

	<p>Children, Education, Libraries and Safeguarding Committee</p> <p>10th June 2015</p>
<p>Title</p>	<p>Annual Report on school and early years budget issues</p>
<p>Report of</p>	<p>Commissioning Director, Children and Young People and Director of Children’s Services</p> <p>Education and Skills Director</p>
<p>Wards</p>	<p>All</p>
<p>Status</p>	<p>Public</p>
<p>Enclosures</p>	<p>Appendix A - Annual Report on school and early years budget issues</p>
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Summary
<p>This report contains an annual update on school and early years funding requirements and arrangements in Barnet (Appendix 1). The report sets out a range of matters for the Children, Education, Libraries and Safeguarding Committee to consider in relation to proposed funding arrangements for 2016/17. It proposes that school and early years settings are consulted in relation to arrangements for school funding in 2016/17.</p>

Recommendations

That the Children, Education, Libraries and Safeguarding Committee:

- 1. Note the annual report on school and early years budget issues and agree to consult schools and the Schools Forum on the approach set out in the report.**
- 2. Authorise officers to consult schools and the Schools Forum on the options for amending the Schools Funding Formula as set out in section 2.10 of the Appendix**
- 3. Delegate to the Commissioning Director, Children and Young People (Director of Children's Services) authority to add further options for consultation, which are proposed by the Schools Forum at its next meeting provided they do not require a significant increase in budget provision other than for increasing pupil numbers.**
- 4. Delegate to the Commissioning Director, Children and Young People (Director of Children's Services) authority to make any necessary amendments to the Schools Funding Formula to enable the changes to be included in the submission of the Authority Proforma Tool (APT) to the DfE on 31 October.**
- 5. Authorise officers to consult early years providers (schools and the PVI sector) and the Schools Forum on one or more options for amending the Early Years Single Funding Formula, as set out in section 4.36 of the Appendix.**
- 6. Agree to receive a report back on the outcome of the consultation on the Early Years Single Funding Formula in time for the committee to decide whether to make any changes to the formula before the agreed formula has to be submitted to the DfE in January 2016.**

1. WHY THIS REPORT IS NEEDED

- 1.1 At its meeting on 9th March 2015, the Children, Education, Libraries and Safeguarding Committee received a report on 'The structure of the Schools Forum and its decision-making and advisory powers'. It set out the roles and responsibilities of the Schools Forum and the local authority. The report can be found at:
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=697&MId=7927&Ver=4>
- 1.2 The report proposed that an annual report on the local funding formulae for schools and early years and other financial issues affecting early years and schools (as described in 1.3 below) should be submitted to the committee, so that members can take decisions that are within the committee's remit that relate to the major issues considered by the Schools Forum. This proposal was agreed by the committee.

- 1.3 This report therefore sets out proposed arrangements for various financial issues relating to schools and early years provision, as a basis for consultation with schools and the Schools Forum, including:
- The local funding formulae for schools and for early years.
 - Financial issues relating to:
 - arrangements for the education of pupils with special educational needs
 - arrangements for the use of pupil referral units and the education of children otherwise than at school
 - arrangements for early years provision
- 1.4 The proposed arrangements and proposals for consultation are set out in the Appendix to this report, as follows:
- Section 1 - Introduction, including outline explanations of the Dedicated Schools Grant, Section 251, school and sixth-form funding, the growth fund and the use of the overall Schools Budget.
 - Section 2 - The local funding formula for schools, including proposals to consult on possible changes to the formula.
 - Section 3 - SEN and PRU funding – an explanation of financial arrangements for the education of pupils with special educational needs and funding of pupil referral units.
 - Section 4 – Early Years funding, including central services, provision for 2 year olds, provision for 3 and 4 year olds, Nursery School funding and proposals to consult on possible changes to the Early Years Single Funding Formula (for 3 and 4 year olds).
- 1.5 Following consideration of this report by the Children, Education, Libraries and Safeguarding Committee, it is proposed to consult schools and the Schools Forum between July and late October 2015 on the local funding formula for schools and the financial issues indicated above. This is to enable the outcome of the consultation to inform the submission of the Authority Proforma Tool (APT), which shows details of the Schools Budget and must be submitted to the Department for Education (DfE) by 31 October each year. The Schools Forum is due to meet again on 2 July 2015 and will discuss school funding issues. It is proposed that, if the Schools Forum proposes any options for the school funding formula in addition to the options set out in the attached report, that these options are also included in the consultation, provided such options do not require a significant increase in budget provision other than for increasing pupil numbers.
- 1.6 As it will be necessary to continue consultation up to the end of the first half of the autumn term in late October, so that there is a whole half-term of consultation time, and as the Children, Education, Libraries and Safeguarding Committee is not due to meet at the end of October, it is proposed that the

