



Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date: December 2017

**Committee:
Schools Forum**

Date: Thursday, 7 December 2017

Time: 8.30 am

**Venue: Shrewsbury Training and Development Centre, Racecourse Crescent,
Monkmoor, Shrewsbury, SY2 5BP**

You are requested to attend the above meeting.
The Agenda is attached

Claire Porter
Head of Legal and Democratic Services (Monitoring Officer)

Members of Schools Forum

Bill Dowell (Chair)
Phil Adams
Michael Barrett
Christine Hargest
John Hitchings
Sandra Holloway
Colin Hopkins
Pete Johnstone

Alan Parkhurst
Geoff Pettengell
Kay Redknap
Geoff Renwick
Mark Rogers
Philip Sell
Joy Tetsill
Ruth Thomas

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AGENDA

- 1 **Apologies**
- 2 **Minutes and Matters Arising - 15 November 2017 Paper A (Pages 1 - 4)**
- 3 **School Funding 2018-10 arrangements (Gwyneth Evans) Paper B (Pages 5 - 8)**
- 4 **Consultation on Central Retention of Dedicated Schools Grant from April 2018 (Gwyneth Evans) Paper C**
- 5 **High Needs Funding Review (Phil Wilson) Paper D**
- 6 **Central School Services Block 2018 - 2019 (Stephen Waters) Paper E**
- 7 **Communications**
- 8 **Future Meetings**

18 January 2017	8.30 am	STDC, Monkmoor
1 February 2017 (provisional)	8.30 am	STDC, Monkmoor
22 March 2017	8.30 am	STDC, Monkmoor
7 June 2017	8.30 am	STDC, Monkmoor



Schools Forum
Date: 7 December 2017
Time: 8.30 am
Venue: STDC, Monkmoor, Shrewsbury

Item/Paper
A
 Public

MINUTES OF SCHOOLS FORUM HELD ON 15 NOVEMBER 2017

Present

School Forum Members

- Bill Dowell (Chair)
- Phil Adams – Academy Headteacher
- John Eglin – Primary Headteacher
- Jean Evanson – Professional Association Representative
- John Hitchings – SSGC
- Sabrina Hobbs – Academy Headteacher
- Sandra Holloway – Primary Governor
- Marilyn Hunt – Primary Headteacher
- Shelly Hurdley – Early Years Representative
- Pete Johnstone – Secondary Headteacher
- Mark Rogers – Primary Headteacher

Members

- Cllr Clare Aspinall
- Cllr Nick Bardsley

Officers

- Karen Bradshaw
- Julia Dean
- Gwyneth Evans
- Jo Jones
- Chris Mathews
- Stephen Waters
- Phil Wilson
- Helen Woodbridge (Minutes)

Observers

- Roger Evans
- David Vasner

The chair welcomed Schools Forum members to the meeting and explained that the main agenda item is the Arrangements for School Funding.

	ACTION
<p>1. Apologies Apologies had been received from Michael Barratt, Samantha John, Alan Parkhurst, Michael Revell, Philip Sell, Gareth Proffitt and Neville Ward</p>	
<p>2. Minutes and Matters Arising (Paper A) The minutes were received and agreed. John Hitchings asked about the work of the High Needs Group and it was confirmed that this, including the report from Julia Dean, will be on the next agenda.</p>	PW
<p>3. Minutes and Matters Arising (Paper B) The minutes were received and agreed.</p>	
<p>4. Arrangements for School Funding in 2018-2019 and 2019-2020 – Consultation Outcome Phil Wilson provided some background which explained the reasons behind the change of date of the meeting. This was largely due to the extension of the deadline for schools to respond to the consultation.</p>	

Gwyneth Evans reminded colleagues that the final decision on the distribution of the funding is made by Shropshire Council's Cabinet.

Gwyneth Evans took Schools Forum members through the paper. She explained how Finance Regulations have not been updated to allow distribution of funding to schools in line with the transitional NFF allocations without disapplications. A strongly worded letter regarding this was sent to Tom Goldman at the DfE who responded promptly, in detail, giving assurance that he anticipates any such requests will be agreed.

Mark Rogers asked if Gwyneth Evans was confident that she had the means to produce the distribution of funding in line with the NFF. She advised that she had set up a spreadsheet mirroring the NFF formula so that the 2018-19 dataset, once agreed, could be dropped in.

The individual responses in Appendix B were examined.

John Hitchings felt that it was important to recognise that the maximum information available had been shared with schools.

Gwyneth Evans advised that the two responses that advised that they had not received enough information came in before the extra information was sent out.

Mark Rogers provided feedback from a colleague from a larger primary school which mirrored some of the comments received (there is an email chain which can be shared with Schools Forum members on request). There was also a concern that the NFF may not actually come into effect.

Mark Rogers felt that pressures between large and small school funding issues will always exist.

Phil Adams was happy that the majority of schools were in agreement with moving to the NFF and was pleased that at least there is some certainty.

