

## **Schools' Forum Meeting**

**13 SEPTEMBER 2017**

**Venue:** Cedar Children's Academy, Cedar Road, Strood, Rochester, Kent

**Time:** 4:00pm to 6:00pm

### **Agenda**

1. Apologies
2. Minutes of the last meeting (Paper To Follow)
3. Traded Union 2016-17 Outturn Report (Nikki Smith)
4. KS2 School Improvement Update (Azhar Mobin)
5. 2017-18 DSG Budget Allocation Update (Maria Beaney)
6. DSG Reserves Update (Maria Beaney)
7. 2017-18 Round1 Monitoring SB Centrally Retained Services (Maria Beaney)
8. School and Academy Funding Formula 2018 -19 (Maria Beaney)
9. The Forward Plan
10. AOB
11. Date of next the meeting

### **Agenda Item 3:**

#### **2016-17 Trade Union Facilities Outturn Report**

## **1 Introduction**

- 1.1 The Trade Union facilities budget is managed through Medway Council and enables schools to access support, advice and guidance on all employment related matters from local Trade Union (teaching and non-teaching) representatives.
- 1.2 In 2016-17 The Schools' Forum approved the de-delegation of this service for mainstream maintained schools and the PRU, academies and special schools were able to purchase this service via SLA online.
- 1.3 The local trade union representatives are from NUT; UNISON; NAHT; NASUWT; GMB; ATL; Voice-The Union; and ASCL. (From 1 September 2017, NUT and ATL will merge to form the National Education Union (NEU).) Local representatives have experience of working effectively and developing successful relationships with local schools and academies.
- 1.4 At their meeting on 10 July 2017, members requested a report was presented at their next meeting which included an explanation of the financial position as well as service analysis data.

## **2 The scheme**

- 2.1 The LA reimburses the time spent by TU representatives to undertake trade union duties and activities at Medway schools and also at academies when they have bought into TU facilities through SLA online as set out in national guidance issued by the DfE.
- 2.2 The current TU Facilities pooled budget (which includes de-delegated funds and income from Academy schools that buy into the scheme has only covered claims for teacher representatives to date as the majority of non-teacher representatives are employed by Medway Council and mechanisms are in place to release them for reasonable time off, the costs of which are met by the employing department. However, if there were to be a request for the pooled facilities to be extended to also cover non-teaching representatives (for TU representative's not directly employed by Medway Council), there would be an expectation to treat trade unions and their representatives equitably and this would lead to increased pressure on the facilities budget.
- 2.3 Benefits of using this service include:
  - School compliance with statutory entitlement of employees' right to representation;

- Access to trade union representatives with experience of working effectively and developing successful relationships with schools and academies:
  - Attendance by trade union representatives at formal meetings with staff;
  - TU liaison with the Local Authority on policy and procedure development;
  - Support with individual casework and change management projects that effects employees;
  - Advice and guidance in relation to industrial action.
- 2.4 If the de-delegated funding is removed then the staff in maintained schools would not have access to local TU support at formal meetings or during consultation processes unless they purchase the SLA.
- 2.4 Some academies do not currently buy the TU facilities service and experience delays in meetings with staff because of lack of availability of regional TU reps. It is unlikely that Governors or Finance Managers would see the direct benefits of the TU Facilities Service but most Headteachers will have had experience of situations where a TU rep is needed to attend a meeting to accompany a school based employee and to comply with rights to representation.
- 2.5 Where academies (and maintained schools if the funds are delegated in future,) choose not to participate, trade unions are expected to make their own agreements and arrangements for invoicing for representation, however in practice this has not been happening in Medway, although it has in other local authority areas. Medway teacher representatives recently informed the local authority that they are currently considering whether to introduce these arrangements.

