

Meeting

of the

London Borough of Barnet

Schools Forum

Thursday 4th December 2014, 4.00pm

Conference Room 1

North London Business Park

Agenda, Minutes of the last meeting and Papers

Dates of next meetings:

Thursday 5 February 2015 (Conference Room 1)

Thursday 14 May 2015 (Conference Room 1)

Thursday 2 July 2015 (Conference Room 1)

Schools Forum Agenda

4th December 2014: 4pm – 6pm

Conference Room 1: North London Business Park

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Members of the Schools Forum

Item 1: Welcome to New Members

No	Name	Representing
1		
2		

Item 2: Apologies for Absence

	Name	Representing
1		
2		
3		
4		
5		
6		
7		
8		
9		

Item 3: Declarations of Interest

	Name	Interest
1		
2		
3		
4		

Item 4: Minutes of the last meeting : 9th October 2014

**Minutes of the Schools Forum Meeting
(4.00 pm, Conference Room 1, NLBP)**

Attended	Type of Member	Name	Representing	Member until end
Members	Nursery School Headteacher	Perina Holness	Moss Hall Nursery	May 2017
	Primary Community HT (1)	Jeanette Adak	Monkfrith Primary	Sep 2016
	Primary Foundation/ VA Gov	Anthony Vourou	St Johns CE N11	Sep 2016
	Primary Foundation/VA HT(1)	Dee Oelman	St Mary's & St John's CE	Sep 2016
	Special School Headteacher	Jenny Gridley	Oakleigh	Sep 2016
	Primary Community Gov (1)	Elizabeth Pearson	Holly Park/Livingstone	Sep 2016
	Primary Community Gov (1)	Lesley Ludlow	Moss Hall Infants	Apr 2017
	Secondary HT (2)	Simon Horne	Friern Barnet	Oct 2017
	Secondary Governor	Patricia French	St Mary's CE High	Dec 2016
	Special School Governor	Gilbert Knight (CHAIR)	Oakleigh	Sep 2016
	Academy Representative (3)	Kate Webster	Queen Elizabeth Girls	Sep 2016
	Secondary HT (1)	Seamus McKenna	Finchley Catholic	Nov 2016
	Academy Representative	Jack Newton	Grasvenor Infants	Nov 2015
	Academy Representative	Jo Djora	The Hyde Academy	Jul 2017
	Pupil Referral Unit	Patrick Keogh (substitute)	Pavilion PRU	Sep 2016
	Unions	Keith Nason	National Union of Teachers	Sep 2016
Non Members	EFA Observer	Beverley Pennekett	EFA	
	EFA Observer	Bharti Vakharia	EFA	
	EFA Observer	Marcia Richards	EFA	
LA Officers	LBB Officer	Ian Harrison	Education & Skills Director	-
	LBB Officer	Catherine Peters	CSG – Head of Finance	-
	LBB Officer	Carol Beckman	CSG – School Funding	-
	LBB Officer	Val White	Lead Commissioner	
	LBB Officer	Penny Richardson	Interim Head of Inclusion and Skills	
	LBB Officer	David Monger	Consultant, SEN & Inclusion	
	Clerk	Sarrosh Malik	CSG – School Funding	-
Did not attend				
Members	Primary Community HT (3)	Claire Rees	Sunnyfields Primary	Feb 2017
	Primary Community HT (4)	Sally Lajalati	Colindale Primary	Sep 2014
	Primary Community Gov	Catrin Dillon	Martin Primary	Dec 2016
	Primary Foundation/VA	Tim Bowden (VICE-	Holy Trinity CE	Sep 2016

	HT(1)	CHAIR)		
	Primary Community HT (2)	Helen Schmitz	Cromer Road Primary	Sep 2016
	Primary Foundation/VA Gov (2)	Saul Smus	Pardes House Jewish	Apr 2017
	Academy Representative (5)	Jane Beaumont	Copthall	Jan 2016
	Primary Foundation/VA HT(2)	Maureen Kelly	St Theresa's Catholic	Jul 2017
	Academy Representative	Angela Trigg	London Academy	Sep 2016
	Academy Representative	Derrick Brown	Ashmole Academy	Jan 2016
	Academy Representative (1)	Michael Whitworth/ Marc Lewis	Wren Academy	Nov 2016
	14-19 Non School Provider	David Byrne	Barnet & Southgate College	Sep 2016
	Private Early Years Provider	Sarah Vipond	Middlesex Uni. Nursery	Sep 2016
Non-members	Elected Member	Cllr R Thompstone	Lead member for Children's Services	
	LBB Officer	Kate Kennally	Strategic Director for Communities	
	LBB Officer	Nick Adams	CSG – Financial Services	

1. Welcome to new members

GK welcomed Maureen Kelly and Simon Horne.

2. Apologies for absence

GK noted the apologies received from Helen Schmitz, Sally Lajalati, Jo Kelly, Jane Beaumont and Maureen Kelly. GK welcomed Patrick Keogh as a substitute for Jo Kelly.
Post meeting: Apologies received from Tim Bowden.

3. Declarations of interest

LL notified the Schools Forum that she is also Chair of Governors at Moss Hall Infant School.

4. Election of Chair and Vice Chair

GK vacated the room to allow election of new Chair. EP nominated GK for position for Chair. There were no other nominations. GK was elected as Chair.
GK said the current vice chair (TB) is not at the meeting and has not indicated a wish to stand down. GK asked members if anyone would nominate him in his absence. All agreed.

5. Minutes of previous meeting: 7 May 2014

Minutes accepted as a true and accurate record of the previous meeting.

6. Matters arising

7.1 Schools End of Year Balances, 2014, 2013 and 2012

PF asked if there had been any response from the letters sent out. IH explained 10 to 12 letters had been sent out but there has been no response as yet. IH will check the deadline for responses. (Post meeting note; the deadline was 16 October)

Schools Forum members and LA officers agreed to GK's suggestion for item 8.3 to be brought

forward to the start of the agenda as there were many interested members from the public present.

8. ITEMS FOR DECISION

Ian Harrison

8.3 Nursery Schools 2015/16

IH introduced the paper covering the nursery schools funding for 2015/16.

In doing so he commented on the note that had been sent to members of the Forum by the trade unions (attached to these minutes, shown at appendix 1).

IH explained that the subsidy is not part of the existing base budget as it is an extra amount paid each year from underspend. The Schools Forum is being asked if the subsidy should be extended for 2 years at a reducing level to facilitate the transition to a new delivery model. He said it is normal practice for proposals to be worked up and discussed by management and then put to the appropriate body for approval in principle, before staff and unions are consulted. That is what is happening in this case as a report to the Children, Education, Libraries and Safeguarding (CELS) Committee will be recommending that proposals for an amalgamated nursery school should be subject to consultation.

EP told the Schools Forum that she is also a Governor at Hampden Way Nursery. She understood the difficult position of the nursery schools and asked if there was any other pot of money the subsidy could be funded from. IH explained that the council has considered other options but services are also under pressure to make £72m of cuts. EP asked if the Single Funding Formula could be changed as nursery schools are different to private providers. IH replied it could be changed, provided there was consultation first. However, it would result in a cut in the funding per hour for other providers.

KN expressed his concern at the potential risk of massive job cuts. He said if the Forum makes a decision to fix the money then it is forcing a decision on the council based on the money available. IH explained that it is a chicken and egg situation and we would like to be able to say to the CELS committee that the Schools Forum has agreed to continue an amount of subsidy that would support the transition to a new model of delivery.

SH asked if the continuing subsidy will affect the budget of other schools. IH clarified that the proposed transitional subsidy would be met from underspend carried forward from previous year's budgets.

PH told the Schools Forum when the Single Funding Formula was set it ignored the findings of pathfinders that nursery schools need more funding. PH said that the formula did not take account of pay for teachers, which is why the subsidy was agreed to pay for the school's overheads. PH explained the main reason for not agreeing to the proposal is because there would only be one Head, one Deputy Head and one Teacher; this would lead to an immense level of redundancies. PH said she believed there is a trade off with cost and quality and asked members if 50% of their budget was cut would they be able to sustain quality. SM questioned if it was 50% of the entire budget. PH agreed and made clear they are only asking for 25% subsidy to continue. She said teachers, SEN, and rates are not funded. The school has put together a 6 year projection and only fall into deficit by 2020.

GK thanked PH for clarifying her position and making a good case.

JD pointed out that the EYSFF affects all early years children. She gave an example of her own school and how conversion to an academy resulted in redundancies; however the quality has improved since.

VW made clear that this is a strategic decision following previous discussions on nursery funding during the last few years. The Council were tasked to carry out a review of early years and develop a sustainable funding model for nursery schools. The amalgamation proposal is designed to offer such a model.

EP feared that the possible high levels of redundancies will result in the quality dropping. KN suggested that IH should involve the nursery staff in these decisions. The staff were attending the meeting because they have heard rumours. Unions accept change is needed but this will result in massive redundancies.

