

	<p>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER 13 February 2017</p>
Title	<p>Submission of the completed Authority Proforma Tool (the APT) (the formula for school funding) to the DfE</p>
Report of	<p>Commissioning Director for Children & Young People (Director of Children’s Services)</p>
Wards	<p>All</p>
Status	<p>Public</p>
Enclosures	<p>Appendix A – summary of APT submission</p>
Officer Contact Details	<p>Val White Programme Director, Education and Learning val.white@barnet.gov.uk</p>

<p>Summary</p>
<p>The report describes the detailed assumptions underpinning the proposals for allocating budgets to schools and early years providers in 2017/18. These assumptions are reflected in the completed Authority Proforma Tool (the APT) which was submitted to the Department for Education by the deadline of 20th January 2017. The report seeks approval for the revised submission dated 13 February 2017.</p>

<p>Decisions</p>
<p>1.1 That the Commissioning Director for Children & Young People approve the submission of the revised completed Authority Proforma Tool (the APT) dated 13 February 2017, which shows all the detailed assumptions underpinning the proposals for allocating budgets to schools and early years providers in 2017/18, to the Department for Education.</p>

1. WHY THIS REPORT IS NEEDED

- 1.1 On the 14th June 2016, the Children, Education, Libraries and Safeguarding Committee considered the Government's intention to move to a national funding formula. It also delegated to the Commissioning Director, Children and Young People authority to consult schools on any changes to Barnet's funding formula for 2017/18 and to submit Barnet's funding formula to central government.
- 1.2 The council is required to submit to the DfE annually a completed Authority Proforma Tool (the APT) which shows all the detailed assumptions underpinning the proposals for allocating budgets to schools and early years providers in the following year. The deadline for submitting the APT in respect of the financial year 2017/18 was 20th January 2017 and Barnet's APT was submitted then. However, some minor adjustments have had to be made since then and, with the agreement of the DfE, a revised version of the APT will be submitted on 13 February. A summary of the revised APT is set out in Appendix A.
- 1.3 The key factors, which were subject to consultation with the Schools Forum in December, are as follows:
- The government's minimum funding guarantee (MFG) for schools remains the same as in 2016/17 (-1.5%). This means that the maximum reduction in per pupil funding for any school is 1.5%.
 - Barnet's Primary to Secondary funding ratio has remained consistent at 1:1.29 and, in order to maintain this ratio in 2017/18, Schools Forum agreed to increase the secondary age weighted pupil unit (AWPU) by £10 per annum.
 - To ensure the affordability of the MFG protection, which means schools do not lose more than 1.5% per pupil in their formula funding, the Schools Forum also agreed a change to the amount schools can gain by applying a cap. Schools would keep formula funding gains up to a maximum of 2.25% per pupil.
 - The December 2015 IDACI (Income Deprivation Affecting Children Index) release meant that IDACI scores for all Barnet schools (and in London generally) were lower than in the previous year. To reflect the lower deprivation scores, the DfE has now redesigned the IDACI bands to return them to a similar size to previous years. In light of this, Barnet has reverted to funding the 3 most deprived IDACI bands, now classified as A, B and C. The total deprivation expenditure as a percentage of total distribution remains consistent with previous years.
 - All Academies and Free Schools are treated in the same way as maintained schools in that their pupils are used to determine the Schools Block of the DSG, and the local authority calculates and submits their funding on the authority proforma tool (APT) so the money can be recouped by the Education Funding Agency from Barnet's DSG.
 - Local authorities are responsible for pupil growth at all schools, except in the first year of opening a new free school. A total of £3.8m is needed in the growth fund budget for 2017/18 to pay for new year groups and bulge classes opening in academies and free schools as well as expansions at maintained schools.
- 1.4 The Schools Forum agreed in principle to this approach to the APT at its meeting on 8 December 2016 and noted the submission of the APT at its meeting on the 9th February 2017.