### **3 2016-17 Income and Expenditure Analysis**

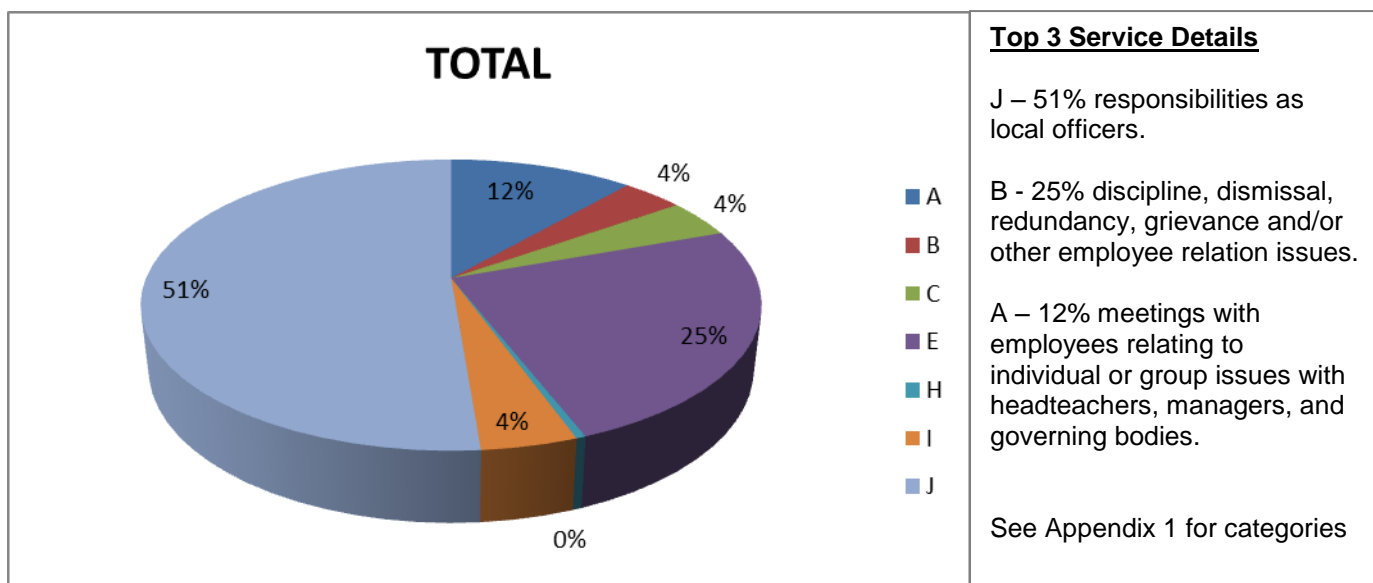
- 3.1 The Trade Union Facilities SLA is calculated on a per pupil basis. In 2016-17 the Schools' Forum approved de-delegation of maintained schools based on £1.09 per pupil. Academy schools can purchase TU facilities through SLA on line at £1.12 per pupil. The LA do not currently recuparate their administration costs, however Traded Services team that manage SLA on line is moving to Medway Commercial Group (MCG) in September 2017.
- 3.2 There isn't a national determination for a formula, nor a cap on amounts that schools can be charged. LA fees and arrangements for facilities time therefore vary considerably. For example:
- Kent charge £1.85 per pupil and operate a similar arrangement to Medway.
  - Somerset County Council set a charge of £2.81 per pupil and although they have delegated the funding, invoice all schools (including all academies) for the service.
  - Wirral Council operates a model which enables Academy schools and maintained schools that have opted out of de-delegation to purchase at a rate

of £2.25 per pupil for teachers and school leaders only and £0.75 per pupil for support staff only, which equates to £3 per pupil for the premier service.

- 3.3 Please see table 1 (exempt item at Appendix 2), which outlines the income and expenditure for the 2016/17 year as well as the balance on the trade union reserve and forecast income and expenditure for 2017/18.
- 3.4 As at 31 March 2017, the closing balance on the reserve stood at just over £5,806.
- 3.5 In April 2016, a total of 27 academy schools had purchased the service. As at 27 July 2017, 23 schools (7 secondary academies, 15 primary academies and 1 special school), has purchased the SLA for 2017/18. Given that the number of maintained schools is decreasing due to academisation and there has been a reduction in the number of academies buying in to date, increased pressure on the TU facilities budget is forecast.
- 3.6 Charges to schools will need to increase for maintained schools to £1.14 per pupil from April 2018 to align with the charges to Academy schools and It is estimated that a further increase to £1.25 per pupil is required from September 2018 for both academies and maintained schools in order to reduce the possibility of an overspend. These costs will be reviewed annually.
- 3.7 If the Schools' Forum agree to de-delegate the trade union service for another year at their meeting in October 2017, to ensure maintained schools and academies are paying the same unit cost despite the difference in funding years, the de-delegated trade union unit cost will average to £1.20 per pupil for the year  $((£1.14 * 5) + (£1.25 * 7)) / 12$  ). This equates to a 1.1% increase or £33 per year on a school with 300 pupils.
- 3.8 The academies will be charged £1.25 per pupil from September 2018.

#### **4 Service Data Analysis**

- 4.1 The time spent by trade union representatives varies from month to month but the summary below outlines the activities undertaken by trade union representatives during 2016 - 2017.