JD asked what the 2013/14 carried forward balances were for the nursery schools. IH replied £685k and explained the balances would be kept by the nursery schools and used to offset redundancy costs.

Action - GK read out list of proposals:

8.3 Action:

- To note the view of the Task and Finish Group that the Council should develop a sustainable funding solution for nursery schools
 - To note that the Council's Children, Education, Libraries and Safeguarding Committee will consider a report on the outcomes of the Early Years review, including proposals in relation to the future provision and funding of nursery schools, at its meeting on 28 October 2014.
 - To agree, provided that the Children, Education, Libraries and Safeguarding Committee approves the proposed solution for Brookhill, Hampden Way and St. Margaret's Nursery Schools:
 - that the three nursery schools - Brookhill, Hampden Way and St. Margaret's - should be allocated fifty per cent of this year's subsidy for 2015/16 to facilitate transition to a new sustainable model of delivery, and that this should be paid from the carried forward DSG underspend from 2013/14.
 - in principle that the three nursery schools should be allocated twenty-five per cent of this year's subsidy for 2016/17 from the DSG and this be considered as part of the preparation of the budget for 2016/17.
 - To agree, provided that the Children, Education, Libraries and Safeguarding Committee approves a proposed solution for Moss Hall Nursery School:
 - that the school should be allocated fifty per cent of this year's subsidy for 2015/16 to facilitate transition to a new sustainable model of delivery, and that this should be paid from the carried forward DSG underspend from 2013/14.
 - in principle that the school should be allocated twenty-five per cent of this year's subsidy for 2016/17 from the DSG and this be considered as part of the preparation of the budget for 2016/17.
 - To agree that any outstanding balances of nursery schools that close as part of the process of moving to new models of delivery should be transferred to the successor bodies that take over the provision.
1. 12 agree, 0 against, 2 abstentions
 2. 12 agree, 0 against, 2 abstentions
 3. 13 agree, 0 against

GK thanked observers for joining the Schools Forum meeting and invited them to stay for the rest of the meeting or depart at this time.

7. ITEMS FOR INFORMATION

7.1 Budget Monitoring 2014/15 – quarter 1

Catherine Peters

CP spoke about Item 7.1. She told the Schools Forum that an underspend is predicted, and will

come back with Month 6 figures in December. The main areas of potential savings are in two-year-old funding and SEN top ups.

7.2 SEN Working Group – progress report

David Monger

David Monger spoke about item 7.2. Members noted progress to date and await future reports.

7.3 High Needs places for 2015/16

David Monger

David Monger introduced item 7.3. DM explained more LA provision is needed as it is full at present and we need to avoid expensive private and independent placements. Barnet intends to bid to the EFA for more high needs place funding although additional funding is only given for exceptional circumstances.

DM will refine figures for the December Schools Forum meeting.

SM asked about funding for 19-25 year olds and where the funding would come from in future years. DM replied it would come from the high needs funding block. He pointed out that there is not an entitlement to education right through up to the age of 25 for all young people with SEN; but it is the LA's responsibility to make provision where it can improve outcomes for you people with young people with SEN. PR added that funding for high needs students is already in the high needs block.

GK commented that there may be more young people who could be entitled than before. PR explained that new legislation is about outcomes. There are hard decisions to make for some students to justify if continued education and training will make a difference. DM added that there is a potential budget risk as the 16-19+ numbers are volatile.

SM asked whether other Local Authorities are taking the same approach as Barnet. PR made clear that as part of new legislation we have to demonstrate that continuing education for young people with SEN will make a difference to the individual student.

JG asked if we will get money for increases in SEN due to demographics. CB replied that the high needs block does not change with pupils numbers. PR explained that the increase in severe disability is higher in Barnet compared to other Local Authorities. With a static high needs block there will have to be tougher decision making.

BP added that the EFA is providing some more funding for exceptional places and there was a little money to add to the high needs block nationally in 2014/15. The EFA would hope to be able to do so again this year.

8. ITEMS FOR DECISION

8.0 SEN funding for Exceptional Circumstances

Penny Richardson

PR introduced the paper. SEN funding for Exceptional Circumstances was previously known as SEN Contingency funding. Previously applications were received twice a year and a panel of headteachers would make decisions on which schools to fund.

The proposed new approach is only for situations which are both exceptional and unforeseen. The process will be dealt with as part of the business of the SEN Complex Needs Panel, with weekly decision making and clearer criteria. There is also the medical pathway funding to support children with medical needs in schools.

PH queried if this funding would be available to nursery schools. CB said that it would depend on the overall high needs strategy for early years. JD asked if the SEN panel would include headteachers. PR explained that all heads were invited to take part but only a handful have volunteered. JD added that Heads liked to be involved and were part of the old panel. She wanted to know if there will be terms of reference available for Heads to understand this new approach. GK agreed with JD and explained that parents like to understand the decision making process as well. While changing the rules the process should be more publicly accountable and transparent. VW suggested that this level of detail should be referred to the SEN working group.

GK asked members to vote for the proposed approach to SEN funding for Exceptional Circumstances as set out in the agenda paper.

- 11 agree, 1 against, 0 abstentions

8.1 Pupil Premium for Looked After Children 2014/15

Ian Harrison

IH introduced the paper. The new interim Virtual School headteacher will manage the grant allocations. The paper explains how money should be distributed following DfE guidance and good practice in other Local Authorities. The pupil premium will only be allocated to meet the needs identified in a high quality PEP. The Council is planning to allocate a flat rate of £500 per term for each looked after child. This will be reviewed on a case by case basis as schools will be required to report back termly to demonstrate that PEP targets are met.

SM asked how the quality will be audited. IH explained the audit trail will be between the social worker, designated teacher and Virtual School head. SH questioned the remaining 20% of £1900 being held by the council. IH explained that the money could be used for a variety of costs from extra-curricular activities for the children as well as training for staff. EP requested the 20% to be accounted for and reported back to the Schools Forum. JN asked whether the PEPs are of high quality. IH said that the current quality is variable and the Virtual School head is working with schools to ensure quality standards. JN agreed with the LA holding the money to ensure schools do PEPs properly.

- The proposal was agreed.

8.2 Pupil Referral Units 2015/16 – deferred until December meeting

8.4 Independent Schools applying to become voluntary aided

Val White

VW introduced the paper. She told the Schools Forum that potentially there are five independent schools considering making an application to become a Barnet maintained school. The LA is the decision maker. The LA's current approach includes a requirement that any school entering the VA sector has to be in appropriate and adequate buildings. The most recent DfE guidance emphasises the need to consider value for money. The council wishes to establish an approach to considering the value for money criteria. She invited volunteer headteachers to work with the LA over a couple of meetings to establish criteria.

Volunteers: Seamus McKenna and Jo Djora

8.5 Draft budget for 2015/16

Ian Harrison

IH summarised the special meeting and presentation on 24th September. He explained that the following papers relate to the detailed discussion on that day covering the budget process and pressures.

8.5.1 Authority Pro-Forma Tool 2015/16

Carol Beckman

CP spoke to the paper.

The APT is a suite of programs provided by the DfE to enable local authorities to build their main school funding formula. A draft version must be submitted to the DfE at the end of October with the final version at the end of January. We are proposing to continue with the same funding formula as in 14/15 the only difference being that the cap on gains is shown at 0% for the present. CB also reminded members that schools have received an additional, one-off £23 per pupil in 14/15 which will not continue in 15/16.

Schools Forum members were asked to approve the provisional funding formula for 2015/16.

- 8 agreed

8.5.2 De-delegation for 2015/16	Ian Harrison
<p>IH spoke to the paper. The local authority is required to consult members of the Schools Forum representing primary and secondary LA maintained schools every year about de-delegation of certain budgets. The paper shows the 4 areas currently de-delegated. Each item was considered and members of the Schools Forum representing primary and secondary LA maintained schools agreed to de-delegate budgets as follows:</p> <p>Behaviour support services Primary 1.1.2 – Agreed 5-0 Support to UPEG and bilingual learners (“Narrowing the Gap”) Primary 1.1.3 – Agreed 5 – 0 Support to UPEG and bilingual learners (“Narrowing the Gap”) Secondary 1.1.3 – Agreed 2 – 0 Staff costs – supply cover (special leave and salary safeguarding) Primary 1.1.8 – Agreed 5-0 Staff costs – supply cover (special leave and salary safeguarding) Secondary 1.1.8 – Not agreed 1-1 (Decision deferred until December) Staff costs – supply cover for (trade union) facility time Primary – 1.1.9 :agreed 5-0 Staff costs – supply cover for (trade union) facility time Secondary – 1.1.9: agreed 2-0</p>	
8.5.3 Funding for Growth in 2015/16	Carol Beckman
<p>CB spoke to the paper. She explained that the matter follows on from the discussions at the May meeting; Since that time requirements have become clearer. SM said it seemed unfair that only those schools which are commissioned to expand receive additional funding. VW explained that the LA is the commissioner of school places and has to have regard for the revenue implications. BP added that growth fund can only be used to fund basic need. The Schools Forum was asked to approve the principles of the school expansion funding and the proposed rates to be used from April 2015.</p> <ul style="list-style-type: none"> ▪ 9 agree, 0 against, 0 abstentions 	
8.5.4 Free Schools and non-recouped academies	Ian Harrison
<p>IH introduced the paper which was a reminder of the discussion in July around how free schools and non-recouped academies are funded. The Leader did write a letter however no reply has yet been received. BP announced to the Schools Forum that in 2015/16 the EFA will cover the growth of free schools and non-recouped academies but this cannot be guaranteed after 2015/16. IH welcomed the news which should be in the region of an additional £1.3m. SH commented that in future if there is an increase in places at free schools, there will be a hit on schools budgets whether places are needed or not. BP could not comment. VW and GK welcomed the good news.</p>	
8.5.5 Use of underspend from 2013/14	Ian Harrison
<p>IH introduced the paper, saying that having already agreed support for nursery schools the proposal was that the balance of the underspend should be put towards the growth fund. This was agreed.</p>	
8.5.6 Options for balancing the 2015/16 Schools Budget and notes from the special Schools Forum meeting on 24 September	Ian Harrison

