MFG protection will ensure that no school budget will reduce by more than 1.5% per-pupil on the pupil-led factors. In order to afford this, we need to apply a funding cap for gaining schools.

This option was the preference of the Schools Forum working group and was the favoured option in the consultation survey.

The Local Authority will be submitting an application to the Secretary of State to move the additional funding, approximately £4.55m, generated by the new National Funding Formula from the Schools Block to the High Needs block. This is in addition to the 0.5% already agreed by Schools Forum. The comments of schools from this consultation will be shared with the Secretary of State.

The Dedicated Schools Grant is currently forecasting an overspend of £6.389m, with an outstanding cumulative deficit from previous financial years of £8.087m. Within the High Needs Block 89% of expenditure is spent on specialist placements, i.e. in Special / Complex Needs Schools, and alternative provision for excluded pupils. The remaining 11% of the High Needs Block, is made up of £7.75m SEN top-up funding for mainstream schools, a further £1.6m for support for children with sensory impairment, and then some smaller elements of funding for CAHMS, speech and language etc. All SEN services – i.e. the core Education services, including EHCP Co-ordinators, are NOT funded by this grant. Most are funded directly through council funding. The movement of funding is to fund school places and specialist intervention for children.

The Local Authority wishes to avoid reductions in the funding for places, top-up for mainstream and current support services provided to schools; requiring the £4.55m to be able to maintain this provision. The current trajectory indicates that there is likely to be even further pressure on this revenue funding for SEND places and specialist support, which will be challenging to meet, given the current level of provision across the county. Whilst Norfolk schools continue to permanently exclude pupils at a very high rate, well above the national average, this will continue to add a significant pressure on this budget.

The Local Authority acknowledges the concerns raised during the consultation that by not allocating the additional £4.55m directly to schools we are increasing the pressure on school budgets and reducing the funding available for early intervention. However, the only alternative is to reduce the SEN funding available to mainstream schools for top-up, specialist intervention, CAMHs contribution and so on.

The Local Authority has a five-year sufficiency plan to return the High Needs Block to a balanced position where it is sustainable within the high needs funding allocated by the DFE. This will be achieved by changing the balance of funded places for meeting high needs across the county. So, with a possible significant capital investment by the council we will increase the number of high quality, cost effective places, for special/complex needs. It will further include a capital investment in mainstream schools to double the number of places for specialist intervention. Alongside this we must work together to manage existing demand. In some Norfolk schools children are much more likely to be referred for an EHCP and in others there are few, if any, referrals. In about a third of Norfolk schools behaviour may result in a permanent exclusion; about fifty per cent of schools do not issue fixed term exclusions or permanently exclude.

More about the Local Authority SEND transformation programme, funded by the council, will be shaped and shared with school leaders and governors in the coming months.