*Note: 51% of spend is categorised as “responsibilities as local officers,” this encompasses a broad range of activities such as telephone and email communications seeking early resolution of disputes, preparation and research for casework, TUPE and school reorganisation meetings (when not recorded in A).*

4.2 The review of time spent by representatives has raised issues around consistencies in recording. To ensure all reps use the same descriptions, revised categories are suggested and will be consulted upon with trade unions. (Appendix 1.)

## 5 Action for the Schools Forum

### 5.1 The Schools’ Forum is asked to:

- a) **NOTE and COMMENT on this report.**
- b) **NOTE the proposed increase to £1.20 for the trade unions de-delegated service from April 2018.**
- c) **NOTE the proposed increase to £1.25 for academy schools from September 2018.**
- d) **Agree to continue to review the TU facilities budget annually.**

### Report Authors:

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 HR Business Partner - Schools  
 Maria Beaney  
 Finance Business Partner – Education and Schools  
 09.08.17

School Teachers Pay and Conditions Document 2017 and The Burgundy Book Appendices 3 and 4

**Facilities Categories**

**Current**

- A. Formal/informal meetings with an employee relation content relating to individual or group issues with headteachers, managers, and governing bodies (including pre meetings and preparation).
- B. Formal/informal meetings/joint consultative committees held at Directorate/Council level (including pre meetings).
- C. Attendance at national union meetings or conferences where the employee is an elected delegate of the union/association.
- D. Meetings to inform members of the union about the progress of consultations or negotiations or individual employee issues.
- E. Interviews with or on behalf of union members on matters of discipline, dismissal, redundancy, grievance or other employee relations issues.
- F. Appearing on behalf of individual member sat internal hearings and appeals, and external bodies such as Employment Tribunals.
- G. Co-operating with managers and headteachers to ensure that agreements are observed by both parties.
- H. Explaining to new employees whom he/she will represent the role of the union in the workplace industrial relations structure.
- I. Time-off to attend training courses relevant to their duties as trade union officials.
- J. Time-off as required for the performance of responsibilities as local officers.

Note: When determining whether payment would be made, C and aspects of D and J may be unpaid as these activities would normally fall outside of normal working hours.

**Revised categories to be consulted on from September 2017 (as taken from DfE Advice)**

### **Activities (Paid Time off)**

1. Negotiations with the employer, or other functions connected with collective bargaining (eg terms and conditions, redundancy and dismissal)
2. Preparations for negotiations, including attending relevant meetings.
3. Informing members of progress and outcomes of negotiations.
4. Matters of discipline (eg accompanying employees to internal hearings.)
5. Attending training in aspects of industrial relations relevant to carrying out their trade union duties. This training must be approved by the Trades Union Congress or by the trade union of which they are an official.

### **Other Activities**

**The following activities would normally be held out of school normal working hours, there is no statutory duty to pay for time off where the duty is carried out at a time when the official would not otherwise have been at work.**

6. Meetings with full time officials, or branch, area, regional or national meetings of the union where union business is under discussion.
7. Meetings of official policy making bodies such as the national executive or annual conference.
8. Workplace meetings to discuss and vote on the outcome of negotiations with the employer.
9. Voting in union elections.

In all cases the amount of time off must be deemed as 'reasonable.'

## **Agenda Item 5:**

### **2017-18 DSG Budget Allocation Update**

#### **1. Background Information**

- 1.1 The Education and Skills Funding Agency (ESFA) requires all Local Authorities (LA) to provide information to its Schools' Forum about its Dedicated Schools Grant (DSG) on a regular basis.
- 1.2 The DSG consists of three notional funding blocks.
  - 1) Schools Block – The October 2016 census pupil numbers, multiplied by the LA's basic unit of funding which is £4,294.99 per pupil.
  - 2) High Needs Block – largely based on the previous year's allocation plus any additional HN government funding.
  - 3) Early Years Block – From April 2017 the EY funding will be allocated using the Early Years National Funding Formula. The formula allocates funding based on a set formula using pupil characteristics but estimates the January 2017 EY pupil numbers. The funding is then adjusted using the January 2016, 2017 and 2018 census.
- 1.3 The funding in each block is currently non-ring-fenced to each individual block but this is expected to change from April 2018, depending on the outcome of the stage 2 NFF.
- 1.4 The LA uses its DSG grant to fund educational activities across Medway either through direct payments to schools/academies, other educational providers or if approved centrally retained for education purposes.
- 1.5 The LA's retained DSG allocation is adjusted several times throughout the year when maintained schools convert to academies.

#### **2. Current 2017 - 2018 DSG Allocation**

- 2.1 The tables below outline the changes to Medway's DSG allocation by the ESFA in August 2017.
  - Table 1 outlines the allocations before academy deductions.
  - Table 2 outlines the LA's retained allocation after academy deductions.