Schools Forum unanimously agreed that they would recommend to Shropshire Council's Cabinet that the funding to schools from April 2018 is distributed in line with the transitional NFF.

To allow this to happen, Schools Forum unanimously agreed that disapplication of the finance regulations for the following three areas should be applied for:

- the gains cap
- the sparsity methodology
- the MFG.

It was also agreed that this recommendation would be communicated to schools.

PW

5. Dedicated Schools Grant Monitoring

Stephen Waters went through his paper.

John Hitchings commented that there is a lag when there is a change of regulations which contributes to a confused picture. More clarity around high needs funding is required and the need to continue to campaign re issues was highlighted.

Phil Adams asked what happens if the high needs budget keeps overspending.

Gwyneth Evans advised that the schools block is ringfenced but Schools Forum can agree for up to 0.5% to support pressures. However, the answer is not known for when the NFF is fully implemented after two years.

Mark Rogers asked which budget heading the graduated pathway comes out of.

Julia Dean responded that it is very early days and initially it is coming out of the top up fund, but that this will be reviewed. She added that there is some work to do on

the top up payments.

Phil Adams asked what happens about the £6k that schools are supposed to put in before EHCP.

Gwyneth Evans advised that there is no news that the requirement for schools to contribute £6k for each high needs pupils from their notional SEN budget will change. She is planning to consider the impact on schools as it is part of the NFF allocation. She confirmed that contingencies allow for the top up of the notional fund (if there are more SEN pupils that funding allows for) which also ensure that 20% of fund remains for more general SEN support.

Phil Adams suggested that schools may need to be reminded of this.

6. **Communications**

The chair advised that the letter to Tom Goldman has been copied to local MPs and the Secretary of State. He will ensure that they are kept in the loop in the process for applying to disapply.

Phil Wilson advised that F40 have conducted a survey re their future. Shropshire has supported positively to the continuance of F40.

Phil Adams suggested that Schools Forum mustn't lose track of the fact that there is not enough money going into school budgets.

Phil Adams established that Woodlands/Severndale funding comes out of the high needs block.

The chair thanked Schools Forum members for their attendance and advised that the agenda for the next meeting is likely to be heavier and so possibly a slightly longer meeting. Consultation is currently ongoing with schools re de-delegation and top-slicing.

John Hitchings asked for early papers if at all possible.

John Eglin gave his apologies for the December meeting.

The meeting closed at 9.30 am.

Future meetings (please diary):

7 December 2017	08.30	STDC, Monkmoor
18 January 2018	08.30	STDC, Monkmoor
1 February 2018 (provisional)	08.30	STDC, Monkmoor
22 March 2018	08.30	STDC, Monkmoor
7 June 2018	08.30	STDC, Monkmoor

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Schools Forum

Date: 7 December 2017

Time: 8:30 a.m.

Venue: Shrewsbury
Training and Development
Centre

Paper

B

Public

School Funding Arrangements 2018-19

Responsible Officer Gwyneth Evans

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Summary

Following consultation with all Shropshire maintained schools and academies, Shropshire Schools Forum agreed to recommend to Cabinet the distribution of funding to schools for 2018-19 and 2019-20 in line with the transitional national funding formula introduced by the Government.

This report details additional specific funding arrangements from April 2018 for consideration and agreement by Schools Forum in relation to premises funding, additional targeted contingency funding for high needs pupils and reception uplift pupils.

Recommendation

Schools Forum is recommended to consider and approve the specific funding arrangements from April 2018 as detailed within this report.

REPORT

Background

1. In July 2017, the Government announced the introduction of a national funding formula (NFF) for allocating Dedicated Schools Grant (DSG) to local authorities from April 2018 with transitional arrangements for 2018-19 and 2019-20.
2. For 2018-19 and 2019-20 local authorities, in consultation with their schools and Schools Forum, have local flexibility on the basis for distributing the funding to schools through the local funding formula.
3. Shropshire schools were consulted on the basis for distributing the Schools Block of the DSG to Shropshire schools. Schools Forum considered the consultation responses at a meeting held on 15 November 2017 and agreed to recommend to the Council's Cabinet the distribution of individual school budgets for 2018-19 and 2019-20 in line with the transitional NFF announced by the Government.

4. This decision was communicated to all Shropshire schools following Schools Forum's recommendation. Cabinet will make a final decision based on this recommendation in January 2018.
5. There remain a few areas, detailed below, where Schools Forum are asked to consider and agree specific arrangements for 2018-19.