IH spoke to the paper saying that the budget gap still needs to be clarified, however more work will be done on the detail to ensure the accuracy of budget forecast. More information will be brought to the December meeting.

GK expressed his concern that children who need it most (i.e. those with SEN) could suffer from budget cuts. IH clarified that the plan is not to cut SEN budgets but to get the best projections.

DM added that there are no plans to change unit costs just focus on what the numbers will be.

Members were recommended to agree to the following approach to balancing the budget:

1. The 2013/14 underspend should be used to support the budget gap (growth fund and nursery school transitional subsidy).
2. Officers should complete a zero-base-review of the number and costs of SEN placements in independent and non-maintained schools and produce revised budget forecasts for 2015/16 and report on this to the Schools Forum in December.
3. Re-assess the budget gap in December and, if necessary, re-visit options for decreasing expenditure.

- 12 agreed, 0 against, 0 abstentions

9. Draft agenda for next meeting

KN reminded the Forum that secondary dedelegation of salary safeguarding should be considered at the next meeting.

10. Any other business

DO said that the extra meeting in September was extremely helpful and helped with decision making for today.

GK apologised for the meeting overrunning but thanked members for reading the papers and contributing to the meeting.

Item 5: Matters arising

Matters Arising - School Revenue Balances

As requested by the Schools Forum the council wrote to the 11 schools that have had revenue balances of 12% or more over the last 3 years, or with a 2013/14 outturn balance exceeding 20%, asking the schools to explain their high balances and any specific plans they might have to spend them.

The letters asked schools to confirm:

- When the school's Three Year Financial Plan was last reviewed and updated
- What are the planned revenue balances for the end of 2014/15 and 2015/16
- How much is set aside for a capital project(s) (and if applicable when will the project(s) be started and completed)
- How much is planned to be held as contingency in 2014/15 and 2015/16, with reasons
- Any statement the school wishes to include about its financial planning.

All 11 schools responded. All but one included plans for spending some of their balances. This ranged from schools indicating they would use their balances in connection with their plans for expansion to much more specific proposals, with spending targeted on repairs and maintenance, IT, internal adaptations and refurbishment and external improvements.

Some schools do not appear to have a 3 Year Budget Plan despite it being a requirement for all maintained schools under the Schools Financial Value Standard.

In the light of the above the council proposes to:

- Thank the schools for their returns and encourage them to manage their balances down by investing in appropriate projects.
- Revise its guidance to schools to make clear the requirement to produce a three year financial plan to be reviewed and revised annually.

Item 6.1 Budget Monitoring, 2014-15 (as at Month 6 – September 2014)

2014/15 Schools Budget

Author : Catherine Peters
Position : Head of Finance

Introduction

This report shows the quarter two position which was reported as part of the Quarter two Budget and Performance Monitoring 2014/15 to the Performance and Contract Management Committee on 11th November 2014. It is presented to Schools Forum to note.

2014/15 Schools budget

There has been one minor budget adjustment since the budget was reported to Schools Forum on 9th October 2014. This was to reflect the actual amount deducted for National Copyright Licences (CPL) from the DSG grant. This change and S251 line reference numbers can be seen in appendix 1.

2014/15 Schools budget monitoring

The second quarter monitoring position as at September 2014, forecasts a projected underspend of £2.9m.

This is a net position of the following main over and underspends. The details are contained in appendix 2.

S251 Line reference	Main reasons for over/underspend	£'000
1.0.1	Underspend mainly on payments to providers for two year olds (£1.3m) and three and four year olds	(1,525)
1.2.1, 1.2.2 & 1.2.3	<p>This is the net position relating to top up funding for high needs in:</p> <ul style="list-style-type: none"> • maintained provider schools (nursery, primary and secondary) including those that are out of borough. • academy and free schools and additional funding for high needs pupils in Academy ARPs and • independent and non-maintained special schools, pre- and post-16 <p>This is the net underspend due to more up to date information from out of borough schools and reduction in the use of expensive placements.</p>	(1,520)

1.2.5	Reduced spend on therapies budget for children with high needs	(20)
1.2.6	Transitional funding for Discovery Bay	18
1.4.1	Salary underspends	(7)
1.4.10	Growth – Overspend based on current commitments – higher growth than initially estimated	186

The first quarter monitoring position reported to Performance and Contract Monitoring Committee on 1st September 2014 and discussed at 9th October Schools Forum projected a balanced budget.

The main changes to that reported in quarter 1 are due to the following:

- Trajectory funding for 2 year olds (-£1.35m) actual and projected take up less than budgeted resulting in reduced payments to providers
- Top up funding for maintained schools, academies, free schools & colleges (-£1.66m) as a result of better information on top-up liability from out of borough schools and local authorities in addition to the reduction in expensive placements and reductions in fees.
- Additional expansions to meet need and therefore increase in growth projection (£154k)

Recommendation:

To note the revisions to the budget and the quarter two monitoring position for 2014/15 and to note that further budget monitoring reports will be presented at future meetings.

Previous reports to the Forum:

- 7 May 2014 noted budget changes
- 9 October 2014 noted revisions to the budget and quarter 1 monitoring position

Schools Budget 2014/15		Schools Forum September 2014					Quarter 2		APPENDIX 1
		Gross Budget	Recoupment	Net Budget	Budget changes	Revised budget	Reason for Budget change		
EXPENDITURE									
Schools Block									
		£	£	£		£	£		
1.0.1	Individual Schools Budget	242,903,903	(73,264,852)	169,639,051		169,639,051			
1.1.1	Contingencies	597,000	0	597,000	2,611	599,611		Copyright Licensing Agency (CLA) - adjustment to reflect actual deduction as confirmed by EFA	
1.1.2	Behaviour Support Services	76,326	0	76,326		76,326			
1.1.3	Support to UPEG and bilingual learners	86,191	0	86,191		86,191			
1.1.8	Staff costs - supply cover excluding cover for facility time	46,518	0	46,518		46,518			
1.1.9	Staff costs - supply cover for facility time	46,518	0	46,518		46,518			
		243,756,456	(73,264,852)	170,491,604	2,611	170,494,215			
High Needs Block									
1.2.1	Top-up funding - maintained schools	17,296,449	0	17,296,449		17,296,449			
1.2.2	Top-up funding - academies, free schools and colleges	6,236,399	0	6,236,399		6,236,399			
1.2.3	Top-up and other funding - non-maintained and independent providers	11,138,864	0	11,138,864		11,138,864			
1.2.5	SEN support services	3,073,893	0	3,073,893		3,073,893			
1.2.6	Hospital education services	438,006	0	438,006		438,006			
		38,183,611	0	38,183,611	0	38,183,611			
Early Years Block									
1.3.1	Central expenditure on children under 5	1,254,072	0	1,254,072		1,254,072			
		1,254,072	0	1,254,072	0	1,254,072			
Central Block									
1.4.1	Contribution to combined budgets	777,892	0	777,892		777,892			
1.4.2	School Admissions	361,200	0	361,200		361,200			
1.4.3	Servicing of schools forums	34,680	0	34,680		34,680			
1.4.10	Pupil growth / Infant class sizes	1,853,020	0	1,853,020		1,853,020			
1.4.11	SEN transport	400,000	0	400,000		400,000			
1.4.13	Other items	106,500	0	106,500		106,500			
		3,533,292	0	3,533,292	0	3,533,292			
		286,727,431	(73,264,852)	213,462,579	2,611	213,465,190			
INCOME									
1.7.1	Estimated Dedicated Schools Grant for 2014-15	(277,619,871)	73,264,852	(204,355,019)	(2,611)	(204,357,630)		Copyright Licensing Agency (CLA) - adjustment to reflect actual deduction as confirmed by EFA	
1.7.2	Dedicated Schools Grant b/f from 2013/14	(2,332,981)	0	(2,332,981)		(2,332,981)			
1.7.4	EFA funding	(6,774,579)	0	(6,774,579)		(6,774,579)			
		(286,727,431)	73,264,852	(213,462,579)	(2,611)	(213,465,190)			