**Table 1 - 2017-2018 DSG Allocation before academy deductions.**

	<b>Initial Allocation £m</b>	<b>August Allocation £m</b>	<b>Adjustment £m</b>
Schools Block	166.63	166.63	0
High Needs Block	37.38	37.38	0
Early Years Block	16.93	16.17	(0.76)
<b>Total</b>	<b>220.95</b>	<b>220.18</b>	<b>(0.76)</b>

- 2.2 The early years funding has reduced by £760,000 principally due to the lower take up of the 3 and 4 year old offer. There were 638 pupils fewer between the January 2017 and the January 2016 census.

**Table 2 - 2017-2018 LA retained DSG allocations after academy deductions.**

	<b>Initial Allocation £m</b>	<b>August Allocation £m</b>	<b>Adjustment £m</b>
Schools Block	50.31	48.71	(1.6)
High Needs Block	26.55	26.06	(0.49)
Early Years Block	16.93	16.17	(0.76)
<b>Total</b>	<b>93.79</b>	<b>90.94</b>	<b>(2.85)</b>

- 2.3 The LA's DSG allocation was reduced by £2.85m after 5 schools converted to academy status. 3 schools converted in April, 1 in May and 1 in June and these academes will now be paid directly by the ESFA.

### **3. Schools' Forum Actions and Recommendations**

#### **3.1 The Schools' Forum are asked to NOTE and COMMENT on this report.**

**Report Author:**

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## **Agenda Item 6: DSG Reserves Update**

### **1. Background Information**

- 1.1 In 2013/14 the method for disturbing and allocating the Dedicated Schools Grant (DSG) changed. Reserve balances pre April 2013 related to maintained schools and academies and were allocated to key projects designed to improve education across Medway.
- 1.2 Reserve balances post April 2013 created from an in year over or underspend on the Schools Block are recouped from future years DSG allocations before the schools and academies individual budgets are set or allocated to key projects designed to improve education across Medway.

### **2. DSG Reserves**

- 2.1 From the Pre April 2013 reserves the Schools' Forum:
  - Had reserve balances totalling £2,740,533.
  - Have approved key projects totalling £2,700,690. See Appendix 1 for the full list.
  - As at 31 March 2017, £2,597,588 has been spent on these key projects with the remaining balance still committed to these projects.
  - There is an uncommitted reserve balance of £39,863 still to be allocated to projects.
- 2.2 The school improvement report which is on the agenda at item 4 will provide more details on how this funding has been used to improve education across Medway.
- 2.3 From the post April 2013 reserves the Schools' Forum have reserve balances totalling £431,909 and its recommend that a percentage of this reserve is added to back to the school block for redistribution as part of the 18-19 budget setting and a percentage is retained centrally to continue to improve key education projects.

### **3. Schools' Forum Actions and Recommendations**

#### **3.1 The Schools' Forum are asked to:**

- A. NOTE and COMMENT on this report.**
- B. RECOMMEND the percentage of post April 2013 reserves.**

#### **Report Author:**

Maria Beaney

Finance Business Partner – Education and Schools

## Appendix 1

	£	£
<b>DSG Pre 2013 Opening Reserve</b>		<b>2,740,553</b>
Key Project Spend to Date:	2,597,588	
Key Projects Committed Spend:	103,105	
<b>Key Projects Spend</b>		<b>(2,700,690)</b>
<b>Uncommitted Funds</b>		<b>39,683</b>

<b>Key Projects</b>	<b>Date Approved</b>	<b>Agreed Funding Total £</b>	<b>Spend Pre 2016 £</b>	<b>Spend in 2016/17 £</b>	<b>Remaining Committed Balance £</b>
Support Service for Teachers & Governors The TEN 13-14	26/03/2013	96,455	94,455	0	0
Development of SEN Provision	16/09/2013	2,000,000	0	2,000,000	0
Support School Improvement	16/09/2013	200,000	72,444	50,538	77,018
Teacher Recruitment	16/09/2013	90,000	57,270	34,366	Overspend (1,636)
School Staff Counselling Service	09/12/2013	16,000	13,280	0	2,720
Support Service for Teachers & Governors The Key 14-15	27/03/2014	76,179	76,179	0	0
Fair Access (New pupils on roll of Will Adams) 15 -16	08/10/2014	68,000	68,000	0	0
Support Service for Teachers & Governors The Key 15-16	08/10/2014	61,056	61,056	0	0
Fair Access (New pupils on roll of Will Adams) 16-17	e-mail	68,000	0	68,000	0
Fair Access (New pupils on roll of Will Adams) 17-18	e-mail	25,000	0	0	25,000
<b>Unallocated Balance of 12-13 DSG Reserve</b>		<b>2,700,690</b>	<b>444,684</b>	<b>2,152,904</b>	<b>103,102</b>

