

**MEETING**

**SCHOOLS FORUM**

**DATE AND TIME**

**TUESDAY 11TH OCTOBER, 2016**

**AT 4.00 PM**

**VENUE**

**BEST HUB, LANACRE AVENUE, GRAHAME PARK, COLINDALE, LONDON NW9 5FN**

**TO: MEMBERS OF SCHOOLS FORUM (Quorum 11)**

Chairman: To be elected

Vice Chairman: To be elected

**Members:**

Andrew McClusky	Hasmonean High	Jude Stone	Cromer Road
Angela Trigg	London Academy	Lesley Burgess	Northway School
Anthony Vourou	St Johns CE N11	Lesley Ludlow	Moss Hall Infants
David Byrne	Barnet & Southgate College	Matthew Glenn	St Mary's & St John's
Elizabeth Pearson	Holly Park	Maureen Kelly	St Theresa's Catholic
Gilbert Knight	Oakleigh	Michael Whitworth	Wren Academy
Jack Newton	Grasvenor Infants	Nigel Taylor	Wessex Gardens
Jeanette Adak	Monkfrith Primary	Robin Archibald	Broadfields Academy
Jo Djora	The Hyde Academy	Sarah Vipond	Middlesex Uni. Nursery
Joanne Kelly	Pavilion PRU	Simon Horne	Friern Barnet
Keith Nason	National Union of Teachers		

**Councillors**

Reuben Thompstone

**Officers**

Chris Munday	Commissioning Director for Children and Young People
Ian Harrison	Education & Skills Director (Cambridge Education)
Val White	Lead Commissioner
David Monger	Interim SEN Manager (Cambridge Education)
Carol Beckman	CSG – School Funding
Claire Gray	CSG – School Funding
Catherine Peters	CSG – Head of Finance

**Substitute Members**

Tom Brighton (for Angela Trigg)  
Cllr Brian Sallinger (for Elizabeth Pearson)  
Marc Lewis (for Michael Whitworth)  
Ian Stewart (for Andrew McClusky)  
Siobhan O'Connell (for Sarah Vipond)

**Observers**

EFA

**You are requested to attend the above meeting for which an agenda is attached.**

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**Minutes of the Schools Forum Meeting**  
**12<sup>th</sup> May 2016**  
**(4.00 pm, Training Room 3, BEST hub, Colindale)**

<b>Attended</b>	<b>Type of Member</b>	<b>Name</b>	<b>Representing</b>	<b>Member until end</b>
<b>Members</b>	Primary Community Gov	Elizabeth Pearson	Holly Park	Sep 2016
	Special School Governor	Gilbert Knight	Oakleigh	Sep 2016
	Primary Community HT	Jeanette Adak	Monkfrith Primary	Sep 2016
	Academy School Principal	Jo Djora	The Hyde Academy	Jul 2017
	Primary Foundation/ VA Gov	Anthony Vourou	St Johns CE N11	Sep 2016
	Unions	Keith Nason	National Union of Teachers	Sep 2016
	Primary Community Gov	Lesley Ludlow	Moss Hall Infants	Apr 2017
	Primary Foundation/VA HT	Matthew Glenn	St Mary's & St John's	Apr 2018
	Nursery School Headteacher	Perina Holness	Moss Hall Nursery	May 2017
	Secondary HT	Simon Horne	Friern Barnet	Oct 2017
	Primary Community Gov	Nigel Taylor	Wessex Gardens	May 2018
	Primary Foundation/VA HT	Maureen Kelly	St Theresa's Catholic	Jul 2017
	Private Early Years Provider	Sarah Vipond	Middlesex Uni. Nursery	Sep 2016
	Substitute Academy Head of Finance	Ian Stewart	Hasmonean High School (Boys' Site)	
	EFA Observer			
<b>LA Officers</b>	LBB Officer	Ian Harrison	Education & Skills Director	
	LBB Officer	Val White	Lead Commissioner	
	LBB Officer	Claire Gray	CSG – School Funding	
	LBB Officer	Catherine Peters	CSG – Head of Finance	
	LBB Officer	Cinzana Khan	CSG – School Funding (Clerk)	

<b>Did not attend</b>				
<b>Members</b>	Academy School Principal	Andrew McClusky	Hasmonean High School	Oct 2018
	Pupil Referral Unit	Joanne Kelly	Pavilion PRU	Sep 2016
	Primary Community HT	Clare Rees	Sunnyfields Primary	Feb 2017
	Primary Community Gov	Cllr Brian Salinger (substitute for Elizabeth Pearson)	Holly Park/Livingstone	Sep 2016
	Primary Community HT	Jude Stone	Cromer Road	Mar 2018
	14-19 Provider Representative	David Byrne	Barnet & Southgate Col	
	Academy School Principal	Jack Newton	Grasvenor Infants	Nov 2015
	Academy School Principal	Jane Beaumont	Copthall	Jan 2016
	Academy School Representative	Robin Archibald	Broadfields Primary Academy	
	Special School Headteacher	Lesley Burgess	Northway	Sep 2016
	Primary Community HT (4)	Sally Lajalati	Colindale Primary	Sep 2014
	Academy School Principal	Marc Lewis (substitute for Michael Whitworth)	Wren Academy	Nov 2016
	Academy Representative	Tom Brighton (substitute for Angela Trigg)	London Academy	Sep 2016
	Secondary HT	Seamus McKenna	Finchley Catholic	Nov 2016
	Academy Principal	Angela Trigg	London Academy	Sep 2016
	Primary Foundation/VA Gov	VACANT		
	Primary Foundation/VA HT	VACANT		
	Secondary Community/VA Governor	VACANT		
<b>Non Members</b>				
	LBB Officer	Carol Beckman	CSG – School Funding	
	Elected Member	Cllr R Thompstone	Lead member for Children’s Services	
	LBB Officer	Nick Adams	CSG – Financial Services	

	LBB Officer	Chris Munday	Commissioning Director for Children and Young People	
	LBB Officer	David Monger	LBB - Children's Service Consultant	
	LBB Officer	Farhana Begum	CSG – Children & Adults Finance	

**1 WELCOME TO NEW MEMBERS**

Gilbert Knight welcomed Ian Stewart who was attending as a substitute for Andrew McClusky.

**2 APOLOGIES FOR ABSENCE**

Apologies were received from Andrew McClusky and Carol Beckman. Post-meeting apologies were received from Jack Newton and Robin Archibald.

**3 DECLARATION OF INTEREST**

None.

**4 MINUTES OF LAST MEETING**

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

**5 MATTERS ARISING**

None.

**6 ITEMS FOR INFORMATION**

**6a 2016/17 Budget – Catherine Peters**

CP stated that the 2016/17 budget had been submitted to the DfE with no changes since presented at February. In year changes however, will take place for things like school expansions etc.

An update to the DSG is expected in June 2016 and will be reported to the Schools Forum in July 2016.

**6b Growth funding for new school places in Barnet – Val White**

VW introduced the paper on school places and growth funding. The report summarises expenditure in 15/16 and 16/17 and projects growth costs going forward. This includes bulge classes planned from September 2016.

In relation to the current provision of places for September 2016, VW explained that at the time of the meeting, it was anticipated that sufficient places would be available, with Ashmole Academy's new free school opening and bulge classes being offered at a number of schools. Late applications will continue to be received and if necessary,

additional bulge classes would be arranged. She updated the meeting on the plans for the opening of the new Ark Pioneer school at the Underhill Stadium site in 2018 and a new 3 form entry school being planned at the Peel Centre. Feasibility studies were being carried out to progress potential expansions at St Agnes and Childs Hill.

EP queried how many Barnet parents had been offered places out of borough and stated she had been approached by upset parents. VW confirmed that some had received offers from Enfield, adding that local authorities work together to ensure all children are offered a place, working across borough boundaries.

JD asked what the spread of Fair Access places was between schools. VW said records were kept on this and informed decision making.

VW said that although there had been some spare capacity in secondary schools in the last few years, it is decreasing year-on-year. VW referred to Table 1 that shows the forecast for the number of new secondary school places required and said that Barnet are planning to meet the lower forecast. The aim is to have at least an extra 20 forms of entry by 2020/21. She added that an annual update to the GLA projections for future secondary demand arrived in the council on the day of the meeting and so had not yet been analysed.

VW explained that the buildings of new free schools are funded by the central government. The alternative route would be for Barnet to offer land and school proposers can compete to open a school there and in these circumstances Barnet would fund the construction.

VW said that SMSJ is expanding to provide an additional 2 forms of secondary entry; St James is also expanding as part of a project for Blessed Dominic to move onto St James' site. A number of other secondary schools had recently contacted the council to explore the potential of expanding, driven by budgetary pressure. However, Barnet would not be commissioning any more expansions until seeing the outcome of free school applications. The council has been notified of four free school applications to open mainstream secondary provision in Barnet in the latest wave of free school applications. Three of the proposals are in the public domain – Saracens, Compton and Avanti. Overall the need in Barnet to the end of the decade could be met through the planned expansions and two of the free school applications being successful. If there are likely to be too many secondary school places, Barnet will make representations to the DfE.

GK asked what the timescale for the new school openings would be. VW said the earliest would open in September 2018 but that there would be different times for each school and some will open later.



## 7a – National Funding Formula Consultation

IH said this item was closely linked with the White Paper proposals regarding academies and written before the announcement was made that all schools would no longer be forced to convert.

IH referred members to the Appendix which showed Barnet's submission in response to Stage 1 of the NFF consultation for both mainstream and High Needs. This stage is based mainly around principles, methodology and the use of objective factors of need. As it is the early stages of the consultation, there are no figures yet. The DfE plans to have the NFF in place by 2019-20 but will allow time for schools to ease into it.

Stage 2 of the consultation will provide more detail and should give an indication of the impact on funding levels to Barnet LA and Barnet schools. The release of Stage 2 of the consultation is expected before the end of the summer term as schools will need to respond to the consultation in early autumn. The first Schools Forum date next term has been moved to 29<sup>th</sup> September 2016 to enable early discussions on this.

IH said there would be big winners and losers but that Barnet is not likely to be the hardest hit borough. He said there will be some form of Minimum Funding Guarantee but the level hasn't been announced. Local authorities will be given some discretion to allow schools to lose faster but they may be reluctant to use these powers. LAs will no longer have control over the proportion of funding spent on each of the school funding blocks. He stated that the consultation document indicated growth funding will be based on actual need, not historic spend.

IH said that another consultation document was recently issued by the DfE and circulated to private providers by the Early Years team. The Early Years team were leading the response, seeking views from providers. SV commented that most providers were not aware the consultation had been released. PH asked if the document had been made available to schools. IH said schools could find a link to the consultation document in the School Circular.

EP noted it was important to remember the free entitlement was about early education and not just childcare, with various members of the Schools Forum expressing their agreement.

IH talked about the proposal that funding for school improvement would end in April 2017 and also discussed the issue regarding the proposal for free entitlement for 3 and 4 year olds to rise from 15 to 30 hours. Although the rate of funding is increasing, most providers in the Early Years sectors say that it is still not viable.

PH said that increasing to a 30 hour offer in many settings halves the places available and removes the capacity for flexibility and, for Private Voluntary and Independent (PVI) providers, additional chargeable provision (which subsidises 15 hours). She added that there was already a waiting list at some nurseries and, because of siblings, children that live locally aren't getting places. She also pointed out that children that do need the free entitlement the most, who were from poorer backgrounds, wouldn't be entitled to the free 30 hours because their parents most probably wouldn't be working.