Commissioning Director, Children and Young People (Director of Children's Services) be authorised to decide on any amendments to the Schools Funding Formula to enable the changes to be included in the submission to the DfE on 31 October. The changes will be reported to the next meeting of the CELS committee after 31 October, which will be able to agree amendments to the changes, if it wishes, provided such decisions are made before the formula has to be finalised in January,

- 1.7 It is proposed to consult on the early years single funding formula between September and November, as the details of the early years formula do not need to be agreed until January. The outcome of the consultation will be reported to the Children, Education, Libraries and Safeguarding Committee in December/January, so the committee can decide on any changes before the formula has to be submitted to the DfE on 31 January.

2 REASONS FOR RECOMMENDATIONS

- 2.1 The proposed recommendations enable a consultation process to be undertaken with schools and early years settings to inform the allocation of school and early years funding in 2016/17.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The alternative option would be not to undertake a consultation programme and continue with the current arrangements. This is not recommended as it would not allow the issues raised in Appendix 1 to be explored with schools and early years settings.

4. POST DECISION IMPLEMENTATION

- 4.1 If the recommendations are approved, the consultation with schools and early years settings will commence as set out in Appendix 1.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

Ensuring that resources available to schools and early years settings are appropriately allocated and support the delivery of the council's Corporate Plan to ensure that 'Barnet's children and young people will receive a great start in life' and that 'Barnet schools will be amongst the best in the country, with enough places for all and with all children achieving the best that they can'.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

There are no financial implications arising directly from this report. It is only proposed to consult on options for changing the schools funding formula that do not require a significant increase in budget provision other than for

increasing pupil numbers. Any increase will be containable within the overall Schools Budget (with funding from the Dedicated Schools Grant).

Any financial impact to the council as a result of the proposed review of Barnet's early years funding formula (that may impact on the funding arrangements for nursery schools) will form part of the reporting of the results of the review to the Children, Education, Libraries and Safeguarding Committee.

5.3 Legal and Constitutional References

The composition, constitution and procedures of Schools Forums are set out in the Schools Forums (England) Regulations 2012 (S.I. 2012/2261). They set out the respective roles and responsibilities of the local authority and the Forum.

The Council Constitution's Responsibility for Functions, Annex A, delegates the Children, Education, Libraries and Safeguarding Committee the power to be responsible for those powers, duties and functions of the Council in relation to Children's Services. The Constitution further delegates the Committee the responsibility for adequate investment in educational infrastructure in order to meet the needs of the borough's learners.

5.4 Risk Management

The annual submission of school funding information to the Department for Education is governed by a strict timetable to ensure that schools are allocated budgets in good time for each new financial year. The deadlines required by the Department can vary. There is a risk that the Committee meeting dates do not align well with the Government timetable. The process will be reviewed after the first year to assess the level of this risk.

5.5 Equalities and Diversity

The Council has a duty contained in section 149 of the Equality Act to have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it

The protected characteristics are:

- age
- disability;
- gender reassignment;
- pregnancy and maternity;
- race;

- religion or belief;
- sex;
- sexual orientation.

In reviewing the arrangements for the education of pupils with special educational needs and for the use of pupil referral units and the education of children otherwise than at school, this report seeks to ensure that the particular needs of vulnerable children and young people are championed

5.6 Consultation and Engagement

The regulations set out the requirements to consult with schools for aspects of school funding. This consultation will be undertaken where required.

6 BACKGROUND PAPERS

Children, Education, Libraries and Safeguarding Committee 9th March 2015

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=697&MIId=7927&Ver=4>