## Agenda Item 7:

### 2017-18 Round 1 Monitoring Schools Block Centrally Retained Services

#### 1. Background Information

- 1.1 At their meetings in October 2016 and January 2017 the Schools' Forum, approved the local authority (LA) 2017-18 schools block dedicated schools grant (SB DSG) centrally retained budgets.
- 1.2 This report provides an update on the year-end forecast with the variance being added or deducted from the SB DSG for re-distribution to all schools and academies in 2019-20.

#### 2. The 2017-18 Centrally Retained Forecast

- 2.1 The Schools' Forum approved a centrally retained budget of £1.498m which can be grouped into three categories:
- Statutory LA Functions - £0.371m
  - Growth Funding – £1.045m
  - De-Delegated Services - £0.082m
- 2.2 The round one monitoring forecasts an underspend of £54,000 mainly due to the delayed opening of one new class (including the cash lump sum) until September 2018.

	Approved Budget £000's	Actual (Round 1) £000's	Forecast Outturn £000's	Budget Variance £000's
<b><u>Growth Fund:</u></b>				
1) School/academies who temporarily admit pupils above PAN	0	0	0	0
2) School/academies with approved PAN increases.	55	0	0	(55)
3) New Class Funding - Lump Sums	990	376	993	3
<b>Sub-Total</b>	<b>1,045</b>	<b>376</b>	<b>993</b>	<b>(52)</b>
<b><u>De-Delegations:</u></b>				
4) Support for Minority Ethnic Pupils (Greenshoots)	60	0	60	0
5) Assessment of Eligibility for Free School Meals*	7	0	7	0
6) Trade Union Facilities *	15	4	15	0
<b>Sub-Total</b>	<b>82</b>	<b>4</b>	<b>82</b>	<b>0</b>
<b><u>Statutory Functions of the LA:</u></b>				
7) Co-ordinated Pupil Admissions	366	41	366	0
8) Schools' Forum Administration	5	0	3	(2)
<b>Sub-Total</b>	<b>371</b>	<b>41</b>	<b>369</b>	<b>(2)</b>
<b>Total</b>	<b>1,498</b>	<b>421</b>	<b>1,444</b>	<b>(54)</b>

\* Only shows the de-delegated element and not the academy buyback.

### **3. Schools' Forum Actions and Recommendations**

3.1 The Schools' Forum are asked to **NOTE** and **COMMENT** on this report.

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#### **Background Papers:**

Schools Forum Meeting 09.07.17 Item 4- 17/18 Final School and Academy Funding Formula.

<http://www.medway.gov.uk/schoolsandeducation/resourcesforschoolstaff/schoolsforummeetings.aspx>

Schools Forum Meeting 17.10.16 Item 4 - Centrally Retained Budgets 2017-18

<http://www.medway.gov.uk/schoolsandeducation/resourcesforschoolstaff/schoolsforummeetings.aspx>

Schools Forum Meeting 13.09.16 Item 4 - Schools Block Centrally Retained Budgets 2017-18

<http://www.medway.gov.uk/schoolsandeducation/resourcesforschoolstaff/schoolsforummeetings.aspx>

Schools Forum Meeting 13.09.16 Item 5 - Pupil Number Variations 2017-18

<http://www.medway.gov.uk/schoolsandeducation/resourcesforschoolstaff/schoolsforummeetings.aspx>

## **Agenda Item 8:**

### **School and Academy Funding Formula 2018-19**

#### **1. Background Information**

- 1.1 The funding guidance is normally published by the Education and Skills Finance Agency (ESFA) in July but this year this detailed guidance has been delayed until September. The guidance is designed to help local authorities (LA) and their Schools' Forums to plan the local implantation of the funding system for 2018 to 2019.
- 1.2 The local authority must engage in open and transparent consultation with all maintained schools and academies in the area as well as with its Schools' Forum about any proposed changes to the funding formula including the methods, principles and rules adopted.
- 1.3 The Schools' Forum is required to approve expenditure which is funded from the Schools Block of the Dedicated Schools Grant (DSG) even if they expenditure has been approved by the Schools Forum in previous years.
- 1.4 In July 2017 the government announced, it still plans to introduce the national funding formula (NFF) from April 2018 with detailed guidance published in September. However to ensure all schools and academies can be consulted about the proposed funding for 2018-19 the LA must beginning consultation before this guidance is published.

