

Minutes of the Schools Forum Meeting
12th October 2017
(4pm, Training Room 2, BEST Hub, Colindale)

Attended Members	Name	Representing	Type of Member	Member Until End
	Beata Felmer	London Academy	Substitute for Angela Trigg (Academy Principal)	Sept 2019
	Nigel Taylor	Childs Hill	Primary Community Governor	May 2018
	Robin Archibald	Broadfields Primary Academy	Academy School Representative	July 2019
	Gilbert Knight	Oakleigh	Special School Governor	Sept 2019
	Jeanette Adak	Monkfrith Primary	Primary Community HT	Sept 2019
	Jo Djora	The Hyde Academy	Academy School Principal	July 2017
	Joanne Kelly	Pavilion PRU	Pupil Referral Unit	Sept 2019
	Jude Stone	Cromer Road	Primary Community HT	Mar 2018
	John Bowra	Christ's College Finchley	Secondary School Governor	July 2020
	Keith Nason	National Education Union	Stakeholders – Unions	Sept 2019
	Lesley Ludlow	Moss Hall Infants	Primary Community Governor	Apr 2017
	Liz Pearson	Early Years Learning Alliance	Substitute for Annette Long – Nursery Community HT	
	Simon Horne	Friern Barnet	Secondary HT	Oct 2017
LA Officers	Ian Harrison	Education and Skills Director (Cambridge Education)	Officer	n/a
	Claire Gray	School Funding Manager		n/a
	Val White	Lead Commissioner		n/a
	Gaspare Nicolini	Senior Business Partner		n/a
	Tamara Kulatunga	CSG – School Funding		n/a

Did not Attend	Name	Representing	Type of Member	Member Until End
Members	Andrew McClusky	Hasmonean High School	Academy School Principal	Oct 2018
	Alayah Hirst	Independent Jewish Day School	School Governor	Jul 2020
	Ruth Taylor	Trent	VA Governor	Jul 2020
	David Byrne	Barnet and Southgate Col	14-19 Provider Rep	Sept 2019
	Kit Davies	Barnet and Southgate Col	Substitute 16-19 Provider	Sept 2019
	Ian Stewart	Hasmonean High School (Boys Site)	Substitute Academy Head of Finance	Oct 2018
	Lesley Burgess	Northway	Special School Headteacher	Sept 2019
	Marc Lewis	Wren Academy	Substitute Academy Finance Director	Nov 2019
	Angela Trigg	London Academy	Academy Representative	Sept 2019
	Siobhan O'Connell	Middlesex University Nursery	Substitute Private Provider	Sept 2019
	Jane Harris	Garden Suburb Schools	Substitute Community Governor	Jul 2020
	Anthony Vourou	St John's N11	Primary VA / Found. Governor	Sept 2019
	Sarah Vipond	Middlesex University Nursery	Early Years Private Provider Representative	Sept 2019
Non Members	Councillor Reuben Thompstone	Lead member for Children's services		

1. SCHOOLS FORUM MEMBERSHIP

1a. Membership Review

The meeting papers show the revised profile of School Forum membership based on October 2016 School and Academy pupil numbers.

The Schools Forum now has 8 vacancies, 2 more than originally shown. CG stated that volunteers are needed to replace members who have left and requested governor and headteacher members canvas additional volunteers whenever possible.

1b. Election of chair and vice-chair

Members were asked to nominate a Chair and Vice Chair-person for the forthcoming academic year.

Nigel Taylor (NT) nominated Gilbert Knight (GK); this was seconded by Jeanette Adak (JA). As there were no other nominations, GK was elected.

Joanne Kelly (JK) nominated Simon Horne (SH) as Vice-Chair; seconded by Jude Stone. As there were no other nominations, SH was elected.

GK chaired the meeting from this point forward.

2. WELCOME TO NEW MEMBERS

GK thanked Schools Forum for their nomination and welcomed new members : Jane Harris – Governor - Garden Suburb school, Annette Long – Moss Hall Nursery and Ruth Taylor – Governor - Trent CE (apologies for this meeting)

GK bid farewell to members leaving the Schools Forum: Jodi McCallum – Retiring from Barnet, Matthew Glenn – Leaving St Mary's and St John's, Jack Newton – resigned membership and Cllr Salinger – not on any committees as currently the mayor.