JD asked if schools or Barnet are affected by the newly announced government apprentice levy. Where academies are part of a MAT, secondary schools and large primary schools may be affected if their wage bill exceeds the threshold of £3m. VW said this was not her area of expertise but officers would investigate the position and advise.

JD asked about the Hyde Children's Centre which is open for 2.5 days a week and asked whether this DSG money was supposed to go to schools. IH replied that the DSG funds not only schools but also the whole of Early Years, which includes PVI's.

## 8 **DRAFT AGENDA FOR NEXT MEETING**

1. Welcome to new members
2. Apologies for absence
3. Declarations of interest
4. Minutes of previous meeting
5. Matters arising
6. Items for information
  - 2015/16 Budget Monitoring – Final Outturn
  - 2016/17 Budget
7. Items for decision/ discussion
  - National Funding Formula consultation – Stage 2
8. Draft agenda for next meeting – 29<sup>th</sup> September 2016
9. Any other business

GK closed the meeting by saying that these were interesting times with many unknowns and thanked everyone for attending.

Meeting closed at 5.00pm

### **Dates of future meetings:**

7 <sup>th</sup> July 2016, 4pm	Training Room 3, BEST hub, Colindale
29 <sup>th</sup> September 2016	BEST hub, Colindale
8 <sup>th</sup> December 2016	BEST hub, Colindale

7.	<b>Membership review and vacancies</b>	<b>Claire Gray, School Funding Manager</b>
<p>As we start a new academic year and a number of academy conversions have taken place in 2016/17, we have taken this opportunity to review Schools Forum representation based on the pupil numbers by school sector. However we have concluded that no changes are required.</p> <p>There remain a number of vacancies due to change in personnel, so we are seeking to recruit:</p> <ul style="list-style-type: none"> <li>• 1 Primary VA/ Foundation headteacher</li> <li>• 2 community headteachers</li> <li>• 1 secondary VA/Foundation headteacher</li> <li>• 1 x Primary VA/ Foundation governor</li> <li>• 2 academy/ free school representatives.</li> </ul> <p>There will be an announcement in the School Circular asking for nominations for these vacancies, but we would also be grateful if existing members could encourage headteacher and governor colleagues to join Schools Forum. Should there be more nominations than vacancies, the Schools Funding team will organise an online election.</p>		

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<b>8.</b>	<b>Items for information</b>	
<b>8a)</b>	<b>2015/16 Budget Monitoring – Final Outturn</b>	<b>Catherine Peters Head of Finance</b>

AGENDA ITEM 8

### Introduction

The purpose of this report is to inform the Schools Forum of the final outturn position for the Schools Budget 2015/16.

The final outturn position for the Schools Budget was reported as part of the Quarter 4/End of Year Performance Monitoring 2015/16 paper to the Performance and Contract Management Committee on 31<sup>st</sup> May 2016. It is presented to Schools Forum to note. Details are contained in Appendix 1.

### 2015/16 Schools budget

There have been no changes to the schools budget since it was reported to the Schools Forum on 11<sup>th</sup> February 2016.

### 2015/16 Schools budget monitoring

The final outturn position for the financial year 2015/16 was an underspend of £2.802m.

This is a net position of the following main over and underspends. The details are contained in Appendix 1.

<b>S251 Line reference</b>	<b>Main reasons for over/underspend</b>	<b>£'000</b>
1.0.1	The main underspends are as follows: <ul style="list-style-type: none"> <li>• Underspend on payments to providers for two year olds and three and four year olds due to lower than projected take up: (£598k)</li> <li>• Reclaim of NNDR credits: (£491k) and no expenditure for Noam</li> <li>• Lower than forecast costs for special school places: (£190k)</li> <li>• Pupil premium - lower than expected take-up of the early years pupil premium: (£178k)</li> <li>• Reduced expenditure on excluded pupils and ARP base funding: (£84k)</li> <li>• Additional expenditure for in year adjustments and a payment in advance for post-16 learners at JCOSS: £397k</li> </ul>	(1,144)
1.1.1	Reduced requirement for contingency	(117)
1.2.1, 1.2.2 & 1.2.3	This is the net position relating to top up funding for high needs in: <ul style="list-style-type: none"> <li>• maintained schools (nursery, primary and secondary) including those that are out of borough.</li> <li>• academies and free schools plus additional funding for high needs pupils in academy ARPs and</li> <li>• independent and non-maintained special schools, pre- and post-16</li> </ul>	(1,658)

	This is the net underspend based on final claims submitted and reduction in the use of expensive independent school placements.	
1.3.1	Early years vulnerable children – fewer referrals than budgeted	(85)
1.4.10	Growth – Overspend due to higher growth than initially estimated	138
1.7.1	Adjustments in grant funding from the DfE relating to final allocation adjustments and copyright licensing and from the EFA for increased allocations and bursaries	64

*Note: figures in brackets denote an underspend*

The third quarter monitoring position reported to Performance and Contract Monitoring Committee on 15<sup>th</sup> February 2016 and discussed at 11<sup>th</sup> February Schools Forum projected an underspend of £1.702m.

The main changes to that reported in quarter 3 are due to the following:

Variance since Q3 report	
Conversion of Claremont School to academy status and adjustments for two and three year olds for the spring term	(750)
Top up funding for maintained schools, academies, free schools & colleges – more up to date information on top-up liability from out of borough schools and local authorities for starters and leavers following final submission of claims by providers	(470)
DSG grant adjustments for copyright licensing made by the DfE (reduced income)	208
EFA funding adjustments for the spring term	(101)
Net variance	(1,113)

**Recommendation:**

To note the final outturn position for 2015/16.

Previous reports to the Forum:

- 14 May 2015 noted budget changes
- 15 October 2015 noted budget changes and the quarter one budget monitoring position
- 11 February 2016

<b>8b)</b>	<b>School Balances</b>	<b>Nick Adams, Finance Manager Schools Accountancy</b>
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## School Balances as at 31 March 2016

### Introduction

This report informs the Forum of the maintained schools balances for 31 March 2016 and provides a comparison with the previous year. These are set out in Appendix 1.

### Overall - all sectors

Total balances have remained relatively high at £12.3m compared to £13.4m last year.

Capital balances have decreased from £311k to £165k.

Revenue balances have decreased from £13.1m to £12.1m.

School funding/Budget shares have remained cash limited.

Inflationary cost increases on items such as salaries has been limited to small pay awards.

General inflationary price increases have been variable although generally small, with some decreases such as energy.

The significant variations in balances between individual schools indicate that these factors impact on different schools in different ways.

### Nursery Sector

There has been consistently high revenue balances for four small institutions over the two years. Although the revenue balances decreased from £926k to £744k, it is still high in relation to funding.

### Primary Sector

This sector has revenue balances at £9.1m. Within that total there is a range of balances from deficit balances to a number of significant balances. These include Colindale £666,977, Danegrove £437,563, Northside £442,174.

The following schools have licenced deficits and recovery plans – Beis Yaakov, Hasmorean Primary, Pardes House, St Johns N20, Courtland.

A number of schools have made staff redundant due to budget problems.

### Secondary sector

There were seven maintained secondary schools, only one of which has significant balances – Finchley Catholic High at £517,084. St James and St Michael's have licenced deficits and recovery plans. St Mary's High School closed on 31 August 2016. Bishop Douglass converted to an academy on 1 September 2016.

### Special sector

There are four special schools, all of which had moderate balances.

### Pupil Referral Units

The two PRUs now have moderate balances, with an increase since 31 Mar 2015.

### Conclusion

This report is for information. The LA will continue to work closely with its schools to challenge those that appear to have "high" balances and support and challenge those with deficits or in danger of having a deficit budget position.

8c)	2016/17 Budget	Catherine Peters, Head of Finance
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## Introduction

This report shows the quarter one position which was reported as part of the Quarter one Budget and Performance Monitoring 2016/17 to the Performance and Contract Management Committee on 6<sup>th</sup> September 2016. It is presented to Schools Forum to note. The details are also contained in Appendix 2.

## 2016/17 Schools budget

The budgets have been changed as a result of corrections since the budget was last reported to Schools Forum on 11<sup>th</sup> February 2016:

- Re-profiling of expenditure from the central block to high needs block as part of the re-baselining exercise for the EFA. (lines 1.2.5 and 1.4.1) - £156k
- Correction relating to the treatment of academy recoupment for bulge classes (lines 1.4.10 and 1.7.1) - £112k

The changes and S251 line reference numbers can be seen in Appendix 3.

## 2016/17 Schools budget monitoring

The first quarter monitoring position, as at June 2016, forecasts an underspend of £1.5 million.

Details of the variations are contained in Appendix 2. The main over and underspends are as follows:

S251 Line reference	Main reasons for over/underspend	£'000
1.0.1	Expenditure on Early years pupil premium pending confirmation of data	(201)
1.1.1	No call on contingency anticipated	(147)
1.2.1, 1.2.2 & 1.2.3	This is the net position relating to top up funding for high needs in <ul style="list-style-type: none"><li>• maintained provider schools (nursery, primary and secondary) including those that are out of borough.</li><li>• academy and free schools and additional funding for high needs pupils in Academy ARPs and</li><li>• independent and non-maintained special schools, pre and post 16</li></ul> The underspend is due to adjustments for the summer term and commitments based on current known data.	(882)
1.3.1	Salary overspend resulting from changes to National Insurance rates	30
1.4.10	Growth – Additional bulge classes	387
1.7.1	Academy recoupment	(149)
1.7.2	Additional funding increase for JCOSS received in 2016/17.	(593)

*Figures in brackets denotes an underspend*

**Note:** There have been additional pressures on the budget since the Q1 figures were reported, including an adjustment to funding to early years budgets to reflect lower take-up of places than were forecast for 2015-16. An update on the projected outturn will be provided at the meeting.

**Recommendation:**

To note the revisions to the budget and the quarter one monitoring position for 2016/17 and to agree to receive further budget monitoring reports at future meetings.