#### **2. Timetable**

- 2.1 The proposed 2018-2019 School and Academy funding formula timetable is contained in Appendix 1. This timetable is based on last year's timetable and is subject to change when the detailed guidance is published.

#### **2.2 The Schools' Forum is asked to approve the adoption of the proposed timetable.**

#### **3. Statuary Functions**

- 3.1 With the Schools' Forum approval the LA is allowed to top slice the DSG to pay for services the LA has a statutory responsibility to provide for both maintained schools and academies.
- 3.2 Each year the Schools' Forum is asked to reconfirm in principal, the centrally retained statutory budgets as outlined below.

A) Co-ordinated Statuary Pupil Admission - £365,685

B) School Forum Administration - £5,000

- 3.3 The LA is requesting the same amount as 2017-18 as no new commitments or increases can be requested and the LA have to treat both maintained schools and

academies the same.

### **3.4 The Schools' Forum is asked to reconfirm the 2018-19 Statuary Functions budgets as outlined in section 3.2**

## **4. 2018-19 De-delegated Services**

- 4.1 Funding for de-delegated services must be allocated via the funding formula for maintained mainstream schools with the Schools' Forum approval. De-delegation is not applicable for special schools, academies and PRUs, but they can purchase the service via SLA online as a buy-back service.
- 4.2 The 2017-18 de-delegate services relate only to 2017, and LA must request/renew the de-delegated services for 2018-2019. The LA proposes to consult with schools on the proposed de-delegated services and charges for 2018-19:
  - A) Central Services - £66.00 per pupil
  - B) Trade Union Support - £1.20 (an increase of 11p per pupil from 17-18)
  - C) Supporting Ethnic Minority Pupils - £4.50 per pupil
  - D) Free Schools Meals Support - £0.55 per pupil (an increase of 5p from 17-18)
- 4.3 School Forum members for primary and secondary maintained schools must decide separately if the service should be de-delegated and will apply to all maintained mainstream schools. Funding for these services will be top sliced from the formula before school budgets are issued.

### **4.4 The Schools' Forum is asked to support the Council's request to consult with schools on the proposed de-delegated services and charges for 2018-19 as outlined in section 4.2**

## **5. Pupil Variation Numbers**

- 5.1 The funding formula for each school or academy is based on the characteristics from the October census. LA's can request approval to vary the pupil numbers for a specific school(s) where:
  - a) There has been/will be a reorganisation.
  - b) A school has changed/will be changing its age range either by adding or losing year groups.
  - c) A temporary shortage of pupils.
  - d) New Schools/academies.These are known as PAN increases.
- 5.2 A report will be presented to the Schools' Forum in October explaining and requesting the PAN increases required for 2018-19.
- 5.3 For the purposes of the consultation, Medway propose to use the same 420 PAN increase as 2017-18. Table 1 below.

School	Number of Pupils by Year Group								Total Pupils
	R	1	2	3	4	5	6	Total Pupils	
Napier Primary Academy	30	30	30	30	30	-	-	150	150.0
Wainscot Primary School	30	30	30	30	30	-	-	150	87.5
Delce Junior Academy (YR 3)		-	-	40	40	40	40	160	160.0
Delce Junior Academy (YR R)	30	30	-	-	-	-	-	60	60.0
Brompton Westbrook Primary Academy	15	15	15	15	-	-	-	60	60.0
Saxon Way Primary Academy	30	30	30	30	-	-	-	120	120.0
Cedar Primary School	15	15	15	-	-	-	-	45	45.0
Cuxton Infant Academy	10	10	10	-	-	-	-	30	30.0
Cuxton Junior Academy	-	-	-	10	10	10		30	30.0
New Horizons Primary Academy	90	90	90	90	60	60	-	480	480.0
Hundred of Hoo Academy - Primary Phase	30	30	30	-	-	-	-	90	90.0
Woodlands Academy	30	30	30	-	-	-	-	90	90.0
Bligh Federation	30	-	-	-	-	-	-	30	17.5
Cliffe Woods	15	15	-	-	-	-	-	-	0.0
	355	325	280	245	170	110	40	1,495	1,420

**5.4 The Schools' Forum is asked to support the Council's request to consult with schools/academies using the same PAN increases 2017-18 as outlined in section 5.3.**

**6. School and Academy Consultation**

- 6.1 The LA has to consult with its schools and academies before it can introduce changes to its local funding formula. The government have stated their intention to introduce the NFF from April 2018 but as yet have not released detailed guidelines on this proposal.
- 6.2 Medway proposes to consult with schools and academies under three module funding formula.
- A) The Local Funding Formula – same as last year.
  - B) NFF – using the unit costs from the stage 2 consultation.
  - C) A mixture of the LFF and NFF.
- 6.3 Appendix 2 contains the 10 funding factors used in Medway Local 2017-18 Schools and Academies Funding Formula.
- 6.4 Appendix 3 & 4 contains the funding factors and unit costs proposed for the consultation.
- 6.5 The government has set the MFG at minus 1.5%; and for the past four years the Schools' Forum have agreed to fund this by capping gains per pupil at 1.5%. Medway propose to continue to cap school gains at 1.5% for 2018-2019 but schools and academies will be asked for their views as part of the consultation.