2014/15 BUDGET MONITORING - QUARTER 2		Quarter 2 - Budget Monitoring			APPENDIX 2
		Budget	Projection	Variance	Explanation
EXPENDITURE					
Schools Block					
		£	£	£	
1.0.1	Individual Schools Budget	169,639,051	168,114,460	(1,524,591)	Underspend on 2 year old free entitlement and 3 and 4 year olds
1.1.1	Contingencies	599,611	599,611	0	
1.1.2	Behaviour Support Services	76,326	71,289	(5,037)	
1.1.3	Support to UPEG and bilingual learners	86,191	52,580	(33,611)	
1.1.8	Staff costs - supply cover excluding cover for facility time	46,518	46,518	0	
1.1.9	Staff costs - supply cover for facility time	46,518	46,518	0	
		170,494,215	168,930,976	(1,563,239)	
High Needs Block					
1.2.1	Top-up funding - maintained schools	17,296,449	16,595,800	(700,649)	
1.2.2	Top-up funding - academies, free schools and colleges	6,236,399	6,202,983	(33,416)	
1.2.3	Top-up and other funding - non-maintained and independent providers	11,138,864	10,353,212	(785,652)	Reduction in use of more expensive placements and some fees
1.2.5	SEN support services	3,073,893	3,054,064	(19,829)	Reduced spend on therapies
1.2.6	Hospital education services	438,006	456,006	18,000	Transitional Funding for Discovery Bay
		38,183,611	36,662,065	(1,521,546)	
Early Years Block					
1.3.1	Central expenditure on children under 5	1,254,072	1,254,072	0	
		1,254,072	1,254,072	0	
Central Block					
1.4.1	Contribution to combined budgets	777,892	770,910	(6,982)	Salary underspends
1.4.2	School Admissions	361,200	361,200	0	
1.4.3	Servicing of schools forums	34,680	34,680	0	
1.4.10	Pupil growth / Infant class sizes	1,853,020	2,039,495	186,475	Higher growth than initially estimated as a result of additional expansions to meet need
1.4.11	SEN transport	400,000	400,000	0	
1.4.13	Other items	106,500	106,500	0	
		3,533,292	3,712,785	179,493	
		213,465,190	210,559,898	(2,905,292)	
INCOME					
1.7.1	Estimated Dedicated Schools Grant for 2014-15	(204,357,630)	(204,357,630)	0	
1.7.2	Dedicated Schools Grant b/f from 2013/14	(2,332,981)	(2,332,981)	0	
1.7.4	EFA funding	(6,774,579)	(6,774,579)	0	
		(213,465,190)	(213,465,190)	0	
	Net Position	0	(2,905,292)	(2,905,292)	

Item 7.1 De-delegation – Secondaries - Salary Safeguarding

Authors: Ian Harrison / Carol Beckman

The local authority is required to consult the primary and secondary LA maintained schools of the Schools Forum every year about de-delegation of the following budgets:

- 1.1.2 Behaviour support services
- 1.1.3 Support to UPEG and bilingual learners (“Narrowing the Gap”)
- 1.1.4 Free school meals eligibility
- 1.1.5 Insurance
- 1.1.6 Museum and Library services
- 1.1.7 Licences/subscriptions
- 1.1.8 Staff costs – supply cover (special leave and salary safeguarding)
- 1.1.9 Staff costs – supply cover for (trade union) facility time

Academies, free schools, special school and nurseries cannot de-delegate and primaries and secondaries must decide separately.

At the last meeting all budgets with the exception of 1.1.8 (Secondaries) were agreed by members. Salary safeguarding was deferred in order for the secondary school representatives to consult with colleagues.

An oral update on the salary safeguarding budget will be provided at the meeting.

7.1 Action: After hearing the oral update on the salary safeguarding budgets, members representing maintained schools are asked to consider how they wish to deal with the issue. dedelegation

Item 7.2 Draft Schools Budget for 2015/16 and use of underspends

Authors: Ian Harrison, Catherine Peters, Carol Beckman, Val White

Note: This paper should be read in conjunction with the minutes of the last meeting – 5 Matters Arising, and 6.3 Budget Pressures 2015/16

2015/16 Schools Budget

Introduction

This paper presents the draft Schools Budget for 2015-16. The assumed pupil numbers and income are just estimates at this stage.

The budget has been compiled using the best information and knowledge that the council has at this stage from which a number of assumptions have been made. We are expecting the announcement of the Dedicated Schools Grant in December along with the cleansed data from the October school census.

During January 2015 the budget will be revised with more accurate data and the Schools Forum will be asked to review the budget and approve it for the new financial year. However, this will not be the final budget as a number of pieces of information will still be missing, such as the final High Needs and Early Years block allocations, the Post-16 learner funding and the final budget outturn for 2014-15. The final budget will be brought to the Schools Forum in the summer of 2015.

Scope and Government Requirements

The Dedicated Schools Grant is funded in 3 blocks: Schools, Early Years and High Needs. The blocks are not ring-fenced and budgeting is presented under the following headings:

- funding for schools recouped academies and early years settings;
- central early years costs;
- high needs funding for schools and services;
- other central expenditure.

The government sets a number of deadlines which local authorities have to meet in advance of the new financial year:

- Draft submission of the proposed mainstream school and academy funding formula for the next financial year by 31 October 2014 (this is called the Authority Pro-forma Tool – APT) and has already been submitted after discussion at the October meeting of the Schools Forum

- Submission of exceptions to the 2013-14 High Needs return, listing the number of places required in and out of borough at special schools, PRUs, additional resourced provision and at Post-16. This was submitted in October with supporting business cases.
- Final submission of the APT by 20th January 2015
- Submission of the Section 251 return by 31st March 2015 showing the 2015-16 schools budget broken down by phase: nursery, primary, secondary, special and Post-16.

The council is required to consult the Schools Forum on all of these in advance of the submissions. At its October meeting, the Schools Forum approved proposals for the October APT submission, which was in the main, the same formula for 2014-15 except that:

- from 2015/16, the APT will include all mainstream schools – maintained, Academies and Free Schools
- no change in Barnet funding formula (except removal of the £23 per pupil distribution of the 2012-13 underspend which was included in the 2014-15 AWPU).
- Schools opening new year groups will be funded on expected pupil numbers
- MFG remains at -1.5% with the cap set at +0.09%.

Because the final APT will be submitted in January, before the next Forum meeting, and although the amount available to be distributed to schools will be subject to the overall Dedicated Schools Grant (DSG) and pressures on other parts of the budget, we now need to gain approval in principle from the Forum for the overall Schools Budget, of which the APT is part.

Areas not addressed in the draft budget

- The new Early Years Pupil Premium will be part of the DSG but we are awaiting further guidance on its implementation. Our assumption is that expenditure will be the same as the income to be received from the DfE.
- The financial implications of any future conversions of maintained schools to Academies in 2014/15 or 15/16.

Pressures

The main pressures for Barnet at present are:

- Increased pressure from the Growth Fund for:
 - Bulge classes and expansions
 - Start-up grants for new schools and new phases of existing schools
 - Requirement to fund new schools and growing schools on projected pupil numbers as they grow, including Free Schools

- Transitional funding for nursery schools

There are also pressures relating to reduced income from

- Two-year old funding which will now be calculated on participation whereas until now, it has been based on target numbers. As Barnet has not yet reached the target of 2,200 funded children, there will be a significant decrease in income from this funding stream
- The high needs block, which is not linked to pupil numbers, so there is no automatic increase as the number of SEN pupils increase in line with population growth
- DfE funding rates which have not been adjusted for inflation for some years
- Whilst we have now been assured by the DfE that growth in pupil numbers at Free Schools and non-recouped academies will be funded by the government in 2015-16, there is currently no commitment to fund this in future years.

We go into 2015-16 with an increased budget because:

- There are more pupils on the census to attract funding for the DSG
- We have a £1.3m underspend from 2013/14
- We are projecting an underspend of between £2m and £3m for 2014/15

Balancing the budget

As agreed at the meeting of the Schools Forum, the approach to balancing the 2015/16 budget has involved:

- Agreement by the Forum to use the 2013/14 underspend to support the budget gap (growth fund and nursery school transitional subsidy).
- Officers completing a zero-base-review of the number and costs of SEN placements in independent and non-maintained schools as well as maintained schools and Academies

The agreed use of the underspend has been factored into this budget report and the proposed draft budget for 2015/16.