Previous reports to the Forum:

- 11 February 2016 agreed 2016/17 draft budget proposals

<b>9.</b>	<b>Towards a National Funding Formula</b>	
<b>9a)</b>	<b>Consultations and Announcements</b>	
	<p>The government still appears to be working towards implementing a National Funding Formula, and there have been a number of consultations and announcements throughout 2016 to which Barnet has responded.</p> <p>In order to clarify to Schools Forum how the consultations link together and the effect on Barnet, the tables below show the timetable of events to date and the anticipated impact on Barnet in each of the DSG funding blocks.</p> <p>Table 1 below shows the consultations that have been completed and submitted to date, and an assessment of the impact on Barnet where announcements have been made and indicative allocations given.</p> <p>Table 2 shows the forward plan for announcements and consultations, and the date of implementation where known.</p>	

**Table 1**

<b>Date</b>	<b>From</b>	<b>Type</b>	<b>Event</b>	<b>Schools Block</b>	<b>Central Block</b>	<b>Early Years Block</b>	<b>High Needs Block</b>
Jan-16							
Feb-16							
Mar-16	DFE/EFA	Consultation	Stage 1 - Schools National Funding Formula	Plans to introduce a NFF for all schools from April 2017. 'Soft' implementation for first 2 years	Introduction of new Central block for LA services.	Consultation expected later in year	
	DFE/EFA	Consultation	Stage 1 - High Needs funding and other reforms				Introducing fairness between LAs.
Apr-16	Barnet	Submission	Baselining information to DFE/EFA				
	DFE	Consultation	Free entitlement delivery model			Improving and extending the free entitlement for Under 5s	
May-16							
Jun-16							

Date	From	Type	Event	Schools Block	Central Block	Early Years Block	High Needs Block	
Jul-16	DFE/EFA	Announcement	School funding arrangements for 2017-18	National funding formula delayed for a year. Minor changes for 2017/18 apart from the Education Services Grant		Early years consultation awaited	No announcements about High Needs block funding reforms	
	DFE/EFA	Consultation	LA funding for free schools	Proposal that LAs fund free schools in the first year of opening, not from second year.				
Aug-16	DFE/EFA	Announcement	Results of baselining exercise to realign expenditure to the blocks of the Dedicated Schools Grant.	Schools block represents proportion spent in 2015/16. Effect on Barnet is move from Schools Block to High Needs Block	No central block for 2017/18	Early Years block represents proportion spent in 2015/16. No change for Barnet EY block	High Needs block represents proportion spent in 2015/16. Effect on Barnet is move from Schools Block to High Needs Block.	
			<b>No change in total DSG allocation to Barnet.</b>					
	DFE	Consultation	Funding changes for three and four year olds from 2017/18, and introduction of 30 hours for working parents.			Proposals for a formula to fund LAs for early years, plus changes to local formulae. Barnet will gain.		
Date	From	Type	Event	Schools Block	Central Block	Early Years Block	High Needs Block	
Sep-16								

Oct-16	Schools	Submission	October census	Will determine budget share for 2017/18			
	Barnet	Consultation	Principles of Early Years funding formula from April 2017			Seeking views on use of supplements for flexibility and 30 hours provision	
Nov-16	DFE/EFA	Consultation expected	2nd part of consultation on National Funding Formula				
Dec-16	DFE/EFA	Announcement expected	2017/18 Dedicated Schools Grant initial allocation.	Schools block based on October census		Early Years block estimated as will be based on January census	Provisional High Needs block

**Table 2**

<b>Date</b>	<b>From</b>	<b>Type</b>	<b>Event</b>	<b>Schools Block</b>	<b>Central Block</b>	<b>Early Years Block</b>	<b>High Needs Block</b>
Jan-17	Schools	Submission	January census				

	Barnet	Submission	Authority Proforma Tool to DfE		Finalises funding for all Barnet schools and academies for 2017/18			
Feb-17	Barnet	Publish	School budgets	<a href="#">Council website</a>	Funding as submitted in APT	Not applicable	Estimates of funding for 3 & 4 year olds	Estimates of funding for high needs
Mar-17	Barnet	Submission	Section 251 budget to DfE		2017/18 budget for funding all Barnet schools academies for under 5s, Reception to Year11 and Post 16 including high needs and central services.			
Apr-17							Implementation of new EY formula for all providers	
May-17								
Jun-17								
Jul-17								
Aug-17								
Sep-17							30 hour entitlement for working parents starts	

9b)	Draft 17/18 budget including the School funding formula	Ian Harrison
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### DSG budget projections and pressures

The Dedicated Schools Grant for 2017/18 will be calculated in a similar way to 2016/17 and no major change is expected. None of the three blocks (Schools, Early Years, High Needs) are ring-fenced yet. However the overall Schools Budget will be subject to ongoing pressures, including the following:

- The 2016/17 DSG budget may have to draw on additional balances carried forward from last year, mainly because of the pressures set out below:
  - A lower early years allocation from the DfE than originally forecast. This is because the income this year depends on the actual number of places filled according to the last two Early Years censuses. As the actual numbers were below the numbers that had been forecast, the income this year is lower than the amount that had been budgeted for.
  - Higher than forecast post-16 SEN placement costs. This is the result of increasing pressure for Education, Health and Care Plans for young people who would not have had SEN statements.
  - The continuing pressure on the growth fund as pupil numbers continue to rise.
- In 2017/18 and beyond the following pressures will be need to be built into the Schools Budget:
  - Increasing placement costs for post-16 SEN arising from the new duties to support 16-25 year-olds with SEN.
  - Greater call on independent school SEN placements as cheaper in borough provision fills to capacity due to increasing population.
  - Reducing reserves from underspends. £1.3m was originally earmarked for growth from 2015/16, but an overspend against the current budget in 2016/17 will be the first call on the remaining reserves of £3.7m.
  - Growth in pupil numbers continues, but the pupils for whom expansions were set in place 7 years ago are now moving into secondary schools. Secondary school funding per pupil is higher than for primary schools and so intensifies the pressure on the budget. This growth will be unrelenting for at least 4 years. (See Table below).
  - Several new free schools are planned, and whereas in the past, the cost in the first year was paid directly by the EFA, this is now likely to be passed to the local authority. The LA does not receive funding for the additional pupils until the following year.
  - The 30 hour entitlement to free early education for children of working parents will be introduced in September 2017. Depending on take-up this may bring



uncertainty to early years funding projections.

- Two year old take-up has been slow but is now gathering pace, but funding for the additional children is not realised until the following year. The hourly rate received from the government is less than is paid to providers.

### Growth funding in the Dedicated Schools Grant 2015/16 and 2016/17

Funding	2015/16 actuals		2016/17 planned	
	Number	Cost	Number	Cost
Primary bulge classes (30 pupils per class)	8	464,000	2	116,000
Primary half class expansions (15 pupils)	-	-	2	76,000
Primary permanent expansions (30 pupils per class)	11	528,000	10	480,000
Secondary permanent expansions (30 pupils per class)	1	61,000	2	122,000
New class protection (for new classes that do not fill enough to be viable)	5	89,526	6	289,340
Diseconomies of scale	4	216,250	4	246,750
Startup for new primary phase	2	100,000	-	-
<b>Growth fund total cost</b>		<b>1,458,776</b>		<b>1,330,090</b>
New primary year groups	6 schools, 236 places	696,868	7 schools, 326 places	1,006,561
New secondary year groups	3 schools, 370 places	1,165,876	3 schools, 420 places	1,343,965
<b>Total cost of new year groups in funding formula</b>		<b>1,862,744</b>		<b>2,350,526</b>
<b>TOTAL GROWTH, excluding casual admissions</b>		<b>£3,321,520</b>		<b>£3,680,616</b>

<b>9c)</b>	<b>APT modelling</b>	<b>Claire Gray, School Funding Manager</b>
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**Changes to the APT for the 2017/18 financial year**

The formula funding arrangements for 2017/18 financial year are broadly similar to last year, but there are some minor changes to the Authority ProForma Tool (APT) to note for 2017/18:

- New bandings for the index of deprivation affecting children (IDACI)
- LAs are only required to submit one (final) APT in January 2017, not 2 as in previous years. (Provisional - October and Final - January).

In 2016/17 the revised IDACI data set used in the APT showed a significant drop in IDACI scores affecting all London authorities, meaning that Barnet no longer had any pupils at IDACI level 6. In order to rectify this demographic change and to lift schools off the Minimum Funding Guarantee, Barnet continued to fund the top 3 IDACI bands – 3, 4 and 5 instead of 4, 5 and 6 – but also amended the rates so that the overall distribution of FSM6 and IDACI funding between school phases remained consistent.

The DfE recognise that the revised data created some turbulence in school budgets and have decided to update the IDACI banding methodology. The table below shows how the 2016/17 IDACI bands have now been mapped to the new A to G range.

Bands used in 2015-16 and 2016-17	IDACI score	% pupils in each band (2015-16) – 2010 IDACI dataset	% pupils in each band (2016-17) – 2015 IDACI dataset	New bands for 2017-18	IDACI score	% pupils in each new band (October 15 census)
6	Between 0.60 and 1.00	3%	1%	A	Between 0.50 and 1.00	3%
5	Between 0.50 and 0.60	6%	3%	B	Between 0.40 and 0.50	8%
4	Between 0.40 and 0.50	10%	8%	C	Between 0.35 and 0.40	7%
3	Between 0.30 and 0.40	12%	14%	D	Between 0.30 and 0.35	8%
2	Between 0.25 and 0.30	7%	9%	E	Between 0.25 and 0.30	9%
1	Between 0.20 and 0.25	8%	10%	F	Between 0.20 and 0.25	10%

0	Less than 0.20	53%	56%	G	Less than 0.20	56%
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As a result of this correction, Barnet needs to view the October 2016 census data in order to model the impact on schools. Once this dataset has been received, we will once again need to assess the overall FSM6 and IDACI funding distribution and possibly revert to funding the top 3 bands, now A to C. We will inform Schools Forum of the outcome of this modelling, but Barnet's aim in using the revised dataset and reviewing the band rates will be to create as little turbulence as possible at school level whilst maintaining a consistent ratio of 1:1.29 between primary and secondary funding.

The proposed removal of a 'Mobility' funding factor has not been implemented for 2017/18, so this will remain in the Barnet formula for now.

The APT released by the DfE in mid-December will be populated with the data drawn from the October 2016 schools census. LAs must complete and submit a council ratified APT to the EFA with the final 2017/18 Schools Block funding formulae in January 2017.

9d)	<b>Barnet EY consultations</b>	<b>Karen Pearson, Head of Early Years</b>
<p><b>Report to Schools Forum on the Early Years National Funding Formula</b></p> <p><b>Introduction</b></p> <p>The DfE released a consultation document on the Early Years National Funding Formula (EYNFF) on 11<sup>th</sup> August 2016 and the consultation closed at midnight on 22<sup>nd</sup> September 2016. The council response is attached as Appendix 4.</p> <p>The consultation sought the views of stakeholders including Local Authorities (LAs) and all types of childcare providers on the revision of early years funding in advance of the introduction of 30 hours free child care for working families.</p> <p>There are two parts:-</p> <ol style="list-style-type: none"> <li>1) the implementation of an Early Years National Funding Formula (EYNFF) for LAs with effect from April 2017</li> <li>2) more restrictive local funding formulae for providers from April 2017</li> </ol> <p>In light of the information provided at this stage, the department expects that:</p> <ul style="list-style-type: none"> <li>• local authorities should start discussions with their providers as soon as possible about what the proposals might mean to the local early years single funding formula. Although final proposals are dependent on the Government decisions based on consultation responses, the aim is that providers are informed of their 2017/18 funding rates as soon as possible.</li> </ul> <p>This paper summarises the proposals for a national funding formula and the impact on Barnet. Local authorities are now expected to propose adjustments to their local funding formulae for 2017/18 in line with the proposals put forward by the DfE. The proposals leave some areas of discretion to each local authority and these are set out below. Taking account of these areas of discretion, the council is producing a draft consultation document on Barnet's early funding formula, including a limited number of options for consideration. The draft consultation document will be circulated as a supplementary paper to the Schools Forum in the week beginning 3 October. The Schools Forum is invited to comment on the draft consultation document before it is finalised and circulated to providers shortly after the Forum has met.</p> <p>➤ <b>LA EYNFF proposals</b></p> <p>The formula for the early years block of the Dedicated Schools Grant (DSG) will consist of three funding factors:</p> <ol style="list-style-type: none"> <li>1. A universal base rate for each child</li> <li>2. An additional needs factor (a weighting of FSM eligibility, EAL and Disability Living Allowance) and</li> </ol>		

### 3. An area cost adjustment (ACA)

$$\text{LA hourly funding rate} = \{\text{Universal base rate} + \text{Additional needs}\} \times \text{ACA}$$

75% of LAs will gain from the hourly rate funding (including Barnet), but a -5% cap on losses will be applied in 2017/18 and again in 2018/19 for those LAs that lose against their 2016/17 hourly rate. The aim is that all local authorities should be 'on formula' by 2019/20.