- 6.6 The maximum sparsity funding a school can be awarded is £100,000. In September 2014, the Schools' Forum approved the use of the tapering method up to a maximum of £100,000. This approach was ratified in the September 2016 for 2017-18.
- 6.7 The Schools' Forum must decide again what approach and the value of the Sparsity funding in 2018-19.
- 6.8 A maximum lump sum of £175,000 can be allocated to each school/academy as part of the formula. Medway propose to use an initial allocation of £112,000, however the lump sum changes under each of the three scenarios depending on affordability. The lump sum is also subject to change, if the final funding formula is unaffordable after the October 2017 school census is published. This is the same processes agreed in previous years.

**6.9 The Schools' Forum is asked to support the Council's proposals on:**

- **The consultation with schools and academies as outlined in section 6.2**
- **The cap on schools gains? If so what percentage as outlined in section 6.5**
- **The approach and value of the 2018-19 Sparsity Funding outlined in section 6.7**
- **To initial lump sum allocation of £112,000 – subject to change under each scenario.**

**7. Schools' Forum Actions and Recommendations**

7.1 The Schools' Forum are asked to:

- C. **APPROVE** the adoption of the proposed timetable in 2.1 and Appendix 1.
- D. **RECONFIRM** the 2018-19 Statuary Functions budgets as outlined in section 3.2
- E. **SUPPORT** the Council's request to consult with schools on the proposed de-delegated services and charges for 2018-19 as outlined in section 4.2
- F. **SUPPORT** the Council's request to consult with schools using the same PAN increases 2017-18 as outlined in section 5.3
- G. **SUPPORT** the Council's proposals on the consultation with schools and academies as outlined in section 6.9
- H. **NOTE** and **COMMENT** on this report.

**8. Next Steps**

- 8.1 Medway will now consult with all Schools and Academies in Medway about the options outlined in this report and will report back to the Schools' Forum.
- 8.2 An e-mail will be sent to all head teachers, governors and school finance officers for both Schools and Academies inviting them to offer a consultation response. Announcements will be placed in the weekly SIB bulletin, on governor hub and on the

SLA online website. The consultation will be discussed at the School bursar meetings in September.

**Report Author:**

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**School/Academy Funding Formula 2018-19 Timetable**

Sep 2017	Information from DFE to LA
13 Sep 2017	Schools Forum Meeting
18 Sept 2017	LA to model & consult with schools/academies
7 Oct 2017	Deadline for schools/academies consultation
6 Oct 2017	Census Day
<b>4 Oct 2017</b>	<b>Schools Forum Meeting – Schools Forum &amp; LA to decide &amp; approve Provisional 18-19 funding formula.</b>
Oct/Nov 2017	DFE/LA (Management Information Team) validation of School Census
26 Nov 2017	School Census Data closed by DFE
30 Nov 2017	Deadline for submitting final exception EFA changes requests.
Mid-Dec 2017	School Census Data available
Mid- Dec 2017	DFE issues Funding Formula Return (APT) to LAs, with School Census (Oct.17) data  LA able to estimate Schools Block – Dedicated Schools Grant allocation for 18-19
<b>10 Jan 2018</b>	<b>Schools Forum Meeting – Schools Forum &amp; LA to decide &amp; approve Final 18-19 funding formula.</b>
19 Jan 2018	Funding Formula Return (APT) to be submitted to EFA
07 Feb 2018	Council Cabinet Approval for Final 2018-19 funding formula
28 Feb 2018	Schools to be informed of Schools Block allocation 18-19 by LA
30 Mar 2018	EFA informs academies of GAG, if academy open as at 9 Jan18

**Medway 2017-2018 Local Funding Formula****a) Basic Entitlement**

A compulsory factor which assigns funding according to the age-weighted pupil unit (AUPW) multiplied by a unit per pupil cost to each individual school or academy based on the October census. There may be different funding rates for key stage 3 and 4 as well as primary age pupils.