IH introduced two new CSG officers - Gaspare Nicolini (Senior Finance Business Partner) and Tamara Kulatunga (Deputy School Funding Manager).

3. APOLOGIES

Apologies were received from Ruth Taylor and Cllr. Thompstone.

4. DECLARATIONS OF INTEREST

GK asked if there were any declarations of interest regarding personal pecuniary gain.

Keith Nason (KN) declared his interest in De-delegation of Trades Union duties and funding. KN also mentioned that NUT and ATL unions have merged to become The NEU – The National Education Union.

5. MINUTES OF PREVIOUS MEETING

Agreed as a true and accurate record of the last meeting.

6. MATTERS ARISING

None.

7. ITEMS FOR INFORMATION

7a. 2017/18 budget monitoring and revised budget

Gaspare Nicolini (GN) presented the Quarter 2 budget monitoring as shown in the agenda. The main pressures include Early Years reduction in income as a result of January census data (£0.425m), underlying pressure in rising cost of High Needs place expenditure / top ups (£0.342m). NNDR rates revaluations (£0.212m) and adjustment to January funding – ISB (0.379m).

A request made to Schools Forum to approve the additional amount of £1.358m to be charged to brought forward reserves was approved in principle. It was noted that reserves have now dropped down to circa: £1m.

Nigel Taylor questioned if this is a historic low for reserves. GN stated that although the balance is historically low for Barnet, we are in a better position than most other local authorities.

Jo Djora (JD) asked if increased High Needs costs are common for this time of the year. IH stated it is but that the SEN team are undertaking a review to understand current pressure areas. Val White also mentioned that there are a larger number of post 16's this year.

7b. 2018/19 APPRENTICESHIP LEVY FOR COMMUNITY SCHOOLS

The transitional arrangement for the council to cover the cost of levy contributions for community schools in 2017/18 has come to an end. IH confirmed that this will not continue in 18/19. It was also confirmed that this includes Nursery schools. However, all schools should be able to draw on training credits available.

8. TOWARDS A NATIONAL FUNDING FORMULA

8a. National funding formula, dfe announcements and NFF proposals

IH presented a number of slides (attached to these minutes) on school funding, beginning with slides on the provisional allocation of DSG funding and Barnet's options for the school funding formula in 2018-19.

2018/19 estimated DSG income and expenditure breakdown was presented based on indicative figures based on October 2016 census data. It was highlighted that figures will be subject to change arising from the October 2017 census data and the authority's final DSG allocation.

3 options were presented to Schools Forum. Option 1 - Modified Barnet formula, Option 2 – National Funding formula and option 3 – National formula with additional protection.

Option 1 would use a modified Barnet formula. This would exceed the school block income by £97k which would require a transfer from another block or an adjustment to the formula. MFG protection on reductions would continue at -1.5% per pupil. The schools forum discussed the feasibility of this option and agreed that it would create too much of a strain for losers when the national funding formula is implemented in full.

Option 2 would use NFF rates in the APT exactly as prescribed. This will result in an underspend of £0.820m against the £242,807m available in the schools block. This will leave the MFG at -1.5% (max loss per pupil). The maximum cash gain is likely to be +£162k and the maximum cash loss -£94k.

Option 3 will prepare schools for the eventual full implementation of the 'hard' National Funding Formula in 2020/21 by providing a smoother transition for losers rather than the big bang approach. This can be achieved by offering improved MFG protection for losers (-0.5% per pupil) but a cap on gains (0.5% per pupil). The maximum cash gain is likely to be +£44k and the maximum cash loss -£31k.

The Schools Forum was invited to comment on all 3 options. The Schools Forum decided to dismiss option 1 (current modified Barnet formula) and it was confirmed that modelling for all schools on Options 2 (NFF) & 3 (NFF with additional protection) will be included in the consultation. The council recommended option 3.

The council will consult all schools on the principles and present the results to the Schools Forum in December. The consultation will be held between mid - October and mid - November.

The council is consulting on the principles of protection/ capping, but the actual level of MFG protection and the cap on gains will be agreed when the total 2018/19 DSG funding is known in January as a result of the October 2017 census data.