The illustrative figures provided by the DfE show that Barnet is likely to receive an increase in hourly funding of approximately 22%, meaning a rate of £5.90 per hour (up from the current £4.80). This formula based amount will be received for the full year for all 3 & 4 year olds accessing the universal 15 hour Free Entitlement, and will also be allocated on a participation basis from September 2017 for those children accessing the additional 15 hour (working parent) entitlement.

#### ➤ **Provider funding proposals**

**Universal base rate:** In its 'Cost of Childcare Review' the DfE found that costs between the main types of early years providers are broadly similar. As the early education outcomes required of providers are also the same, the department deduces that funding rates should not differentiate between types of provider and proposes that all authorities will be required to use a universal base rate of funding for all providers by 2019/20 at the latest, meaning all children receive the same level of basic 'per child' funding whichever type of establishment they attend. Barnet already meets this requirement as we have always given the same base rate (£3.76 in 2016/17) to all types of providers.

#### **Supplements**

Barnet's current supplements average out at 16% of the funding allocated to providers; this will need to be reduced to reach the target figure of 10%, but will be achievable in light of the increase in EY hourly funding Barnet expects to receive in the illustrative calculations.

The only part of Barnet's current formula that does not fit the proposals is the 'Basic Entitlement' factor of £100 per annum per child for the first 30 children. This will need to be redistributed within the rest of the formula.

**Passporting:** There will be a new requirement in the local funding formula requiring LAs to passport a specified percentage of EY block funding directly to providers (high pass-through). This will require LAs to ensure a minimum of 93% of funding is passported in 2017/18 and a further increase to 95% from 2018/19 onwards. Barnet currently passes an average of 91% (average hourly funding £4.37/£4.80 EY hourly funding received) to providers, not quite meeting the target of 93%. However, once the EY hourly rate to the LA is increased as shown in the illustrative figures from the DfE, the slightly higher pass rate to providers will be achievable.

**Nursery School factor:** In recognition of the high quality early years education and childcare provided by maintained nursery schools and in order to minimise disruption to this type of setting, the Government is proposing supplementary funding for at least two years for maintained nursery schools. This is designed to provide stability to the sector whilst they "explore how to become more sustainable in the longer term, including exploiting scope for

efficiencies". Barnet has had nursery transition funding in place for the last two years. This year it is at roughly the same level as proposed.

This change will mean that the supplementary funding for nursery will come out of the 2017/18 DSG funding instead of needing to come from DSG underspends from previous years, as has been the case until now.

### **Other funding elements**

**Disability Access Funding:** In recognition of the increased costs to those settings that take more disabled children and children with SEN, the consultation proposes a targeted Disability Access Fund for providers where a child at the setting is in receipt of disability living allowance. It is proposed that this would be paid to the provider as an annual lump sum to encourage providers to make initial reasonable adjustments to increase their capacity to support High Needs children.

It also suggests that LAs should further create SEN Inclusion Funds to provide top up funding to support nursery children with special educational needs. Barnet has most of these proposals already in place.

**Early Years Pupil Premium:** The department has confirmed that the Early Years Pupil Premium will continue, being maintained at £302 per eligible child per year. This will remain in the DSG and in addition to the EYNFF.

**2 year old funding:** These proposals do not include any change to the current two-year old formula, but include uplift to the average funding rate from £5.09 to £5.39 per hour. Barnet currently receives £5.33, but the illustrative tables show that this will be increased to £5.92 in 2017/18. As Barnet currently pays £6 per hour for two year olds, this will narrow the gap between what we receive and what we pay out.

### **Impact on Barnet**

- The proposed new funding formula should allow the basic funding rate to rise by around 25%. This will bring local authority funding a little closer to what providers charge for additional childcare, and so aid engagement in providing 30 hours for children of working families from September 2017.
- SEN funding for under 5s has already been reviewed in Barnet, so little should need to change in this area; and the proportion of central spend on early years is also likely to be within required limits. The size of the disability access fund, though welcome, will be small.
- Our current formula could be retained apart from the removal of the 'basic entitlement' element which will have to be absorbed into other elements. The basic entitlement adds 17.5p (5%) to the hourly rate of all children, except for a few in larger settings or schools.
- A consultation with all providers will be necessary to adjust the existing formula.

## Supply and Demand

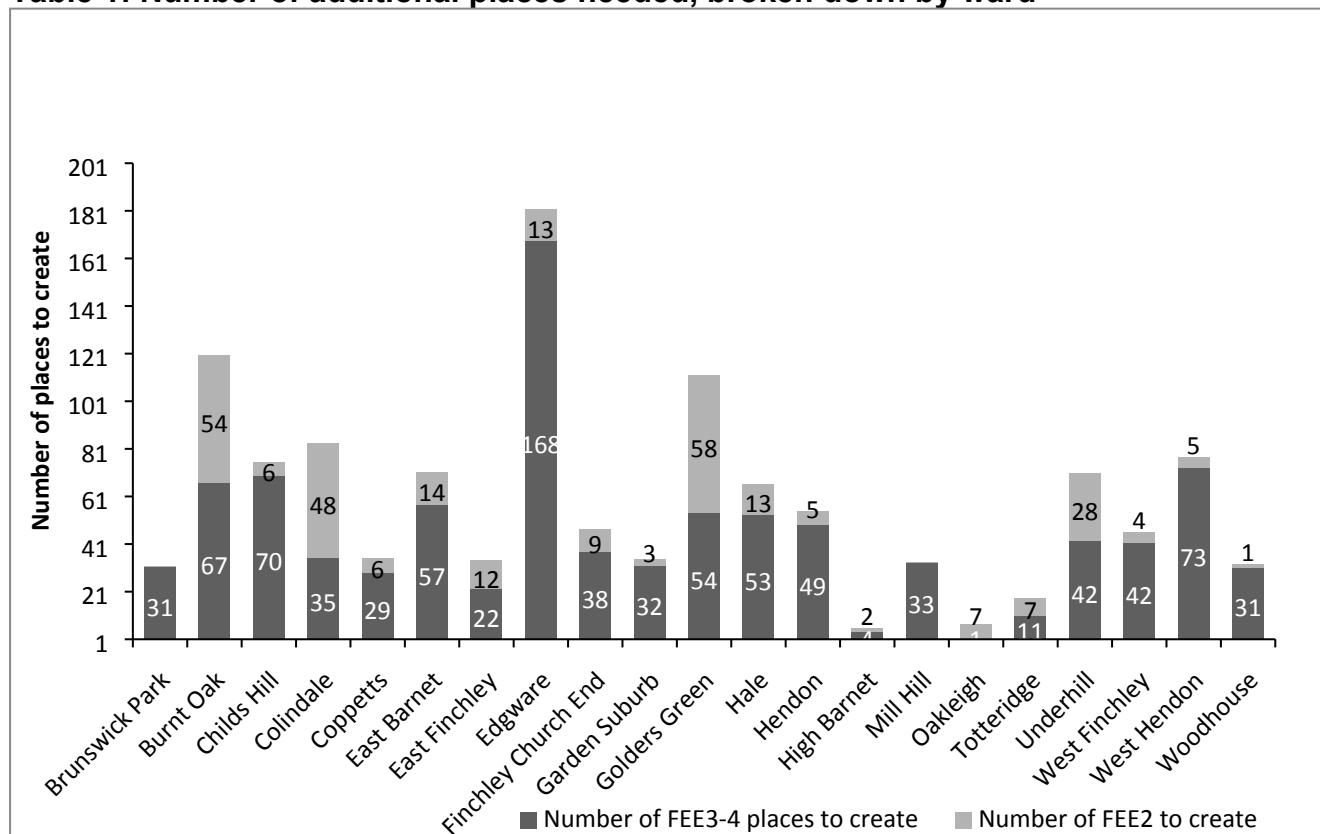
Insight work has been undertaken to analyse the number of children that would be eligible for the additional 15 hours of childcare, which has shown that approximately 6,956 children will be eligible in Barnet.

This insight work also analysed the total number of additional places required, looking at the childcare market, in order to meet the demand for early education and childcare places. The analysis also looked at how many additional places are estimated will be provided through a combination of a market response to the increased demand and also through the use of existing surplus places. This showed that:

- It is estimated that an additional 943 places will need to be created for 3 and 4 year olds when the new duty to provide an additional 15 hours of free childcare comes into effect in September 17.

Table 1 below shows how these figures are broken down by wards (the table also includes number of FEE2 places required).

**Table 1: Number of additional places needed, broken down by ward**



There are further planned projects to increase provision, to which capital funding has been committed; in addition a capital bid has been submitted to the DfE

## **Consultation**

The consultation will commence in October and run for five weeks. All providers will be contacted by the central Early Years Team with details of how to take part in the consultation. The consultation will include:

- A webpage on the LBB website specifically for the consultation, the page will contain an overview of the purpose and proposals of the consultation and provide a direct link to the survey.
- Detailed financial modelling will form part of the survey.
- A designated email box for questions and queries' and these will form weekly FAQ that will be published on the web page.

Following the analysis of the consultation and confirmation of funding from the DfE all providers will be contacted as soon as possible with the new funding rates in order to prepare for the application of these rates in April 2017.

### **Recommendation: The Schools Forum is asked to:**

1. Note the DfE's consultation proposals for an Early Years National Funding Formula
2. Note the council's response to the DfE's consultation
3. Comment on the draft consultation document on Barnet's early years funding formula (to be circulated the week commencing 3 October).