Premises Funding

6. Under the NFF funding to local authorities for premises factors in 2018-19 are based on actual spend through the local funding formula in 2017-18. This arrangement is a temporary arrangement whilst the Government develops a formula approach to premises funding. Funding through the premises factors sits outside the funding protections and gains caps included in the 2018-19 and 2019-20 transitional NFF allocations. Premises factors within Shropshire's 2017-18 local funding formula include rates, split site and exceptional circumstances for joint use and lump sum for amalgamating schools.
7. Actual individual school rates commitments for 2018-19 are not yet fully known but there is no expectation that these will vary significantly from 2017-18 levels. Schools are charged individual rates liabilities exactly in line with the rates funding allocated through the local funding formula. The total rates funding for Shropshire schools, delivered through the local funding formula in 2017-18, equated to £1,977,100.
8. The split site factor allocated funding to one Shropshire secondary school in 2017-18. Appropriate funding under this factor for 2018-19 is currently being agreed with the school. Split site funding delivered through the local funding formula in 2017-18 equated to £33,300 but reflected the lump sum protection funding also received by the school following the amalgamation of two schools in the previous financial year.
9. The exceptional circumstances joint use allocations in 2017-18 were final allocations made to individual schools in the final year of the 4 year phasing out programme. There will be no joint use allocations made to individual schools in Shropshire in 2018-19. Joint use funding delivered through the local funding formula in 2017-18 equated to £72,490.
10. The exceptional circumstances 85% lump sum for amalgamating schools allocation made in 2017-18 related to the protection allowed under school finance regulations for a secondary school in the first year following amalgamation. Whilst this school will not qualify for this protection funding again in 2018-19, a Shropshire primary school will qualify following the amalgamation of three primary schools into one in 2017-18. Lump sum protection funding delivered through the local funding formula in 2017-18 equated to £77,700. It is proposed that the 85% lump sum protection for the amalgamated primary school is based on 85% of the 2017-18 lump sum values of £59,500 of the three previous schools rather than based on the 2018-19 lump sum value of £110,000. **Schools Forum is recommended to approve the proposal to apply the 85% lump sum protection on the lower lump sum values of £59,500.** This would deliver protection funding of £92,225 to

the amalgamated school in 2018-19 based on 3 x £59,500 x 85% minus-£59,500 in line with the school's planning expectations. Approval will be required from the ESFA.

11. In total the aim is to manage the total premises factors allocations for 2018-19 within the funding delivered through the NFF premises factors based on 2017-18 spend levels of £2,160,590. However if total premises allocations for 2018-19 vary from the funding delivered for premises factors through the NFF to the local authority based on 2017-18 spend levels, it is proposed to make the corresponding adjustment to individual school age weighted pupil units of funding (AWPU) on an equal basis across primary, KS3 and KS4 AWPU.
12. **Schools Forum is recommended to approve this approach should the need arise.**

Additional Targeted High Needs Contingency Funding

13. With the introduction of schools funding reforms in 2013-14, Shropshire Schools Forum agreed an additional targeted high needs contingency budget to provide additional funding to schools where Element 2 funding within a schools notional SEN budget, based on an element of the age weighted pupil unit (AWPU) funding, and the proxy indicators of free school meals (FSM), the Income Deprivation Affecting Children Index (IDACI) and low prior attainment, do not provide enough funding to meet the requirement for the school to contribute £6,000 towards the costs of meeting the needs of each high needs pupil in the school and leave 20% remaining for pupils not deemed to be high needs but requiring additional support.
14. The additional targeted high needs contingencies are funded from the High Needs Block of the Dedicated Schools Grant (DSG).
15. In total in 2017-18, £127,000 of additional targeted high needs contingency funding was allocated to schools (maintained and academies) from the beginning of the financial year and additional termly contingency payments made over the summer and autumn terms 2017 of £23,000. It is expected total allocations to schools will be around £160,000 for the 2017-18 financial year.
16. As Schools Forum are aware, the national funding formula distributes significantly higher levels of funding against the deprivation and low prior attainment formula factors and lower levels against primary and KS3 AWPU values compared to our current local funding formula.
17. Using the NFF values for calculating the Element 2 of a school's notional SEN budget within the funding formula from April 2018 will mean very few, if any, schools trigger the targeted high needs contingency funding in 2018-19 even though for some schools the additional costs of meeting the £6,000 commitment to their high needs pupils will more than offset the overall gain received through the funding formula based on the NFF values.
18. It is therefore recommended, that for the 2018-19 financial year, the 2017-18 values for AWPU contribution, FSM, IDACI and low prior attainment are used to calculate a schools Element 2 funding for determining additional targeted high

needs contingency allocations to schools from the High Needs Block of the DSG. This will ensure consistency of funding for schools and allow time to fully review the basis for calculating Element 2 of a school's notional SEN budget under the new NFF values within the funding formula for 2019-20 onwards.

19. Schools Forum is recommended to approve this approach for 2018-19.

Reception Uplift Pupils

20. For information and clarity, to enable the distribution of funding to schools through the funding formula in line with the NFF formula, individual budget allocations to schools from April 2018 will be based on October census data only and will no longer include a reception uplift to pupil numbers.

21. In 2017-18, 53 reception uplift pupils were included across 37 schools.