8b. 2018/19 Education Services Grant

IH mentioned that the situation in relation to the removal of the Education Services Grant (the 2016/17 ESG general rate element for Barnet - £2.8m) has not changed. The 2017/18 reduction was absorbed by the council but this may not continue.

The council would require the agreement of the maintained schools members of the Schools Forum to de-delegate funding to pay for services that were previously funded from the general rate element of the ESG. This would affect *maintained schools only*. If the council were to ask for dedelegation to make up £0.8m or the £2.8m lost income, the average cost per primary maintained school would be £8,500 (varying with pupil numbers) and £17,000 on average for secondary maintained schools.

If the authority and Schools Forum are unable to agree on the level of DSG to be retained by the LA to cover retained duties, the LA may refer it to the Secretary of State.

Keith Nason (KN) questioned if this de-delegation includes foundation schools, the answer was yes.

NT wanted to know if there is a breakdown of this figure rather than based on a single amount per pupil. Simon Horne mentioned that it is not possible to compare costs with other LAs if there is no breakdown available. GN stated that other LAs will also be setting a single rate per pupil.

Schools Forum noted the current position and noted that a special meeting of the Schools Forum would be held if the council does ask for dedelegation to cover lost ESG income. The Forum will then wish to consider whether schools should be consulted before the Forum decides its response to the council.

9. Any other business

BF questioned when each school would be made aware of their draft 18/19 allocation. It was confirmed that indicative figures (based on October 2016 census data) would be circulated as part of the consultation document. Revised figures would be circulated after the updated DSG allocations and revised national funding formula allocations, based on 2017 census data, are available in January.

10. Draft agenda for next meeting

Members approved the draft agenda for the next meeting. GK closed the meeting by thanking everyone for attending. The meeting closed at 5.00pm.

Schools Forum

Draft outline 2018-19 budget and School Funding Formula options

12 October 2017

Minute Item 12

Indicative 2018-19 DSG Income

Illustrative allocations from DfE	Gross income	Growth on 17-18	Initial expenditure estimate
	£m		£m
Schools Block	243.831	+0.8%	243.831
Growth	included in Schools block		
HN block	47.830	+2.05%	47.830
Central	2.090	+1.96%	2.090
EY block	27.421	+6.74%*	27.421
Total Income	321.172	+1.01%	321.172
	*mainly due to the new 30-hour provision		

Indicative 2018-19 DSG expenditure

	Indicative 2018/19 DSG Expenditure	Block	Indicative 2018/19 DSG Expenditure £m
1.0.1	ISB	Schools	242.807
	HN (ARP) places	Schools	now included in ISB
	HN places (now £6k per place)	HN	9.117
	Hospital	HN	0.541
	2,3 & 4 year old funding to providers	EY	26.202
		Subtotal	278.667

	Indicative 2018/19 DSG Expenditure	Block	£m
1.1.2	Behaviour Support Services	Schools	0.079
1.1.3	Support to UPEG and bilingual learners	Schools	0.085
1.1.9	Staff costs - supply cover for facility time	Schools	0.048
	1.1 De-delegation subtotal		0.211
1.2.1	Top-up funding - maintained schools	HN	16.256
1.2.2	Top-up funding - academies, free schools and colleges	HN	8,070
1.2.3	Top-up and other funding - non-maintained and independent providers	HN	9.529
1.2.5	SEN support services	HN	3.567
1.2.5	SEN Inclusion Fund (contribution from EY block)	EY	0.100
1.2.11	Direct payments (SEN & Disability)	HN	0.350
	1.2 Subtotal		37.871

	Indicative 2018/19 DSG Expenditure	Block	£m
1.3.1	Central expenditure on children under 5s – and 1.3 sub-total	EY	1.119
1.4.1	Contribution to combined budgets	Central	0.464
1.4.2	School Admissions	Central	0.401
1.4.3	Servicing of schools forums	Central	0.035
1.4.10	Pupil growth / Infant class sizes	Schools	0.813
1.4.11	SEN transport	HN	0.400
1.4.13	Other items	Central	0.392
	1.4 Subtotal		2.505
1.5.1	Education welfare service - Former ESG retained duties	Central	0.287
1.5.2	Asset management - Former ESG retained duties	Central	0.026
1.5.3	Statutory/ Regulatory duties - Former ESG retained duties	Central	0.485
	1.5 Subtotal		0.798