**ANNEX I – Illustrative LA allocations**

**Current 2016/17 EY funding**

<b>2016/17 3&amp;4yo FTE pupil numbers</b>	<b>3&amp;4yo EY unit of funding £</b>	<b>Total 3&amp;4yo allocation</b>
<b>3,802</b>	<b>£4,559.76</b>	<b>£17,336,207</b>
PTE pupils (3802/15*25) = 6,337	= £4.80 per hour	
<b>2016/17 2yo FTE pupil numbers</b>	<b>2yo unit of funding £</b>	<b>Total 2yo allocation</b>
<b>431</b>	<b>£5,253.50</b>	<b>£2,264,258</b>
PTE pupils (431/15*25) = 718	= £5.53 per hour	
<b>Total 2016/17 EY funding (excl 2yo and EYPP)</b>		<b>£19,600,465</b>

**Proposed 2017/18 EY funding**

LBB General Labour Market Cost Adjustment (GLM)	1.17
LBB Nursery & Pre-School Rateable Cost Adjustment (NRCA)	4.27
<b>LBB Total Area Cost Adjustment (80% of GLM, 10% of NRCA, 10%)</b>	<b>1.46</b>

<b>Universal 3&amp;4yo entitlement (FEE3/4)</b>			
Formula factor	Hourly Rate	LBB Area Cost Adjustment Multiplier	LBB ACA Adjusted Hourly rate
Basic	£3.53	1.46	£5.15
FSM	£2.13		£3.11
EAL	£0.29		£0.42
Disability Living allowance	£0.74		£1.08

Formula factor	Data	ACA Adjusted hourly rate	Total allocation
Basic (PTE)	6337.3	£5.15	£18,599,142
FSM (PTE)	1083.7	£3.11	£1,920,392
EAL (PTE)	3086.3	£0.42	£733,899
Disability Living allowance (Headcount)	300.0	£1.08	£184,715
Total 3&4yo allocation (excl EYPP) before capping			£21,438,147
EYNFF Hourly Rate before transitional protection/ capping (£21,438,147/(6337.3*15*38) =			£5.93
Cap applied at 22.9% of 2016/17 hourly rate =			£5.90
<b>Universal 3&amp;4yo allocation (excl EYPP) after capping</b>			<b>£21,312,340</b>
<b>2yo funding</b>			
PTE pupils	718.40	£5.92	<b>£2,424,163</b>
<b>15 hour Additional 'working parent' entitlement</b>			
2017/18 capped EYNFF hourly rate =			£5.90
Projected 'working parent' PTE pupil numbers			979.1
Additional entitlement			=15*38
<b>Additional Working Parent entitlement</b>			<b>3,292,601</b>
<b>EYNFF Block Allocation</b>			<b>£27,029,104</b>
<b>Additional grant - Maintained Nursery School Fund</b>			<b>£127,439</b>

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## **10. Draft Agenda for Next Meeting**

## AGENDA ITEM 10

1. Welcome to new members
2. Apologies for absence
3. Declarations of interest
4. Minutes of previous meeting
5. Matters arising
6. Items for information
  - 2016/17 Budget
7. Towards a National Funding Formula
8. Draft agenda for next meeting
9. Any other business

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## **11. Dates of Future Meetings**

8<sup>th</sup> December 2016

February 2017 (tba)

11<sup>th</sup> May 2017 (provisional)

6<sup>th</sup> July 2017 (provisional)

AGENDA ITEM 11

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## Appendix 1

## AGENDA ITEM 13

Final Individual School Outturn Balances 2015-16										
School	Revenue			Capital			Total Balance			% outturn against funding
	As at 31.03.16	As at 31.03.15	Increase / (decrease)	As at 31.03.16	As at 31.03.15	Increase / (decrease)	As at 31.03.16	As at 31.03.15	Increase / (decrease)	
Akiva	9,539	53,066	(43,527)	(43,244)	(13,609)	(29,635)	(33,705)	39,457	(73,162)	(2.0%)
All Saints' CE School (N20)	135,381	105,204	30,177		0	0	135,381	105,204	30,177	10.7%
All Saints' CE School (NW2)	152,778	66,480	86,298		0	0	152,778	66,480	86,298	13.0%
Annunciation RC Infant School	126,014	113,933	12,081		0	0	126,014	113,933	12,081	12.6%
Annunciation RC Junior School	29,980	76,029	(46,049)		0	0	29,980	76,029	(46,049)	2.8%
Barnfield School	387,326	348,728	38,598	(1)	9,720	(9,721)	387,325	358,448	28,877	13.1%
Beis Yaakov	(84,532)	(78,302)	(6,230)		0	0	(84,532)	(78,302)	(6,230)	(4.3%)
Beit Shvidler Jewish Primary	100,592	26,670	73,922		0	0	100,592	26,670	73,922	9.2%
Bell Lane School	73,706	68,797	4,909		0	0	73,706	68,797	4,909	3.2%
Blessed Dominic RC School	106,981	141,910	(34,929)	1	0	1	106,982	141,910	(34,928)	5.5%
Brookland Infant School	26,946	58,030	(31,084)	14,434	7,330	7,104	41,381	65,360	(23,979)	2.8%
Brookland Junior School	133,651	160,695	(27,044)		10,387	(10,387)	133,651	171,082	(37,431)	8.3%
Brunswick Park School	144,529	204,624	(60,095)	2,455	2,039	416	146,984	206,663	(59,679)	8.3%
Chalgrove School	84,969	113,672	(28,703)	3,855	(1)	3,856	88,824	113,671	(24,847)	7.0%
Childs Hill School	117,316	124,266	(6,950)	(299)	1	(300)	117,017	124,267	(7,250)	5.0%
Christ Church CE School	71,319	96,808	(25,489)		0	0	71,319	96,808	(25,489)	7.4%
Church Hill School	34,425	3,898	30,527	4,604	4,406	198	39,029	8,304	30,725	3.5%
Claremont Primary	250,778	229,933	20,845	(69,013)	1	(69,014)	181,765	229,934	(48,169)	7.9%
Colindale School	666,977	524,251	142,726		0	0	666,977	524,251	142,726	18.7%
Coppetts Wood School	349,579	304,692	44,887		0	0	349,579	304,692	44,887	20.2%
Courtland School	17,215	60,696	(43,481)	8,226	931	7,295	25,441	61,627	(36,186)	2.4%
Cromer Road School	193,508	258,814	(65,306)	9,203	8,556	647	202,712	267,370	(64,658)	10.2%
Danegrove School	437,563	322,692	114,871	6,619	838	5,781	444,182	323,530	120,652	13.9%
Deansbrook Infant School	76,196	142,628	(66,432)	7,836	0	7,836	84,032	142,628	(58,596)	4.8%
Dollis Infant School	40,780	58,532	(17,752)	1	11,673	(11,672)	40,781	70,205	(29,424)	2.4%
Dollis Junior School	43,160	60,708	(17,548)	(1)	(1)	0	43,159	60,707	(17,548)	2.2%
Edgware Primary	64,214	205,917	(141,703)	2,173	1,343	830	66,387	207,260	(140,873)	2.0%
Edgware Junior School (closed)		(189)	189		0	0	0	(189)	189	
Fairway School	127,647	131,777	(4,130)	37,670	37,057	613	165,317	168,834	(3,517)	11.2%
Foulds School	61,881	49,146	12,735	9,350	16,491	(7,141)	71,231	65,637	5,594	5.1%
Frith Manor School	53,961	16,281	37,680	14,262	1	14,261	68,223	16,282	51,941	2.3%
Garden Suburb Infant School	71,415	107,317	(35,902)	4,298	3,222	1,076	75,713	110,539	(34,826)	6.0%
Garden Suburb Junior School	80,447	99,788	(19,341)	2,055	0	2,055	82,502	99,788	(17,286)	5.0%
Goldbeaters School	44,470	241,495	(197,025)	(1)	(1)	0	44,469	241,494	(197,025)	1.7%
Hasmonean Primary School	(63,009)	3,924	(66,933)		0	0	(63,009)	3,924	(66,933)	(6.1%)
Hollickwood School	72,869	108,766	(35,897)	1,203	0	1,203	74,072	108,766	(34,694)	5.5%
Holly Park School	20,887	129,706	(108,819)	9	9	(0)	20,896	129,715	(108,819)	0.8%
Holy Trinity CE School	34,290	23,352	10,938	(1)	6,853	(6,854)	34,290	30,205	4,085	2.7%
Livingstone School	393,161	368,432	24,729	32	32	0	393,193	368,464	24,729	17.8%
Manorside School	(16,299)	94,199	(110,498)	333	333	0	(15,966)	94,532	(110,498)	(1.0%)
Martin Primary	134,766	179,859	(45,093)		(5,146)	5,146	134,766	174,713	(39,947)	4.5%
Mathilda Marks Kennedy School	16,469	474	15,995		0	0	16,469	474	15,995	1.6%
Menorah Foundation School	23,476	(60,298)	83,774		0	0	23,476	(60,298)	83,774	1.7%
Menorah Primary School	(25,388)	30,932	(56,320)		0	0	(25,388)	30,932	(56,320)	(1.4%)
Monken Hadley CE School	63,203	29,665	33,538		0	0	63,203	29,665	33,538	9.4%
Monkfrith School	111,743	114,538	(2,795)	6,779	0	6,779	118,521	114,538	3,983	8.9%
Moss Hall Infant School	105,846	62,352	43,494		0	0	105,846	62,352	43,494	5.6%
Moss Hall Junior School	191,665	209,805	(18,140)		(1)	1	191,665	209,804	(18,139)	10.0%
Northside School	442,174	399,125	43,049	19,142	12,252	6,890	461,316	411,377	49,939	32.3%
Orion School	143,585	40,272	103,313	(20,292)	2	(20,294)	123,293	40,274	83,019	2.7%
Osidge School	180,845	253,451	(72,606)	(0)	10,000	(10,000)	180,844	263,451	(82,607)	9.2%
Our Lady of Lourdes RC School	72,948	71,813	1,135	1	1	0	72,949	71,814	1,135	6.4%
Pardes House School	(51,622)	(45,530)	(6,092)		0	0	(51,622)	(45,530)	(6,092)	(4.7%)
Queenswell Infant School	92,195	60,873	31,322		0	0	92,195	60,873	31,322	5.2%
Queenswell Junior School	73,146	73,690	(544)	(1)	(1)	0	73,145	73,689	(544)	3.9%
Rosh Pinah School	(8,597)	(7,251)	(1,346)		0	0	(8,597)	(7,251)	(1,346)	(0.5%)