There is a separate report on this agenda, which sets out in detail the conclusions of the review of the SEN budget. This has resulted in a significant reduction in the budget pressures arising in relation to High Needs budget, mainly because of the management of demand for SEN placements in independent and out-of-Borough schools and post-16 providers.

A further significant change has been the confirmation by the EFA, announced by the EFA representative at the last meeting of the Schools Forum, that the DfE/EFA will continue to fund the growth costs of pupil numbers at Free Schools and non-

recouped academies in 2015/16. This results in a saving of about £1m on the expected requirement for growth funding from the Schools Budget.

Despite all the above, the financial position remains very challenging. In reviewing the SEN budgets and in trying to balance the budget, officers have stripped out most contingency provisions:

- There is now no contingency provision for SEN to fund any unexpected commitments for SEN placements above those anticipated in preparing the 2015/16 estimates. There is also no provision for additional support for EASEN/1:1 packages for ARPs and mainstream schools.
- The only general contingency provision is the carried forward contingency for the closure of St.Mary's High School (£150,000)
- The provision for 2-year-olds places has been adjusted downwards by taking a more conservative view of the number of places that can be provided next year than the target figures the Early Years team are forecasting. In practice however, the council has a legal duty to provide places for priority groups and to try to reach the targets, so the actual spending required may be above the budgeted figure.

The Schools Forum is therefore asked to note that any contingency requirements will have the first call on the 2014-15 carried forward underspend.

Assumptions

The following assumptions have been made in compiling the draft budget

Income

- DSG based on an estimated 43,715 children for the Schools block – an increase of 755.
- Early Years block decrease due to a reduction in funding for two year olds
- High needs block assumed to be the same as 2014-15
- Use of the 2013-14 underspend to support the nursery schools subsidy and the growth fund

Expenditure

- The same school and early years funding formulae and rates as 2014-15 with the exception of the £23 per pupil distribution of the 2012-13 underspend which was included in the 2014-15 AWPU (£0.02p/hour for nursery children)
- The cap on gains per pupil has been reduced to 0.09% from 0.5% in 2014/15

- Revised SEN budgets based on the zero-based budget review of SEN funding requirements
- Growing provision for two, three and four year olds taking up free entitlement to early education
- Flat cash budgets for central services
- Growth funding in both the individual schools budget (1.0.1) and the growth fund (1.4.10) based on the principles and figures indicated in the separate report presented to this meeting of the Schools Forum and planned expansions known at this time
- De-delegation budgets based on projected pupil numbers from the APT and the decisions of the Schools Forum.

Recommendations:

The Schools Forum is asked to:

1. Agree the draft 2015-16 budget in comparison with the 2014-15 current budget, along with the assumptions and known pressures, in advance of the firm budget which will be presented in February 2015 and the final budget in the summer of 2015.
2. Note that the first call on the carried forward underspend from 2014/15 will be for contingency requirements.

Provisional Schools Budget 2015/16							
27 November 2014 15:02							
		2015/16	2015/16	126			
S251	S251Desc	Gross Budget	Budget net of recoupment	Budget from Schools Forum Oct 14	Change since Oct 14	2014/15 Budget	Note
Expenditure							
1.0.1	Individual Schools Budget before Academy recoupment	264,458,553	173,883,729	173,596,844	286,885	169,639,051	Revised pupil number estimates
1.1.1	Contingencies	154,284	154,284	600,000	- 445,716	599,611	Contingencies reduced to balance
1.1.2	Behaviour Support Services	75,988	75,988	76,326	- 338	76,326	
1.1.3	Support to UPEG and bilingual learners	88,221	88,221	86,191	2,030	86,191	Revised pupil number estimates
1.1.8	Staff costs - supply cover excluding cover for facility time	47,072	47,072	46,518	554	46,518	
1.1.9	Staff costs - supply cover for facility time	47,072	47,072	46,518	554	46,518	
1.2.1	Top-up funding - maintained schools	16,142,716	16,142,716	16,244,016	- 101,300	17,296,450	
1.2.2	Top-up funding - academies, free schools and colleges	6,854,903	6,954,903	6,263,335	691,568	6,236,399	Zero based review of SEN funding requirements
1.2.3	Top-up and other funding - non-maintained and independent providers	9,835,971	9,835,971	11,468,831	- 1,632,860	11,138,864	
1.2.5	SEN support services	3,198,188	3,098,188	3,077,562	20,626	3,073,893	Increased need at Early Years and for Therapies
1.2.6	Hospital education services	530,006	530,006	407,004	123,002	438,006	Additional hospital places
1.3.1	Central expenditure on children under 5	979,072	979,072	979,072	-	1,254,072	
1.4.1	Contribution to combined budgets	777,892	777,892	777,892	-	777,892	
1.4.10	Pupil growth / Infant class sizes	961,000	961,000	961,000	-	1,853,020	
1.4.11	SEN transport	400,000	400,000	400,000	-	400,000	
1.4.13	Other items	106,500	106,500	106,500	-	106,500	
1.4.2	School Admissions	361,200	361,200	361,200	-	361,200	
1.4.3	Servicing of schools forums	34,680	34,680	34,680	-	34,680	
		305,053,318	214,478,494	215,533,489	- 1,054,995	213,465,190	
Income							
1.7.1	Dedicated Schools Grant	(296,945,832)	(206,371,008)	(205,864,597)	(506,411)	(204,357,630)	Review of income estimates and recoupment
1.7.2	Balance b/fwd from 2013/14	(1,332,908)	(1,332,908)	-	(1,332,908)	(2,332,981)	Use of 13/14 underspend agreed with S/F Oct 14
1.7.4	Post 16 allocations from EFA	(6,774,578)	(6,774,578)	(6,774,578)	-	(6,774,579)	
		(305,053,318)	(214,478,494)	(212,639,175)	(1,839,319)	(213,465,190)	
	Balance	0	0	2,894,314		-	-

Item 7.3 High Needs Block: Estimates for the 2015-16 Financial Year

Authors: David Monger, SEN Consultant

Penny Richardson, Interim Head of Service – Inclusion and Skills

Ian Harrison, Education and Skills Director

1. Introduction

On 9th October 2014 the Schools Forum considered a report on the number of High Needs places that need to be commissioned for 2015-16, taking account of demographic and other pressures. It was agreed that we would undertake a thorough zero-based analysis of the number of places required in order to ensure the forecast for 2015-16 is as accurate as possible to ensure that undue pressure is not placed on other aspects of the DSG. This work has now been completed and this report identifies the anticipated place requirements for the next financial year and estimates the cost implications.

2. Forecast Out-turn for 2014-15

Taking account of known pressures and anticipated placements for the remainder of the year, our view is that the likely outturn for the budgets within the High Needs Funding block is as follows:

Budget	Budget 2014/15 £	Projected Outturn 2014/15 £
ARP base funding - all phases	987,500	1,047,500
Special base funding - Barnet maintained schools	3,684,997	3,633,740
PRU Base Funding	992,000	992,000
Statements - Children's Centres	39,737	32,131
Medical Pathways - Barnet maintained schools	80,000	187,339
Special top-ups - OOB maintained schools	1,298,100	893,276
EASEN (SEN contingency)	973,000	973,000
PRU Top-ups	1,003,162	1,003,162
Statement top-ups: Barnet maintained primary	5,337,462	5,402,600
ARP top-ups - Barnet maintained primary	1,073,875	1,059,398
Special top-ups - Barnet maintained schools	4,667,372	4,555,927

ARP top-ups - Barnet maintained secondary	486,272	515,381
Statement top-ups: Barnet maintained secondary	848,064	903,826
Statements - Barnet maintained nursery classes	84,260	50,292
Statement top-ups - OOB maintained primary	620,000	415,456
Statements - Barnet Nursery Schools	25,146	34,925
Statement top-ups - OOB maintained secondary	760,000	569,087
Statement top-ups - Post 16 FE	949,406	949,406
Statement top-ups - OOB academy secondary	190,000	222,146
Statement top-ups - OOB academy primary	17,218	25,982
SEN contingency - academies	100,000	100,000
Special top-ups - OOB academies	43,000	125,078
ARP top-ups - Barnet academies – primary	396,999	388,642
ARP top-ups - Barnet academies - secondary	1,735,521	1,000,270
Medical Pathways - Barnet academies	10,000	10,000
Statement top-ups: Barnet academies - secondary	2,626,465	2,940,385
Statement top-ups: Barnet academies - primary	167,790	441,074
External Residential Care Contribution	153,150	153,150
Special Top-ups - NMSS Residential	810,000	971,202
Special School Fees - Independent Residential	3,000,000	2,656,799
Special Top-ups - NMSS Day	750,000	652,991
Statement top-ups - Post 16 ISPs	1,542,074	1,542,074
Special School Fees - Independent Day	3,170,000	2,841,656
Statements - Private Early Years Providers	89,340	91,504
Statements - Independent Mainstream	1,174,300	1,093,836
Specialist Packages	450,000	350,000
Specialist Team Management	132,770	48,700

Area SENCOs (Early Years)	254,660	254,660
Children in Care (Education)	273,750	311,251
SEN Advisory Team	700,160	699,922
SEN Therapies	700,000	688,265
Oakleigh Pre School Teaching	185,230	185,230
SEN Inclusion - 3 and 4 year olds	151,090	151,090
Special Schools - Insurance	12,793	3,793
Tracker Project	105,050	105,050
SEN Training (Early Years)	20,000	20,000
Barnet Early Autism Model	303,140	263,961
Small Circles	29,800	29,800
SEN Inclusion - 2 year olds	65,000	65,000
Education Psychologist Team DSG	120,770	207,662
Support Services - DSG on line 1.2.5 SEN support	19,680	19,680
Hospital funding	438,006	456,006
Grand Total	43,848,109	42,335,305
Projected Variation	- 1,512,804	

The major factor for the projected underspend is the reduction in the use of expensive independent and residential placements as a result of a deliberate policy to challenge, up to Tribunal, requests for such provision in circumstances where we feel there is a local facility which can appropriately meet the pupil's needs.