	Indicative 2018/19 DSG Expenditure TOTALS	Block	Indicative 2018/19 DSG Expenditure £m
1.01	ISB	Schools	278.667
1.1	De-delegated budgets	Schools	0.211
1.2	High Needs	HN (+EY)	37.871
1.3	Central expenditure on EY	EY	1.119
1.4	Central provision	Central (+HN)	2.505
1.5	ESG Retained Duties	Central	0.798
	Total		321,171

Growth

Mainstream

- £3,093,000 - pupil funding for growth classes/year groups – line 1.01
- £813,000 - one-off costs for bulge classes, diseconomy funding etc.- line 1.4.10

SEN

- £376,000 - Increased placement and top-ups (mainly post-16) – line 1.2.2

School Funding Formula – DfE announcements and guidance

- **Allocations** to LAs based on NFF
- LAs may adopt a **transitional formula** in 18-19 and 19-20
- Funding allocations to LAs will be based on a minimum **0.5%** per pupil cash increase in 2018/19.
- Schools Forum agreement is needed to transfer any funding out of the **schools block**
- LAs encouraged to seek Schools Forum approval for any **other block transfers**

School Funding Formula - options

- Option 1 – modified Barnet formula
- Option 2 - National Funding Formula
- Option 3 - National Funding Formula with additional protection

Please note – all models are based on **October 2016 census data** and are subject to change once October 2017 census data is finalised and actual 2018/19 block allocations are confirmed. Unit funding for primary and secondary fixed for 2 years irrespective of deprivation volume changes.

Option 1 – modified Barnet formula

Would **exceed Schools Block** income by £97,411

Would require:

- Transfer from **another block** OR
- An **adjustment to the formula e.g. reduced AWPUP or reduce deprivation funding**

The Minimum Funding Guarantee (**MFG**) protection on reductions would continue at -1.5% per pupil

The **cap on gains** would need to be adjusted to ensure the expenditure remained within the schools block allocation (currently £242.807m).

Option 1 – Barnet formula

	2017/18 data/ Barnet formula cost £m
APT allocations	241,964,958
De-delegation	-211,380
Devolved to schools (post de-delegation)	241,753,578
ARP pupil place costs added into APT allocations	1,150,453
Total cost of Barnet formula	242,904,031
Overspend (if no adjustments)	-97,411

Option 2 – National Funding Formula

- Using **NFF rates in the APT** exactly as prescribed
- And leaving the MFG at **-1.5%** (max loss per pupil)
- Results in an **underspend of £0.820m** against the £242.807m available in the Schools Block.

Option 2 – National Funding Formula

	2017/18 data/ NFF formula
APT allocations	241,057,671
De-delegation	-211,380
Devolved to schools (post de-delegation)	240,846,291
ARP pupil place costs added into APT allocations	1,140,629
Total cost of NFF	241,986,920
Underspend	819,699

NFF formula implications

	NFF
Schools losing	90
Schools gaining	25
Max cash loss	-£94,087
Max cash gain	+£161,682 *
Max % loss	-1.47%
Max % gain	+18.89% *
No. of Primary losers	71
No. of Primary gainers	19
No. of Secondary losers	18
No. of Secondary gainers	6
	* figures being checked

NFF formula implications

	NFF
Average Primary loss %	-1.23%
Average Primary gain %	+3.77%
Average Secondary loss %	-1.24%
Average Secondary gain %	+1.27%
Average Primary loss £	-£17,139
Average Primary gain £	+£47,439
Average Secondary loss £	-£52,499
Average Secondary gain £	+£65,943

Option 3 – National Funding Formula with additional protection

Rationale:

- **Move towards NFF** to prepare schools for the eventual full implementation of the ‘hard’ National Funding Formula in 2020/21.
- Provide a **smoother transition** for losers than the big bang approach of introducing the full NFF immediately:
- Thus avoid the **cliff edge** of a large change in one year – and **minimise turbulence** to schools.