# Appendix 1

Final Individual School Outturn Balances 2015-16										
School	Revenue			Capital			Total Balance			% outturn against funding
	As at 31.03.16	As at 31.03.15	Increase / (decrease)	As at 31.03.16	As at 31.03.15	Increase / (decrease)	As at 31.03.16	As at 31.03.15	Increase / (decrease)	
Sacred Heart RC School	143,552	119,920	23,632		0	0	143,552	119,920	23,632	8.1%
Sacks Morasha	79,532	24,718	54,814	1	1	0	79,533	24,719	54,814	10.2%
St. Agnes' RC School	265,780	181,796	83,984	1	1	(0)	265,781	181,797	83,984	16.5%
St. Andrew's CE School	171,915	109,445	62,470		0	0	171,915	109,445	62,470	18.1%
St. Catherine's RC School	158,282	146,984	11,298		0	0	158,282	146,984	11,298	7.5%
St. John's CE School (N11)	108,062	124,462	(16,400)		0	0	108,062	124,462	(16,400)	10.1%
St. John's CE School (N20)	29,886	24,750	5,136		0	0	29,886	24,750	5,136	2.6%
St. Joseph's RC Infant School (close	0	4,138	(4,138)		0	0	0	4,138	(4,138)	
St. Joseph's RC Primary	16,860	104,677	(87,817)		0	0	16,860	104,677	(87,817)	0.8%
St. Mary's & St. Johns Primary	177,419	149,572	27,847	20,238	0	20,238	197,657	149,572	48,085	5.2%
St. Mary's CE School (EN4)	33,828	82,061	(48,233)		0	0	33,828	82,061	(48,233)	3.3%
St. Mary's CE School (N3)	100,768	97,706	3,062		0	0	100,768	97,706	3,062	5.4%
St. Paul's CE School (N11)	253,157	219,470	33,687		0	0	253,157	219,470	33,687	21.6%
St. Paul's CE School (NW7)	46,511	61,296	(14,785)		0	0	46,511	61,296	(14,785)	4.7%
St. Theresa's RC School	19,330	93,665	(74,335)		2	(2)	19,330	93,667	(74,337)	1.8%
St. Vincent's RC School	132,717	147,632	(14,915)	(1)	0	(1)	132,716	147,632	(14,916)	8.9%
Summerside School	45,582	111,700	(66,118)		142	(142)	45,582	111,842	(66,260)	1.6%
Sunnyfields School	95,344	92,742	2,602	1	0	1	95,345	92,742	2,603	7.1%
The Hyde (academy conversion)		4,956	(4,956)		0	0	0	4,956	(4,956)	
Trent CE School	16,258	20,665	(4,407)		0	0	16,258	20,665	(4,407)	1.8%
Tudor School	20,564	82,816	(62,252)	6,544	2	6,542	27,108	82,818	(55,710)	2.0%
Underhill School	157,517	133,600	23,917		0	0	157,517	133,600	23,917	5.3%
Underhill Junior School (closed)		(2,059)	2,059		0	0	0	(2,059)	2,059	
Wessex Gardens School	365,842	392,935	(27,093)	45,921	36,537	9,384	411,763	429,472	(17,709)	16.4%
Whittings Hill School	233,083	323,336	(90,253)	(15,094)	0	(15,094)	217,989	323,336	(105,347)	8.3%
Woodcroft Primary	129,979	187,818	(57,839)	9,110	34,542	(25,432)	139,089	222,360	(83,271)	5.1%
Woodridge School	119,899	149,100	(29,201)	13,390	6,689	6,701	133,288	155,789	(22,501)	12.0%
<b>Sub Total - Primary Sector</b>	<b>9,160,728</b>	<b>9,831,036</b>	<b>(670,308)</b>	<b>101,800</b>	<b>202,634</b>	<b>(100,834)</b>	<b>9,262,528</b>	<b>10,033,670</b>	<b>(771,142)</b>	<b>6.6%</b>
Brookhill	145,359	307,555	(162,196)	1	(5,415)	5,416	145,359	302,140	(156,781)	37.9%
Hampden Way	192,316	182,392	9,924	11,251	13,447	(2,196)	203,567	195,839	7,728	60.1%
Moss Hall	275,577	246,609	28,968	9,914	4,861	5,053	285,491	251,470	34,021	61.4%
St Margarets	131,617	189,608	(57,991)	6,125	6,997	(872)	137,742	196,605	(58,863)	30.3%
<b>Sub Total - Nursery Sector</b>	<b>744,868</b>	<b>926,164</b>	<b>(181,296)</b>	<b>27,291</b>	<b>19,890</b>	<b>7,401</b>	<b>772,159</b>	<b>946,054</b>	<b>(173,895)</b>	<b>47.0%</b>
Bishop Douglass RC High	83,487	49,806	33,681		0	0	83,487	49,806	33,681	1.6%
Finchley Catholic High School	517,084	714,866	(197,782)		58,667	(58,667)	517,084	773,533	(256,449)	8.2%
Friern Barnet School	300,510	347,542	(47,032)	9,491	2,459	7,032	310,001	350,001	(40,000)	5.8%
JCoSS	123,972	195,146	(71,174)		0	0	123,972	195,146	(71,174)	1.8%
St James' Catholic High School	108,187	(450)	108,637		0	0	108,187	(450)	108,637	1.8%
St Mary's CE High	225,826	413,440	(187,614)		0	0	225,826	413,440	(187,614)	18.0%
St. Michael's Catholic Gram'r Sch.	11,789	48,081	(36,292)	4,443	4,443	0	16,232	52,524	(36,292)	0.4%
<b>Sub Total - Secondary Sector</b>	<b>1,370,855</b>	<b>1,768,431</b>	<b>(397,576)</b>	<b>13,934</b>	<b>65,569</b>	<b>(51,635)</b>	<b>1,384,789</b>	<b>1,834,000</b>	<b>(449,211)</b>	<b>4.0%</b>
Mapledown School	118,167	252,879	(134,712)	(0)	0	(0)	118,167	252,879	(134,712)	5.5%
Northway School	107,766	87,672	20,094	(790)	14,268	(15,058)	106,976	101,940	5,036	5.3%
Oak Lodge School	144,502	159,859	(15,357)	3,166	1	3,165	147,668	159,860	(12,192)	4.3%
Oakleigh School	154,313	39,522	114,791	1,712	0	1,712	156,025	39,522	116,503	5.3%
<b>Sub Total - Special Sector</b>	<b>524,748</b>	<b>539,932</b>	<b>(15,184)</b>	<b>4,088</b>	<b>14,269</b>	<b>(10,181)</b>	<b>528,835</b>	<b>554,201</b>	<b>(25,366)</b>	<b>5.0%</b>
Northgate School	72,845	186	72,659	9,182	4,743	4,439	82,027	4,929	77,098	19.3%
Pavilion Study Centre	260,791	55,241	205,550	9,072	4,316	4,756	269,863	59,557	210,306	12.1%
<b>Sub Total - Pupil referral units</b>	<b>333,636</b>	<b>55,427</b>	<b>278,209</b>	<b>18,254</b>	<b>9,059</b>	<b>9,195</b>	<b>351,890</b>	<b>64,486</b>	<b>287,404</b>	<b>13.2%</b>
<b>Sub Total All Sectors</b>	<b>12,134,835</b>	<b>13,120,990</b>	<b>(986,155)</b>	<b>165,366</b>	<b>311,421</b>	<b>(146,055)</b>	<b>12,300,201</b>	<b>13,432,411</b>	<b>(1,132,210)</b>	<b>6.4%</b>

\*School Funding is all LA funding - Budget Share, SEN, Pupil Premium.



## Appendix II

2016/17 BUDGET MONITORING - QUARTER 1					
2016-17 Quarter 1 - Budget Monitoring					
		Budget	Projection	Variance	Explanation
EXPENDITURE					
<b>Schools Block</b>					
		£	£	£	
1.0.1	Individual Schools Budget	175,375,310	175,174,254	(201,056)	Excludes expenditure relating to Early years pupil premium plus
1.1.1	Contingencies	147,130	0	(147,130)	No call on contingency anticipated
1.1.2	Behaviour Support Services	79,130	79,130	0	
1.1.3	Support to UPEG and bilingual learners	87,000	87,000	0	
1.1.9	Staff costs - supply cover for facility time	48,770	48,770	0	
		<b>175,737,340</b>	<b>175,389,154</b>	<b>(348,186)</b>	
<b>High Needs Block</b>					
1.2.1	Top-up funding - maintained schools	16,969,420	16,583,738	(385,682)	
1.2.2	Top-up funding - academies, free schools and colleges	7,434,150	6,987,773	(446,377)	The underspend is mostly based on summer term adjustments and Special school day top ups
1.2.3	Top-up and other funding - non-maintained and independent providers	9,084,010	9,033,761	(50,249)	
1.2.4	Additional high needs targeted funding for mainstream schools and academies	0	0	0	
1.2.5	SEN support services	3,581,850	3,580,816	(1,034)	
1.2.6	Hospital education services	530,010	541,146	11,136	
1.2.11	Direct payments (SEN and disability)	300,000	300,000	0	
		<b>37,899,440</b>	<b>37,027,234</b>	<b>(872,206)</b>	
<b>Early Years Block</b>					
1.3.1	Central expenditure on children under 5	979,070	1,008,994	29,924	Overspend on Early Years standards due to an increase to the employers NI contributions
		<b>979,070</b>	<b>1,008,994</b>	<b>29,924</b>	
<b>Central Block</b>					
1.4.1	Contribution to combined budgets	621,580	621,580	0	
1.4.2	School Admissions	361,200	363,490	2,290	
1.4.3	Servicing of schools forums	34,680	34,680	0	
1.4.10	Pupil growth / Infant class sizes	1,232,040	1,619,234	387,194	Increase in bulge classes
1.4.11	SEN transport	400,000	400,000	0	
1.4.12	Exceptions agreed by the Secretary of State	0	0	0	
1.4.13	Other items	106,500	106,500	0	
		<b>2,756,000</b>	<b>3,145,484</b>	<b>389,484</b>	
	<b>TOTAL EXPENDITURE</b>	<b>217,371,850</b>	<b>216,570,866</b>	<b>(800,984)</b>	
<b>INCOME</b>					
1.7.1	Estimated Dedicated Schools Grant for 2016-17	(210,043,000)	(210,192,579)	(149,579)	Corrections for academy recoupment and copyright licensing
1.7.2	Dedicated Schools Grant b/f	(1,342,390)	(1,342,390)	0	
1.7.4	EFA funding	(5,986,460)	(6,579,220)	(592,760)	Income from JCOSS (advance paid inn 2015/16)
	<b>TOTAL INCOME</b>	<b>(217,371,850)</b>	<b>(218,114,189)</b>	<b>(742,339)</b>	
	<b>GRAND TOTAL</b>	<b>0</b>	<b>(1,543,323)</b>	<b>(1,543,323)</b>	

## Appendix III

2016/17 SCHOOLS BUDGET							
Schools Forum February 2016							
		Gross Budget	Recoupment	Net Budget	Quarter 1 Revised budget		Reason for Budget change
EXPENDITURE							
Schools Block							
		£	£	£	£	£	
1.0.1	Individual Schools Budget	269,632,025	(94,256,714)	175,375,311		175,375,310	
1.1.1	Contingencies	147,135	0	147,135		147,130	
1.1.2	Behaviour Support Services	79,133	0	79,133		79,130	
1.1.3	Support to UPEG and bilingual learners	87,001	0	87,001		87,000	
1.1.4	Free school meals eligibility	0	0	0		0	
1.1.5	Insurance	0	0	0		0	
1.1.6	Museum and Library services	0	0	0		0	
1.1.7	Licenses/subscriptions	0	0	0		0	
1.1.8	Staff costs - supply cover excluding cover for facility time	0	0	0		0	
1.1.9	Staff costs - supply cover for facility time	48,774	0	48,774		48,770	
		<b>269,994,068</b>	<b>(94,256,714)</b>	<b>175,737,354</b>		<b>175,737,340</b>	
High Needs Block							
1.2.1	Top-up funding - maintained schools	16,969,414	0	16,969,414		16,969,420	
1.2.2	Top-up funding - academies, free schools and colleges	7,434,145	0	7,434,145		7,434,150	
1.2.3	Top-up and other funding - non-maintained and independent	9,084,010	0	9,084,010		9,084,010	
1.2.4	Additional high needs targeted funding for mainstream schools	0	0	0		0	
1.2.5	SEN support services	3,425,542	0	3,425,542		3,581,850	Adjustment made due to rebaselining for Section 251
1.2.6	Hospital education services	530,006	0	530,006		530,010	
1.2.7	Other alternative provision services	0	0	0		0	
1.2.8	Support for inclusion	0	0	0		0	
1.2.9	Special schools and PRUs in financial difficulty	0	0	0		0	
1.2.10	PF/BSF costs as special schools and AP/PRUs	0	0	0		0	
1.2.11	Direct payments (SEN and disability)	300,000	0	300,000		300,000	
		<b>37,743,117</b>	<b>0</b>	<b>37,743,117</b>		<b>37,899,440</b>	
Early Years Block							
1.3.1	Central expenditure on children under 5	979,072	0	979,072		979,070	
		<b>979,072</b>	<b>0</b>	<b>979,072</b>		<b>979,070</b>	
Central Block							
1.4.1	Contribution to combined budgets	777,892	0	777,892		621,580	Adjustment made due to rebaselining for Section 251
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	
1.4.4	Termination of employment costs	0	0	0		0	
1.4.5	Fallings Rolls fund	0	0	0		0	
1.4.6	Capital expenditure from revenue (CERA)	0	0	0		0	
1.4.7	Prudential borrowing costs	0	0	0		0	
1.4.8	Fees to independent schools without SEN	0	0	0		0	
1.4.9	Equal pay - back pay	0	0	0		0	
1.4.10	Pupil growth / Infant class sizes	1,232,035	112,143	1,344,178		1,232,040	Adjustment to budget relating to academy recoupment for bulge classes
1.4.11	SEN transport	400,000	0	400,000		400,000	
1.4.12	Exceptions agreed by the Secretary of State	0	0	0		0	
1.4.13	Other items	106,500	0	106,500		106,500	
		<b>2,912,307</b>	<b>112,143</b>	<b>3,024,450</b>		<b>2,756,000</b>	
		<b>311,628,564</b>	<b>(94,144,571)</b>	<b>217,483,993</b>		<b>217,371,850</b>	
INCOME							
1.7.1	Estimated Dedicated Schools Grant for 2016/17	(304,299,712)	94,144,571	(210,155,141)		(210,043,000)	Adjustment to budget relating to academy recoupment for bulge classes
1.7.2	Dedicated Schools Grant b/f	(1,342,393)	0	(1,342,393)		(1,342,390)	
1.7.4	EFA funding	(5,986,459)	0	(5,986,459)		(5,986,460)	
		<b>(311,628,564)</b>	<b>94,144,571</b>	<b>(217,483,993)</b>		<b>(217,371,850)</b>	