3. Barnet Specialist Provision for 2015-16

This section explains the number of high needs places that Barnet intends to commission for the period April 2015 – March 2016 at :

- special schools
- pupil referral units
- additional resourced provision in mainstream.

It also summarises the work being done to introduce bandings for different levels of support among high needs pupils ready for April 2015.

Place-Plus

Since the introduction of the government's place-plus system of funding high needs places in 2013, the funding for the education and SEN support of pupils with high needs has been in two parts:

- a) £10,000 per place in a Special School or ARP per annum (whether occupied or not, including places for non-Barnet children) and £8,000 in PRUs (increases to £10,000 in September 2015)
- b) A top-up based on the needs (band) of the individual child – pro-rata for time on roll.

The £10,000 (or £8 000) place rate is set by the Department for Education, but top-ups are agreed locally.

Pupils with statements in mainstream schools are also funded with an individual top-up, but the DfE requires the first £6,000 of their education and SEN support to be provided by the school from the delegated (formula) budget share.

High Needs Place Numbers

The DfE collects proposed high needs place numbers from each local authority annually in the autumn before the new financial year and this is particularly important for academies which receive their high needs place funding (but not top-ups) directly from the EFA.

Funding for places continues to be on the basis of planned places, whereas at some time in the future the number of funded places for the coming year will be based on the previous October census (lagged learner basis).

Over the past few years there has been contraction and expansion of places in Barnet schools and academies due to changing demand, the biggest growth being for places for pupils with autism. The diagnosis and placement of children is difficult to predict 18 months in advance so this is necessarily an inexact science, especially so at post-16 where there is often a mismatch between places provided and those taken up.

Annex 1 shows the number of places funded and occupied in 2014/15; and place numbers proposed for 2015/16. Where the numbers for the summer term and the autumn and spring terms differ, both are shown, separated by a slash ('/').

Prior to 2013/14, funding for special schools, additional resourced provision in mainstream and PRUs was based entirely on place numbers agreed in the past. However, since the introduction of place-plus, we have been aligning the places commissioned with demand, so that funds can be maximised to support all children. Places for 2015/16 are much the same as the autumn/spring term 2014/15 except where new provision is being set up, or demand is changing.

Place-plus top-ups

The high needs top-ups are paid directly to the school by the local authority where the child resides. The amount paid depends on the needs of the child and the period of time the child is on roll, so if a pupil leaves, funding ceases. In its purest form the top-up rate is an individual arrangement between the commissioner (usually the local authority) placing the child, and the provider (school).

In practice most local authorities have bands of need to which children are assigned to determine funding. In Barnet these are currently as follows:

Statements – most pupils are assigned to a band in the range Band A – to Band F, where Band E requires the full time support of a teaching assistant. The rates are currently as follows:

Band	Annual top-up	Support per week
Band A – Nursery	£8,382	15 hours TA support in nursery class/school
Band A	£2,382	10 - 15 hours TA support
Band B	£5,176	15.1 - 20 hours TA support
Band C	£7,970	20.1 - 25 hours TA support
Band D	£10,764	24.1 – 30 hours TA support
Band E	£13,558	30.1 – 35 hours TA support
Band F	£16,352	35.1 -40 hours TA support

Additional Resourced Provision – each ARP has a single top-up rate for all pupils but the amount varies between ARPs. The top-up rate was calculated in 2013 to ensure that the ARP was funded at the same rate per pupil as in previous years.

Special Schools – like ARPs, special schools have individual top-up rates unique to their school, but there are two rates based on the old ‘Standard’ and ‘Complex Need’. It is proposed to replace this with a 5 band system from April 2015.

Revised Bandings

During 2014, special school top-up rates are being reviewed to provide more consistency and fairness between schools and to provide for pupils whose need is greater than the current bands at each school. The process of identifying revised pupil bandings and top-ups in special schools is now complete and will be implemented from April 2015. The changes are contained within the existing place plus for special schools and EASEN/contingency funding. This has resulted in a transfer of £823,000 from the EASEN/SEN contingency fund for Barnet maintained schools to the special school top up budget.

Work is not so advanced with the ARPs or for statemented pupils in mainstream schools. A draft specification for the outcomes and service features for ARP provision is being developed following discussion with ARP head teachers and lead teachers to inform the distribution of resources across ARPs from April or September 2015. A banding system for pupils with statements in mainstream schools is being developed to the same timescale.

Pupil Referral Units and Hospital Provision

The 5 institutions operating as pupil referral units are as follows:

The Orion and Danegrove	Both schools have 3 places for primary pupils who have been excluded
Discovery Bay (including the hospital and home tuition team)	This school has merged with the Pavilion from 1 st November 2014
The Pavilion Study Centre	From November 2014 this school has included hospital education at Barnet hospital and the home tuition team as well as 70 places for excluded secondary places.
Northgate	Provides education and support for secondary age pupils with mental health problems, split between hospital provision for in-patients and a PRU for out-patients.

Hospital places are not subject to place-plus and are open to pupils from any local authority without recharge.

As a transitional arrangement the more complex process of introducing full Place-Plus (i.e. funding following the pupil) for PRU places was deferred until April 2015. The current top-ups are individual rates for each PRU like the ARPs. Barnet Council is working with the PRU headteachers to formulate a fair system without undue complexity.

Financial Implications

As part of the programme to reduce reliance on out-of-Borough (OOB) and independent specialist provision, recent capital developments have increased capacity at Oakleigh and Mapledown Special schools. These additional places require an extra £623,000 of revenue funding in 2015/16. There are also 7 additional ARP places required for 2015/16, costing £231,000, and 8 additional hospital places to cover the additional number of beds in Barnet General Hospital following the closure of NHS services in Enfield (costing an additional £92,000).

It is hoped that the bid for additional places due to exceptional circumstances submitted to the EFA in October will result in additional funding to cover some of these pressures.

4. High Needs Places in Barnet Mainstream Schools 2015-16

Estimated Numbers for 2015-16

The estimated number of statemented pupils in mainstream settings across 2015/16 is 861, which represents an increase of 45 above the number at September 2014. These numbers have been allocated to the existing bands as follows:

Band	Pupils (FTE)	Rate £	Total £
Maintained Primary Band A	9	2382	21,438
Maintained Primary Band B	15	5176	77,640
Maintained Primary Band C	45	7970	358,650
Maintained Primary Band D	56	10764	602,784
Maintained Primary Band E	331	13558	4,487,698
Maintained Primary Band F	2	16352	32,704
Maintained Primary Band G	1	19146	19,146
Maintained Primary Band H	1	21960	21,960
Maintained Primary Band I	1	24,734	24,734
	461		5,646,754
Maintained Secondary Band A	9	2382	21,438
Maintained Secondary Band B	28	5176	144,928
Maintained Secondary Band C	48	7970	382,560
Maintained Secondary Band D	75	10764	807,300
Maintained Secondary Band E	213	13558	2,887,854
Maintained Secondary Band F	10	16352	163,520
Maintained Secondary Band G	2	19146	38,292
Maintained Secondary Band H	1	21960	21,960
Maintained Secondary Band I	1	24734	24,734
Maintained Secondary Band M	1	35910	35,910
	388		4,528,496
Maintained Nursery Band A	12	8382	100,584
	12		100,584
	861		10,275,834

If the existing level of funding for these top-ups is maintained, this will require an addition of £1.212m to the 2014/15 budget of £9.064m.