1.5 The school funding rates for the 2017/18 financial year are as follows:

	Proposed 2017/18		2016/17 Rates	
	Primary Rate £	Secondary Rate £	Primary Rate £	Secondary Rate £
Age Weighted Pupil Unit	3,325.75	4,782.86	3,325.75	4,772.86
Free School Meals (Ever 6)	1,423.56	505.00	1,423.56	505.00
Lump sum per school	122,000.00	122,000.00	122,000.00	122,000.00
Deprivation: IDACI 3	Bands not in use in 2017/18		350.00	1,045.00
Deprivation: IDACI 4			2,100.00	5,225.00
Deprivation: IDACI 5			4,200.00	10,450.00
Deprivation: IDACI C	880.00	2,189.44	Bands not in use in 2016/17	
Deprivation: IDACI B	2,100.00	5,224.80		
Deprivation: IDACI A	4,000.00	9,952.00		
English as Additional Language 2	530.00	1,378.00	530.00	1,378.00
Mobility	422.90	618.53	422.90	618.53

2. REASONS FOR DECISIONS

2.1 The council is required to submit the APT by the DfE deadline date.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3.1 If the deadline is not met, the council will not comply with DfE funding requirements.

4. POST DECISION IMPLEMENTATION

4.1 The ATP will be submitted. Funding will be distributed to schools in accordance with the arrangements set out in the report.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

Ensuring that resources available to schools are appropriately allocated and supports 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)

The financial implications for the council are set out in the paragraphs above. Approximately £241m is allocated through the funding formula to schools, which reduces to about £140m for maintained schools (after allowing for recouptment for Academies and Free Schools).

5.3 Legal and Constitutional References

5.3.1 The Scheme of Delegation for Education and Skills, as published on the council's website, states that the Commissioning Director, Children and Young People, has the delegated authority to determine each school's budget share through the development and implementation of a local Fair Funding Formula, subject to statutory requirements and in consultation with schools and the Schools Forum.

5.3.2 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.

5.3.3 The current system of school funding is based on the dedicated schools grant being split into three separate blocks, namely the schools' block, high needs block and early years block. In addition there is a separate education services grant for use by the local authority. The legislation governing the current system is the School Standards and Framework Act 1998 and associated regulations. In addition there are detailed regulations covering decision making and consultation requirements with the schools' forum and individual schools.

5.3.4 The new proposal is to have the dedicated schools grant split into four blocks, namely schools' block, high needs block, early years block and central schools block. It is proposed to distribute the schools' blocks directly to schools based on a national funding formula, whereas local authority funding will be contained within one central schools block. This will require a change to primary legislation and it is intended that this would not be in place to allow implementation before the 2019-2020 financial year.

5.3.5 The interim proposal is for the Government to calculate the schools' block based on a national funding formula, but to continue to distribute this to local authorities, who will continue to have requirements in relation to consultation with the schools forum and autonomy to distribute it to schools based on existing factors. The funding will be based on a notional per school funding basis, plus funding for premises and growth. There is proposed to be some changes to existing regulations to remove the post 16 factor and to require all funding to be passed to schools. There is also proposed to be a change to the level of the minimum funding guarantee to reflect the fact that some local authority areas may receive less funding and to give these authorities the necessary flexibility to ensure a fair distribution of funding.

5.3.6 Current regulations require that the local authority consult its schools forum on any proposed changes to its funding formula and make an annual submission to the Department for Education.

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. Approval of submission of the ATP by the Commissioning Director, Children and Young People helps to ensure that the council is able to comply with the government timetable.

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 ensures 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. Consultation has been undertaken with the Schools Forum.

6 **BACKGROUND PAPERS**

Children, Education, Libraries and Safeguarding Committee 14th June 2016 Annual Report on school funding in Barnet and the Government's consultation on a national school funding formula:

<http://barnet.moderngov.co.uk/documents/s32469/Annual%20Report%20on%20school%20funding%20in%20Barnet%20and%20the%20Governments%20consultation%20on%20a%20national%20school%20fun.pdf>

7. **DECISION TAKER'S STATEMENT**

7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been*

sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations.

8. OFFICER'S DECISION

I authorise the following action:

8.1 The submission of the completed Authority Proforma Tool (the APT) which shows all the detailed assumptions underpinning the proposals for allocating budgets to schools and early years providers in 2017/18 to the Department for Education on the 20th January 2017 and the revised APT on the 13th February 2017.

Signed **Chris Munday**
Commissioning Director, Children and Young People

Date **13th February 2017**