## Appendix 4

### Early Years National Funding Formula Consultation – Barnet Response

**Should there be an early years national funding formula (to distribute money from central government to each local authority)?**

*A: Yes, this is fairer across the country.*

**To what extent do you agree with the proposed funding floor limit, so that no local authority would face a reduction in its hourly funding rate of greater than 10%?**

*A: LAs affected will find this difficult to manage and either impact on services to Under 5s or to other areas of education spending. Those areas will find it particularly difficult to incentivise provision of 30 hours. The protection should be closer to the mainstream schools MFG, i.e. -1.5% per annum.*

Considering a universal base rate of funding which does not vary by local area...

**Should a universal base rate be included in the early years national funding formula?**

*A: Yes, this makes sense as long as there is an area cost adjustment.*

**Is 89.5% of overall funding the right amount to channel through this factor?**

*A: This seems an unusually exact figure, but about 10% for supplements seems about the right balance between stability of funding and recognition of additional costs at settings.*

**Should an additional needs factor be included in the early years national funding formula?**

*A: Yes, this is needed to channel additional money to LAs with higher proportions of children in danger of underachieving due to family circumstances.*

**Do we propose the correct basket of metrics?**

*A: It is most important that LAs can be assured that any data used will be accurate and complete. It is not clear why the Early Years Pupil Premium, a relatively small amount, is needed separately from additional needs factors. It would be simpler to add a LAC supplement and absorb EYPP into the national and local formulae. Further information is needed to understand how the data has been arrived at, and disappointing that the data will not reflect the characteristics of the nursery population but a wider age range. Rather than using free school meals, which may be inaccurate at KS1 due to universal infant free meals, an index of multiple deprivation such as IDACI could be used with data derived directly from the early years census. Unless the distribution of Disabled Living Allowance to under 5s varies across the country, it is not clear why this metric is needed in the national formula.*

**Do we propose the correct weightings for each metric?**

*A: Although they seem reasonable there is no explanation of how the weightings were calculated.*

Considering an area cost adjustment...

**Should the early years national funding formula include an area cost adjustment?**

*A: Yes, this is essential with a national hourly rate. Provider costs for both premises and labour vary across the country and are particularly high in London.*

**Should that adjustment be based on staff costs (based on the General Labour Market measure) and on nursery premises costs (based on rateable values)?**

*A: Staff costs. Although both are a pressure for providers, premises costs can sometimes be offset by economies of scale and other activities and services offered by the setting. Labour costs are directly related to the number of children cared for and cannot be offset by other services.*

To implement the increased hourly rate for the two-year old free entitlement...

**Should we retain the current two-year-old funding formula?**

*A: The formula has not been clearly explained or consulted on, and does not generate enough to incentivise and manage the provision. The 30 hour offer could have a detrimental effect on providers participating in FEE2*

**Should we use the additional funding secured at the spending review to uplift local authorities' allocations based upon this?**

*A: Yes, it seems illogical to increase the 3 & 4 year old funding rates without a matching increase for two year olds, especially as many LAs are still finding it difficult to recruit providers. Considering the differential in staffing ratios for under 3s, the funding rates should mirror that differential.*

Considering the Dedicated Schools Grant...

**Should the free entitlement be capped at 30 hours for children of eligible working parents and 15 hours for all other children?**

*A: Yes, this reflects the entitlement. LAs which wish to offer more generous provision should find other sources of funding, rather than take money from LAs which do not.*

**Should Government set the proportion of early years funding that must be passed on to providers?**

*A: As long as it is set at a reasonable level, yes.*

**Do you think that 95% is the correct minimum proportion of the money that should be passed from local authorities to providers?**

*A: That level suits this LA, but may be difficult elsewhere. Providers could be destabilised if they receive a bit more income from the formula, but then find they have to buy in services they previously received free. The result could be lowering of standards and outcomes. The change should be introduced more gradually.*

**Should local authorities be required to give the same universal hourly base rate to all childcare providers in their area?**

*A: Yes, Barnet has successfully operated this since the introduction of the Single Early Years Funding Formula, although there have been temporary nursery school supplements which are decreasing each year.*

**Should local authorities be able to use funding supplements?**

*A: Yes, this is essential to recognise the needs of children at different settings, in the same way as is established for older children in schools.*

**Should there be a cap on the proportion of funding that is channelled through supplements?**

*A: No, this is unnecessary regulation especially as all providers are themselves consulted on the formula. Local authorities will find their own ideal proportion. However, if this is a precursor to a national funding formula for individual providers, it does make sense to be planning for a smooth transition.*

**If you agree that there should be cap on the proportion of funding that is channelled through supplements, should the cap be set at 10%?**

*A: 10% is too low, we would prefer 15% to allow for local variations.*

**Should the following supplements be permitted? Deprivation, sparsity / rural areas, flexibility, efficiency, additional 15 hours**

*A: Not efficiency as it is unclear how it can be objectively measured, especially at private settings and academies. Additional 15 hours could also be problematic. If parents choose to split the 30 hours which provider would receive the supplement for 'additional' hours?*

**When using funding supplements, should local authorities have discretion over the metrics they use and the amount of money channelled through each one?**

*A: Yes, LAs need this flexibility to respond to the local market mix and delivery methods. However, anything which helps LAs in their data collection is of course welcome.*

**If you agree that efficiency / additional 15 hours should be included in the set of supplements, do you have a suggestion of how should it be designed?**

*A: It is not clear what 'Efficiency' actual is and how it could be objectively measured across the range of providers from child minders to big nursery chains. Incentivising provision of the 15 hours should only be necessary in LAs where the hourly rate for all children is static or falling, but even then, incentives should be a temporary measure in place until sufficient places are available in the locality.*

*More information is needed on how the 30 hour entitlement will be administered, e.g. how will parents have to back up their claim for the additional 15 hours?; will entitlement cease the moment one parent becomes unemployed or will it continue for the term / year?; what role does the LA play in ensuring claims are not fraudulent?; how are single parent families and separated couples assessed?; will state maintained schools and academies be required to offer 30 hours automatically?; can providers refuse to provide 30 hours to a child already on roll when the new entitlement starts in September 17? How will it work when children access more than one provider – will both providers have to be free at the point of delivery?*

**If you think any additional supplements should be permitted which are not mentioned here, please set out what they are and why you believe they should be included.**

*A: The allowance for any provider with a child in receipt of disabled living allowance would be best administered as a supplement, although outside any limit on the total proportion of funding. There is also the question of whether there will be any change in SEN provision for under 5s in special schools or special resourced units, or whether these can remain outside the system, funded via place plus*

**Should there be a Disability Access Fund to support disabled children to access their free entitlement?**

*A: All funding for settings to improve access for children (and staff/parents) is welcome, but the size of this grant when spread across all LAs and settings is too small to be very effective. Moreover, much of the money will go to maintained schools and academies which arguably, should already have facilities in place.*

**Should eligibility for the Disability Access Fund be children aged 3 or 4 which are a) taking up their free entitlement and b) in receipt of Disability Living Allowance?**

*A: This seems logical so long as this will effectively capture the full range of disability including autism, hearing, speech and language impairment and chronic illness as well as*

*physical disability. However many children of such a young age will not yet have a diagnosis. And therefore not be in receipt of benefit. Settings will be supporting them at additional costs already without being able to claim any funding back.*

**When it comes to delivering the funding for the Disability Access Fund, is the most appropriate way the existing framework of the Early Years Pupil Premium?**

*A: No, the EYPP administration is already fiddly and does not need further complication.*

**To what extent do you agree that a lack of clarity on how parents / childcare providers can access financial support results in children with special educational needs not receiving appropriate support? (We mean children who do not already have an Education, Health and Care Plan)**

*We agree that there is a lack of clarity which results in children not always accessing appropriate support*

When it comes to establishing an inclusion fund...

**Should local authorities be required to establish an inclusion fund?**

*A: Funding should be available for under 5s in the same way as for older children, with clear rules for entitlement. Having a separate ringfenced fund only for under 5s is not necessary, especially as the need in this age group can vary considerably from year to year.*

**Would an inclusion fund help improve the supply of appropriate support children receive when in an early years setting?**

*A: In general, where there are barriers for providers, they are likely to be due to lack of information on who qualifies, how to apply and how much will be paid, not the existence of a ring fenced fund.*

**If you envisage any barriers, arising from existing practice or future proposals, to introducing a new requirement on local authorities to establish an inclusion fund, please tell us what they are and how they might be overcome.**

*A: Barnet has already addressed this area and put procedures in place successfully.*

When it comes to the SEN inclusion fund, should local authorities be responsible for deciding...