5. Placements in Other Local Authority Provision

Estimated placements in maintained provision in other Local Authorities

The number of children with statements placed in mainstream schools in other LAs has been declining (in part reflected in the increase in statemented pupils in Barnet schools) and this trend looks set to continue. The increase in local costs noted above is therefore offset by a reduction in provision in other LAs:

OOB Placements	Budget 2014/15 £	Places	Unit Cost £	Estimated Spend 2015/16	Variance £
Special Schools	1,341,100	43	17,996	773,807	-567,294
Primary Schools	637,218	52	10,433	542,537	-94,681
Secondary Schools	950,000	81	9,479	767,799	-182,201
Total	2,928,318	176		2,084,142	-844,176

6. Placements in the Independent and Non-Maintained Special School Sector

The numbers of placements in Non-Maintained and Independent Day and Residential schools have increased substantially over the past few years, largely as a result of a bulge year that has just entered Year 12, (so this will phase out over the next two school years). In younger year groups the numbers have smaller cohorts (see table below). We can therefore expect the numbers to fall from 2015/16 onward. This is the result of a considerable amount of work undertaken to restrict the numbers of such placements, including challenging over 30 cases at Tribunal, and to review those already made. It will however take a little while to bear full fruit.

The trend in recent years has been for the unit costs for these placements to increase substantially, but we have challenged robustly any requests for fee increases. As a result, costs have been more stable this year. The end result is that the increase in the number of places has been slightly less than anticipated and costs have not risen as much as expected. Given the expensive nature of such placements, this has a substantial effect on the budget.

The anticipated demand for 2015/16 is as follows:

Detail	Budget	Places	Unit Cost	Est Spend	Variation
Special School Fees - Independent Day	3,170,000	77	39,424	3,035,658	134,342
Special School Fees - Independent Residential	3,000,000	25	105,535	2,638,363	361,637
Special Top ups - NMSS Day	750,000	10	61,868	618,676	131,324
Special Top ups - NMSS Residential	810,000	9	64,878	583,903	226,097
Statements - Independent Mainstream	1,174,300	63	19,431	1,224,146	-49,846
Total	8,904,300		291,135	8,100,747	803,553

7. Summary

Overall financial implications

The net position for the High Needs Funding Block therefore shows a reduced demand of £605,000 as follows:

Budget	Budget 2014/15 £	Forecast outturn 2014/15 £	Draft budget 2015/16 £	Budget variance
ARP base funding - all phases	987,500	1,047,500	1,218,333	230,833
Special base funding - Barnet maintained schools	3,684,997	3,633,740	4,310,000	625,003
PRU Base Funding	992,000	992,000	1,136,667	144,667
Statements - Children's Centres	39,737	32,131	58,674	18,937
Medical Pathways - Barnet maintained schools	80,000	187,339	80,000	0
Special top-ups - OOB maintained schools	1,298,100	893,276	678,765	-619,335
EASEN/(SEN contingency)	973,000	973,000	0	-973,000
PRU Top-ups	1,003,162	1,003,162	858,483	-144,679
Statement top-ups: Barnet maintained primary	5,337,462	5,402,600	5,234,759	-102,703
ARP top-ups - Barnet maintained primary	1,073,875	1,059,398	1,075,536	1,661
Special top-ups - Barnet maintained schools	4,667,372	4,555,927	5,490,372	823,000
ARP top-ups - Barnet maintained secondary	486,272	515,381	503,402	17,130
Statement top-ups: Barnet maintained secondary	848,064	903,826	1,018,242	170,178
Statements - Barnet maintained nursery classes	84,260	50,292	100,584	16,324
Statement top-ups - OOB maintained primary	620,000	415,456	510,604	-109,396
Statements - Barnet Nursery Schools	25,146	34,925	0	-25,146
Statement top-ups - OOB maintained secondary	760,000	569,087	552,232	-207,768

Statement top-ups - Post 16 FE	949,406	949,406	1,204,729	255,323
Statement top-ups - OOB academy secondary	190,000	222,146	215,567	25,567
Statement top-ups - OOB academy primary	17,218	25,982	31,932	14,714
SEN contingency - academies	100,000	100,000	0	-100,000
Special top-ups - OOB academies	43,000	125,078	95,042	52,042
ARP top-ups - Barnet academies - primary	396,999	388,642	388,647	- 8,352
ARP top-ups - Barnet academies - secondary	1,735,521	1,000,270	969,972	-765,549
Medical Pathways - Barnet academies	10,000	10,000	10,000	0
Statement top-ups: Barnet academies – secondary	2,626,465	2,940,385	3,510,254	883,789
Statement top-ups: Barnet academies - primary	167,790	441,074	411,995	244,205
Statements: Barnet academy nursery classes	0	0	16,764	16,764
External Residential Care Contribution	153,150	153,150	153,150	0
Special Top-ups - NMSS Residential	810,000	971,202	583,903	-226,097
Special School Fees - Independent Residential	3,000,000	2,656,799	2,638,363	-361,637
Special Top-ups - NMSS Day	750,000	652,991	618,676	-131,324
Statement top-ups - Post 16 ISPs	1,542,074	1,542,074	929,191	-612,883
Special School Fees - Independent Day	3,170,000	2,841,656	3,035,658	-134,342
Statements - Private Early Years Providers	89,340	91,504	186,769	97,429
Statements - Independent Mainstream	1,174,300	1,093,836	1,224,146	49,846
Specialist Packages	450,000	350,000	563,544	113,544
Specialist Team Management	132,770	48,700	132,770	0
Area SENCOs (Early Years)	254,660	254,660	281,490	26,830
Children in Care (Education)	273,750	311,251	283,750	10,000
SEN Advisory Team	700,160	699,922	700,160	0

SEN Therapies	700,000	688,265	793,669	93,669
Pre School Teaching Team	185,230	185,230	237,366	52,136
SEN Inclusion - 3 and 4 year olds	151,090	151,090	128,760	-22,330
Special Schools - Insurance	12,793	3,793	12,793	0
Tracker Project	105,050	105,050	79,440	-25,610
SEN Training (Early Years)	20,000	20,000	17,500	-2,500
Barnet Early Autism Model	303,140	263,961	303,140	0
Small Circles	29,800	29,800	21,900	-7,900
SEN Inclusion - 2 year olds	65,000	65,000	65,000	0
Education Psychologist Team DSG	120,770	207,662	120,770	0
Support Services - DSG on line 1.2.5 SEN support	19,680	19,680	19,680	0
Hospital funding	438,006	456,006	430,000	- 8,006
Grand Total	43,848,109	42,335,305	43,243,143	-604,966

Risks

These estimates are the result of a rigorous analysis of placements for 2015/16, but it must be recognised that SEN placements are, by their very nature, difficult to predict. In the past few years, we have perhaps been over-cautious in our estimations, resulting in underspends at the end of the year. Given the pressure on the DSG overall, we have not built in to these figures any contingency for unexpected growth or even for additional support for EASEN/1:1 packages for ARPs and mainstream schools. As indicated in the report on the 2015/16 budget, this is a budgetary risk and it is therefore proposed that any requirement for contingency funding is the first call on the carried forward underspend from 2014/15.

Overall Trends

The underspends predicted for **2014/15** are fundamentally the result of a shift in expenditure from Other Local Authority and independent and non-maintained provision to local placements, which have reduced by a total of £1.5m from the budgeted provision for 2014/15. There has been an increase in planned spending on local provision of about £700,000 but this is offset by the fact that there was over-provision in one of the budget lines of the same amount. Thus the net projected underspend is around £1.5m.

In **2015/16**, the number of pupils with statements of SEN or Education, Health and Care Plans will continue to increase. It is estimated the increase will require:

- An extra £850,000 beyond the forecast outturn for 2014/15 for local specialist provision (Special Schools and ARPs)
- An additional £400,000 beyond the forecast outturn for 2014/15 for mainstream schools.

In addition, an extra £113,000 has been provided to continue the programme of developing local packages to avoid the need for residential placements and £160,000 to meet other pressure points. The total increase required for local provision is therefore **£1.52m** (above the forecast outturn for 2014/15).

However, it is expected that this will be offset by an estimated further reduction of £255,000 in the use of Other Local Authority (OOB) and independent provision (compared to the forecast outturn for 2014/15) and a reduction of £358,000 as a result of the increased use of maintained FE Colleges rather than Independent specialist providers. This amounts to a total decrease in the amount required for OOB and independent provision of **£0.61m** (compared to the forecast outturn for 2014/15).

As a result it is anticipated that an additional **£0.91m** will be required in 2015/16 compared with the 2014/15 forecast outturn, which amounts to **£0.6m** less than the budgeted figure for 2014/15.

8. Recommendations

- a) The Schools Forum is asked to note the current estimated position for the High Needs Funding Block for 2015-16.
- b) The Schools Forum is asked to approve the proposed new banding arrangements for Special Schools.
- c) The Schools Forum is asked to note the proposed number of places in Barnet's specialist provision for 2015-16.