This can be achieved by offering **improved MFG protection for losers** but a **cap on gains**.

Option 3 – National Funding Formula with additional protection

Proposal

- **Cap on gains** – aim to match the per pupil funding increase proposed by the DfE of **0.5%** per pupil
- **Increase protection to ca. -0.5%** per pupil (instead of -1.5% per pupil protection).
- Once final DSG allocations are clearer it is proposed to **adjust the protection and ceilings so that the schools block is fully allocated.**
- **The proposal may be subject to change** depending on the October 2017 census data and the authority's final DSG allocation and would be set to fit the overall funding available.

Option 3 – National Funding Formula with additional protection

	2017/18 data/ NFF formula with additional protection
APT allocations	241,496,206
De-delegation	-211,380
Devolved to schools (post de-delegation)	241,284,826
ARP pupil place costs added into APT allocations	1,140,629
Total cost of transitional formula	242,425,455
Underspend	381,164

Comparison of NFF and NFF with protection

	NFF	NFF with additional protection
Schools losing	90	90
Schools gaining	25	25
Max cash loss	-94,087	-31,362
Max cash gain	161,682*	44,051*
Max % loss	-1.47%	-0.49%
Max % gain	18.89%	4.80%
No. of Primary losers	71	71
No. of Primary gainers	19	19
No. of Secondary losers	18	18
No. of Secondary gainers	6	6
	* figures being checked	

Comparison of NFF and NFF with protection

	NFF	NFF with additional protection
Average Primary loss %	-1.23%	-0.31%
Average Primary gain %	3.77%	0.72%
Average Secondary loss %	-1.24%	-0.31%
Average Secondary gain %	1.27%	0.48%
Average Primary loss £	-£17,139	-£4,332
Average Primary gain £	+£47,439	+£9,040
Average Secondary loss £	-£52,499	-£13,479
Average Secondary gain £	+£65,943	+£25,430

Recommendation and proposal for consultation

The council **recommends Option 3**

It proposes to **consult all schools** between mid-October and mid-November **on Options 2 and 3**.

The consultation proposal is set out in the next slide.....

The Schools Forum is invited to **comment** on the council's recommendation and proposal to consult.

Consultation proposal

The council recommends the **phased introduction** of the National Funding Formula over the next three years.

Under this approach, schools that will lose funding under the national formula will be protected from the full losses through a **minimum funding guarantee** (MFG). The MFG is expected to be at about **-0.5%** in 2018-19.

To make this additional protection affordable it will be necessary to put a **cap** on the increases for schools that gain under the national formula. The cap is expected to be at **0.5%**.

The actual amounts would be agreed once total funding is known in January.

Based on the indicative school level modelling [schools will be sent the allocations for all schools under each option], which of the following options do you think the council should adopt in 2018-19:

- a) Implement the **NFF in full** (option 2 above)? OR
- b) Implement the **NFF with additional protection** – the phased approach recommended by the council (option 3 above)?

Questions and discussion

Education Services Grant

Total reduction in ESG funding **£2.8m** in respect of maintained schools

Covers e.g.

- Statutory and regulatory **financial duties**
- **Internal audit**
- Provision of **information to government** departments and agencies
- **Asset management**
- Premature retirement and **redundancy**
- Monitoring **national curriculum assessments**
- **School improvement services** (part of the cost)

Education Services Grant

LAs may '**retain**' some of their schools block funding to cover the statutory duties for maintained schools – under consideration in view of the council's budget pressures

Agreement to **de-delegate** would need support of maintained school representatives on the Schools Forum – if not agreed, the LA can refer to the Secretary of State

e.g. If the council were to ask for 0.8m of the £2.8m, the cost would be:

- about **£8,500** for an average maintained primary school
- about **£17,000** for an average maintained secondary school.

Apprenticeship levy

- **Transitional arrangement** in 2017-18 – funded by the council
- Following advice (from the DfE etc.) it is **unable to fund** this for community schools from 18-19
- The average cost of the levy will be **£8,200** for primaries and **£21,000** for the one community secondary school.
- However, note: community schools can then draw on **training credits** to pay for training of any apprentices
- Apprentices can be placed in **established posts** and paid the **London Living Wage**