**The children for which the inclusion fund is used?**

*A: Yes*

**The value of the fund?**

*A: Yes*

**The process of allocating the funding?**

*A: Yes*

**Where specialist SEN or SEND services are delivered free at the point of use, should they be considered as funding passed directly to providers for the purposes of the 95% high pass-through?**

*A: No. Many providers are very small and could not buy in services at reasonable cost separately.*

**To what extent do you agree with the transition approach proposed for the Early Years National Funding Formula (money distributed from Government to local authorities)?**

*A: Whilst not a problem in Barnet it could be too fast for some LAs to manage*

**To what extent do you agree with the transition approach proposed for the high pass-through of early years funding from local authorities to providers?**

*A: Whilst not a problem in Barnet it could be too fast for some LAs to manage*

**To what extent do you agree that our proposals on the high pass-through of funding from local authorities to childcare providers makes the existing Minimum Funding Guarantee for the early years unnecessary?**

*A: The early years MFG will not be manageable for LAs which are losing funding, but in the longer term, the MFG should remain to ensure stability of funding for providers.*

**To what extent do you agree with the transition approach proposed for introducing the universal base rate for all providers in a local authority area?**

*A: Whilst not a problem in Barnet as we already have a single base rate, this is likely to cause particular turbulence in some LAs and providers, which in turn could affect provider participation.*

**Please provide any representations / evidence on the impact of our proposals for the purposes of the Public Sector Equality Duty (Equality Act 2010). The protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; race (including ethnicity); religion or belief; sex and sexual orientation.**

*A. None*

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## Options for revising the Barnet Early Years Funding Formula (BEYFF) for 3 and 4 year olds in 2017/18

The BEYFF in 2016/17 consists of 4 elements:

1. A standard hourly rate for all providers
2. Deprivation supplement (based on IDACI scores of children attending)
3. Flexibility level offered by the setting (0,1, or 2)
4. Lump sum of £100 per annum for the first 30 children

We are consulting on changes to the formula for 2017/18 for the following reasons:

1. The local authority is required to remove element 4 because it does not comply with new regulations for 2017/18. The money will be redistributed through the rest of the formula.
2. Financial incentives for settings to offer 30 hours childcare are being considered.
3. The government will increase the funding to Barnet under the new system for allocating the early years block of the Dedicated Schools Grant. The increase is in the region of 25%.

From September 2017, three and four year old children of families where both parents are working will become eligible for 30 hours per week free childcare, 38 weeks per year. While many settings will already be providing 30+ hours, charging parents for hours in excess of 15 per week, we recognise that settings may have to make changes for the new system.

For those settings planning to offer 30 hours we are considering an advance lump sum, eg in the summer of 2017, followed by another in the spring term for those settings who have successfully introduced the 30 hours. We estimate the cost of this in 2017/18 would be £200,000, which would be top sliced from the total amount available for the BEYFF.

Alternatively, providers may consider that an increase of £1.20 per hour for all children taking up the free entitlement will facilitate the move to 30 hours anyway, and that parental choice will be the greatest incentive to meet the new entitlement.

We have modelled the following options

Option	Base Rate per hour	Deprivation Supplement (compulsory)	Flexibility Supplement	30 hour incentive
Option 1	£4.96	Yes	No	No
Option 1a	£4.90	Yes	No	Yes
Option 2	£4.96	Yes (but less than Option 1)	Yes	No
Option 2a	£4.90	Yes (but less than Option 1)	Yes	Yes

Based on a total distributed through the formula of £17.853m, the basic hourly rate would be about **£4.96** per hour (for reference it is £3.76 in 2016/17). If £200,000 were topsliced from the total available to incentivise 30 hours for working parents, the hourly rate would be a little lower at £4.90 per hour.

In 2016/17 the average funding per hour including supplements across all providers is about £4.30 per hour. Based on historical claims data, we have modelled the four options above against four groups of providers to give an estimated amount per hour each type would receive :

1. PVIs and childminders
2. Maintained school nursery classes
3. Academy nursery classes
4. Maintained nursery schools

Overall the average funding per hour is likely to rise to around **£5.40** per hour with either Option 1 or 2, slightly lower for Option 1a and 2a. There will however be variations around this depending on the deprivation scores of the children's home postcodes and the flexibility offered to parents by the setting (levels 0,1 or 2 as now).

**Option 1 – average rate per hour including deprivation supplement. No 30 hour topslice**

	MIN		MAX		AVERAGE	
		Low IDACI		High IDACI		
Academies	£	4.96	£	5.99	£	5.46
Maintained N classes	£	5.19	£	6.13	£	5.59
Maintained N schools	£	5.34	£	5.58	£	5.45
PVIs	£	4.96	£	6.89	£	5.40

**Option 2 – average rate per hour including deprivation and flexibility supplements (in same ratio as 2016/17. No 30 hour topslice**

	Min	Max	Average
Academies	£5.03	£5.51	£5.30
Maintained N classes	£5.02	£5.55	£5.37
Maintained N schools	£5.06	£5.45	£5.33
PVIs	£4.96	£5.83	£5.36

**Option 1a - average rate per hour including deprivation supplement. 30 hour supplement paid separately to eligible settings**

	MIN		MAX		AVERAGE	
		Low IDACI		High IDACI		
Academies	£	4.90	£	5.93	£	5.40
Maintained N classes	£	5.13	£	6.07	£	5.53
Maintained N schools	£	5.28	£	5.52	£	5.39
PVIs	£	4.90	£	6.83	£	5.36

**Option 2a – average rate per hour including deprivation and flexibility supplements (in same ratio as 2016/17. 30 hour supplement paid separately to eligible settings.**

	Min	Max	Average
Academies	£4.97	£5.45	£5.24
Maintained N classes	£4.96	£5.49	£5.31
Maintained N schools	£5.00	£5.39	£5.27
PVIs	£4.90	£5.77	£5.30

## Consultation with Early Years Providers (Appendix 4)

<p>This 6 question survey seeks the views of all Barnet early years providers on future funding levels and the provision of the government's new 30 hour entitlement for eligible working parents. This is as a result of the government's announcement of changes to the way local authorities receive funding for early years, and new rules about the way local authorities must distribute the money to its providers for 3 and 4 year olds. More information on this can be found here: <a href="#">&lt;Links to consultation and analysis of Barnet's formula and funding (including modelling examples &gt;</a></p> <p>We will use the responses to this consultation to devise a new formula for all providers from April 2017, so we hope to hear from a wide range of early years providers. Please write as much or as little as you want.</p>	
1	<p><b>Q: Are you currently planning to offer working parents 30 hours free early education from September 2017?</b></p> <p>Yes – fully prepared for all eligible parents          Probably, but would like to know more          No – not possible at our setting due to physical or organisational restrictions          No – no, not affordable at our setting          Other – please comment</p>
2	<p>From April 2017, higher government funding will allow Barnet to increase average hourly funding by about 25%.</p> <p><b>Q: Will this higher rate of funding help you offer the 30 hour entitlement for working parents</b></p> <p>Yes / No / comment</p>
3.	<p>We currently pay 3.76 per hour for 3 &amp; 4 year olds as well as supplements which bring average funding to around £4.31 per hour. This depends on the flexibility offered by the provider, and the deprivation levels of the children in the setting. In the new funding formula we will be able to offer a maximum of 10% as supplements. The government requires us to offer a deprivation supplement.</p> <p><b>Q: Do you think we should continue to offer other supplements apart from deprivation?</b></p> <p>Yes/No – the whole 10% supplement should be based solely on deprivation/Don't know - comment</p>
4.	<p><b>Q: As part of the 10% supplement, do you think that providers which offer the 30 hours entitlement for working parents should receive additional funding beyond that offered to those that don't?</b></p> <p>Yes/No/Don't Know          Q: If yes, what does this need to cover?          Other comments</p>
5.	<p><b>Q: Do you think that some of the 10% supplement should be used to incentivise providers to offer parents greater flexibility? This would decrease the rate for deprivation.</b></p> <p>Yes/No/Don't Know          Q: If yes, how do you plan to offer flexibility to meet the needs of working parents?</p>
6.	<p>Barnet currently uses around 6% of the early years government funding for services. (this equates to approximately 25p on your funding rate)          Providing services across the borough allows for better value for money for providers.          These services include:</p> <ul style="list-style-type: none"> <li>• Support visits from the Early Years Standards Team</li> </ul>

- Visits from the Pre-school Inclusion Team
- Visits from Pre-school Learning Alliance
- Training – centralised and bespoke
- Network meetings
- Regular updates around EYFS learning ,development and statutory requirements

**Q: Do you think more of this money should be passed directly to providers to allow them to choose to buy in such services directly - either from Barnet or from other sources?**

Yes/No/Don't Know plus comment

2015-16 - Final Outturn					
		Budget	Projection	Variance	Explanation
<b>EXPENDITURE</b>					
<b>Schools Block</b>					
Q3					
		£	£	£	
1.0.1	Individual Schools Budget	172,047,780	170,903,419	(1,144,361)	The underspends relate to (i) underspend on 2, 3 & 4 year olds due to reduced take up (ii), re-claim of NNDR credits as a result of schools receiving credit (iii) confirmation of information from providers regarding eligibility/take up of the early pupil premium. In addition, there was an advance payment to JCOSS for increased funding.
1.1.1	Contingencies	194,850	77,598	(117,252)	Reduced requirement
1.1.2	Behaviour Support Services	77,610	77,610	0	
1.1.3	Support to UPEG and bilingual learners	85,560	85,560	0	
1.1.9	Staff costs - supply cover for facility time	47,510	47,510	0	
		<b>172,453,310</b>	<b>171,191,697</b>	<b>(1,261,613)</b>	
<b>High Needs Block</b>					
1.2.1	Top-up funding - maintained schools	16,142,700	15,775,159	(367,541)	
1.2.2	Top-up funding - academies, free schools and colleges	6,854,894	6,602,530	(252,364)	The underspend is as a based on final claims from providers and a reduction in the use of expensive placements
1.2.3	Top-up and other funding - non-maintained and independent providers	9,835,970	8,797,763	(1,038,207)	
1.2.5	SEN support services	3,198,223	3,158,250	(39,973)	
1.2.6	Hospital education services	530,010	530,006	(4)	
1.2.11	Direct payments (SEN and disability)	200,000	210,002	10,002	Increase in approvals of payments of personal travel budgets
		<b>36,761,797</b>	<b>35,073,711</b>	<b>(1,688,086)</b>	
<b>Early Years Block</b>					
1.3.1	Central expenditure on children under 5	1,714,070	1,629,276	(84,794)	Early years vulnerable children - fewer referrals than budgeted
		<b>1,714,070</b>	<b>1,629,276</b>	<b>(84,794)</b>	
<b>Central Block</b>					
1.4.1	Contribution to combined budgets	777,890	778,686	796	
1.4.2	School Admissions	361,200	359,402	(1,798)	
1.4.3	Servicing of schools forums	34,680	34,680	0	
1.4.10	Pupil growth / Infant class sizes	1,308,910	1,447,107	138,197	Higher growth than initially estimated - additional bulge classes and bulge class protection
1.4.11	SEN transport	400,000	400,000	0	
1.4.13	Other items	106,500	137,500	31,000	Increased demand and liability for hard to place pupil payments to schools in the last quarter
		<b>2,989,180</b>	<b>3,157,376</b>	<b>168,196</b>	
		<b>213,918,357</b>	<b>211,052,060</b>	<b>(2,866,297)</b>	
<b>INCOME</b>					
1.7.1	Estimated Dedicated Schools Grant for 2014-15	(205,247,100)	(205,038,940)	208,160	Reduction in income re reduced take up & copyright licensing
1.7.2	Dedicated Schools Grant b/f from 2013/14	(2,637,910)	(2,638,664)	(754)	
1.7.4	EFA funding	(6,033,347)	(6,177,134)	(143,787)	In-year adjustments from the EFA relating to increased allocations and bursaries
		<b>(213,918,357)</b>	<b>(213,854,739)</b>	<b>63,618</b>	
<b>GRAND TOTAL</b>		<b>0</b>	<b>(2,802,679)</b>	<b>(2,802,679)</b>	

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