Annex1

Funded places and occupancy by Barnet and non-Barnet resident pupils 2013/14 - 2015/16				Places funded	2014/15 Summer Term Occupancy			From DM/PR Aug 14		Places funded	
DfENo	School	Type	Age Range	2014/15	Barnet	OOB	Vacant	2015/16		2015/16	
Additional Resourced Provision -Autism								Sum	Au/Sp		
3022036	Livingstone	ARP	Nursery	6	6	-	-	6	6	6	} Full time equivalent
3022036	Livingstone	ARP	Primary (R-Y6)	17	14	-	3	17	17	17	
3023519	Broadfields	ARP	Primary (R-Y6)	21	21	-	-	21	21	21	
3022010	Child's Hill	ARP	Primary (R-Y6)	13	12	1	-	13	13	13	
3022077	The Orion	ARP	Primary (R-Y6)	3	2	-	1	6	6	9	New provision
3025400	Hendon	ARP	Secondary (Y7-11)	17	19	3	-5	19	19	19	} Note Pre & Post 16 split
3025400	Hendon	ARP	Sixth Form	2	-	-	2	2	2	4	
3025427	JCOSS	ARP	Secondary (Y7-11)	29/37	19	10	-	37	44	37/44	School filling : max 49
				108/116	93	14	1	121	128	123/130	
Additional Resourced Provision - Behaviour											
3025402	Mill Hill County High	ARP	Secondary (Y7-11)	35/27	27	2	6	28	28	28	} Places reduced to match demand
				35/27	27	2	6	28	28	28	
Additional Resourced Provision - Hearing Impairment											
3022052	Summerside	ARP	Primary (R-Y6)	11	7	-	4	11	11	11	
3025400	Hendon School	ARP	Secondary (Y7-11)	17	5	14	-2	19	19	19	} Note Pre & Post 16 split
3025400	Hendon School	ARP	Sixth Form	2	-	-	2	2	2	3	
				30	12	14	4	32	32	33	
Additional Resourced Provision - Physical Disabilities											
3022014	Colindale	ARP	Nursery	0	-	-	-	0	0	0	
3022014	Colindale	ARP	Primary (R-Y6)	8/9	8	1	-1	9	9	9	
3024012	Whitefield	ARP	Secondary (Y7-11)	4/3	2	2	-	3	3	3	} Note Pre & Post 16 split
3024012	Whitefield	ARP	Sixth Form	1	1	-	-	1	1	1	
				13	11	3	-1	13	13	13	

Additional Resourced Provision - Speech & Language

3022015	Coppetts Wood	ARP	Primary (R-Y6)	12	8	2	2	12	12	12	
3026905	London Academy	ARP	Secondary (Y7-11)	28/18	17	1	10	18	18	18	Note Pre & Post 16 split. Place numbers reduced to match demand.
3026905	London Academy	ARP	Sixth Form	0	1	-	-1	0	0	0	
				40/30	26	3	11	30	30	30	

All Additional Resourced Provision in Mainstream

226/216	169	36	21	223	230	223/230
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Special Schools

3027000	Oak Lodge	SPECIAL	Secondary (Y7-11)	125/117	104	6	15	116	116	116	} Note Pre & Post 16 split
3027000	Oak Lodge	SPECIAL	Sixth Form	46/54	53	1	-8	49	49	49	
3027005	Northway	SPECIAL	Primary (R-Y6)	91/92	86	10	-5	92	92	92	
3027009	Oakleigh	SPECIAL	Acorn	24	24	-	-	24	24	24	
3027009	Oakleigh	SPECIAL	Primary (R-Y6)	65/71	65	-	-	77	77	77	
3027010	Mapledown	SPECIAL	Secondary (Y7-11)	62/58	48	4	10	51	51	51	} Note Pre & Post 16 split
3027010	Mapledown	SPECIAL	Sixth Form	11/16	15	-	-4	22	22	22	
Total Special Schools				424/432	395	21	8	431	431	431	
Total of All Specialist Places				650/648	564	57	29	654	661	654/661	

Hospital Provision

3021103	Discovery Bay	HOSPITAL	All ages	12	-	-	12	0	0	0	Merging with The Pavilion Nov 14 Merging with Discovery Bay Nov 14
3021100	The Pavilion	HOSPITAL	All ages	0	-	-	-	20	20	20	
3021102	Northgate	HOSPITAL	Secondary (Y7-11)	12	-	-	12	12	12	12	
				24				32	32	32	

Pupil Referral Units

3021103	Discovery Bay	PRU	Secondary (Y7-11)	38	-	-	38	0	0	0	Merging with The
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Item 7.3 High Needs Block

3022073	Danegrove	PRU	Primary (R-Y6)	3	-	-	3	3	3	3	Pavilion Nov 14
3022077	The Orion	PRU	Primary (R-Y6)	3	-	-	3	3	3	3	
3021100	The Pavilion	PRU	Secondary (Y7-11)	70	-	-	70	108	108	108	Merging with Discovery
3021102	Northgate	PRU	Secondary (Y7-11)	10	-	-	10	10	10	10	Bay Nov 14
				124				124	124	124	

Item 7.4 Growth Fund

Growth Fund – funding for new schools and new phases

In October 2014, proposals on the funding of growing schools were considered by the Schools Forum and agreed. The funding rates reflected the levels of funding provided to a new basic needs academy (Millbrook Park) and a maintained school opening a secondary phase (St Mary's & St John's).

We now wish to ask the Schools Forum to further consider the scheme in order to provide clarity as we realise that the way the scheme was presented at the last Forum allowed for ambiguity. We have also become aware that we had omitted to include an amount for 'diseconomies of scale' in the first year of opening of new phases, having only specified a pre-opening grant.

No changes are proposed to arrangements for funding bulge classes that are not full or to the funding levels for bulge classes that were agreed at the Schools Forum in October, which were as follows for the year in which any new classes open:

- Primary bulge class: £58,000
- Secondary bulge class: £71,000
- Primary increase in admission number: £48,000 per class
- Secondary increase in admission number: £61,000 per class

Note: these only relate to expansions commissioned by the council to meet Basic Need.

The proposed scheme for new schools and new phases is set out in the tables below. The elements of the scheme are:

1. Pre –opening costs

No change is proposed to the pre-opening costs agreed at the last Forum

2. First year of opening

The table re-instates a lump sum in the first year of opening to rectify the omission referred to above.

3. Post-opening – subsequent years

We need to bear in mind the increasing pressure on the Growth Fund as large primary cohorts move into the secondary phase over the next few years and we need to set funding at sustainable levels. We propose a funding arrangement that moves us closer to the amount the EFA funds new free schools. However, this is expected to increase the required Growth Fund by about £200,000 in 2015/16.

4. Schools opening a new phase

The DfE has not issued any guidance for established free schools opening a new phase, presumably because the DfE would consider such an expansion would meet local need and therefore be the responsibility of the LA. As agreed at the last meeting, we are still proposing that, where schools are opening a new phase, the funding is at 50% of the proposed rate of growth funding for new schools.

5. Proposed funding rates for new schools and schools opening a new phase

Barnet Financial Year	Empty Year Groups	New Primary School (basic need)		New Primary phase in existing secondary school	
		Lump sums	Funding formula	Lump sums	Funding formula
Primary Rates					
Year before opening	7	100,000	-	50,000	-
Year of opening Year R	6	122,000	Estimated pupil numbers	61,000	Estimated pupil numbers
Year of opening Y1	5	53,750		26,875	
Year of opening Y2	4	43,000		21,500	
Year of opening Y3	3	32,250		16,125	
Year of opening Y4	2	21,500		10,750	
Year of opening Y5	1	10,750		5,375	
Year of opening Y6	-	-		-	
		£ 10,750		£ 5,375	
		per empty YG		per empty YG	
Barnet Financial Year	Empty Year Groups	New Secondary School (basic need)		New Secondary phase in existing primary school	
		Lump sums	Funding formula	Lump sums	Funding formula
Secondary rates					
Year before opening	5	180,000	-	90,000	-
Year of opening Y7	4	150,000	Estimated pupil numbers	75,000	Estimated pupil numbers
Year of opening Y8	3	81,000		40,500	
Year of opening Y9	2	54,000		27,000	
Year of opening Y10	1	27,000		13,500	
Year of opening Y11	-	-		-	
		£ 27,000		£ 13,500	
		per empty YG		per empty YG	

6. New voluntary-aided schools

Where an independent school is admitted to the maintained sector as a voluntary aided school, the pre-opening lump sum and the post-opening lump sums will not apply, even where there are empty year groups.

7. Action

Schools Forum members are asked to:

- Note the additional cost of the proposed post-opening payments
- Approve the scheme as set out in section 5 above
- Note the proposals for independent schools joining the maintained sector as voluntary aided.

Item 8 Draft agenda for next meeting: 5 February 2015

1. Welcome to new members
2. Apologies for absences
3. Declarations of interest
4. Minutes of previous meeting: 4 December 2014
5. Matters Arising
6. Items for information
 - 6.1. Budget monitoring 2014/15
 - 6.2. Progress of the SEN working group and review
 - 6.3. 2015/16 Dedicated Schools Grant and Schools budget
7. Items for decision
 - 7.1. tba
8. Draft agenda for next meeting: 14 May 2015
9. Any other business