**b) Deprivation**

A compulsory factor which assigns funding to pupils from deprived areas. LA's can either use the free schools meals indicator and/or the income deprivation affecting children Index (IDACI); Medway use both. Different funding rates can be attached to each level of the IDACI system and the funding rates can be different for primary and secondary.

**c) Prior Attainment**

This is an optional factor which acts as a proxy indicator for low level, high incidence special educational needs. Funding is applied for primary pupils not achieving the expected level of development within the early years foundation stage (EYFSP) and for secondary pupils not reaching L4 at KS2 in either English or maths.

**d) English as another Language**

This is an optional factor where EAL pupils may attract funding for up to 3 years after they enter the school system.

**e) Pupil Mobility**

This is an optional factor which measures the pupils who entered a school during the last 3 years who did not start in August, September or January in a reception class. There is a 10% threshold therefore if a school/academy has a 12% mobility factor then 2% (12% - 10%) of the school/academy pupils would attract mobility funding.

**f) Sparsity**

This is an optional factor. In order to qualify for this funding the school or academy must meet two criteria; first they are located in an area where pupils would have to travel significant distance to the nearest school; and second, they are small schools.

Primary schools/academies must have a sparsity distance greater than 2 miles and an average year group of less than 21.4; Secondary school/academies must have a sparsity distance greater than 3 miles and an average year group of less than 120; All through school/academies must have a sparsity distance greater than 2 miles and an average year group of less than 62.5.

The maximum amount which can be awarded to a school or academy is £100,000. In the September 2016 school forum meeting, the schools forum agreed to a maximum of £100,000 and to the tapping method.

**g) Lump Sum**

This is an optional factor where each school will receive a maximum amount up to £175,000. The lump sum amounts may be different for primary and secondary schools or academies.

In 2016-17 this was £ 113,000

**h) Split Sites**

This is an optional factor which designed to help support schools which are located on separate sites. Schools sharing facilities, federated schools and schools with remote sixth forms are NOT eligible for split site funding.

**i) Rates**

This is an optional factor which funds a school or academy based on their estimated rates bills for the coming year. Medway also adjust the rates funding to account for any over or under funding of rates from the previous years when the rates bills are known.

**j) Exceptional Premises Factors**

This is an optional factor which LA's can apply to the EFA to use exceptional factors relating to premises and must be more than 1% of the schools budget and applies to fewer than 5% of Medway schools and academies.

In Medway we have two EFA approved exceptional factors, firstly listed building and secondly Amalgamated Schools/academies.

**k) Other Information**

As well as the 10 factors above the funding formula must also distribute 80% of the School Block funding through pupil led factors – i.e. Sections A- F above. Ensure the government's pre-16 minimum funding guarantee (MFG) for mainstream schools is kept. The MFG for 2017-18 is set at -1.5% per pupil.

**Proposed Local Funding Formula 2018-19**

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Reception uplift	Yes	Pupil Units		
	Description	Amount per pupil		Pupil Units	
	Primary (Years R-6)	£2,781.59		23,957.33	
	Key Stage 3 (Years 7-9)	£4,150.36		9,262.00	
	Key Stage 4 (Years 10-11)	£4,150.36		5,896.17	
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR
2) Deprivation	FSM % Primary	£412.84		3,167.09	
	N/A				
	IDACI Band F	£50.11	£150.33	3,255.35	1,973.31
	IDACI Band E	£75.17	£225.51	3,677.57	2,144.98
	IDACI Band D	£154.90	£464.70	2,881.55	1,653.16
	IDACI Band C	£470.17	£1,410.51	1,156.95	618.90
	IDACI Band B	£746.77	£2,240.31	1,604.67	766.85
	IDACI Band A	£796.14	£2,388.42	688.07	331.56
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR
3) Looked After Children (LAC)	LAC X March 16	£0.00		266.48	
4) English as an Additional Language (EAL)	EAL 2 Primary	£176.93		1,273.11	
	EAL 3 Secondary		£526.95		262.28
5) Mobility	Pupils starting school outside of normal entry dates	£90.00	£90.00	1,748.05	48.74
	Description	Weighting	Amount per pupil	Percentage of eligible pupils	Eligible proportion of primary and secondary NOR respectively
6) Prior attainment	Low Attainment % new EFSP	38.50%	£1,061.70	12.64%	2,976.55
	Low Attainment % old FSP 73			12.47%	
	Secondary low attainment (year 7)	48.02%	£1,061.70	22.41%	3,583.65
	Secondary low attainment (years 8 to 11)			24.11%	

**Assumed National Funding Formula 2018-19**

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Reception uplift	Yes	Pupil Units		49.0
	Description	Amount per pupil		Pupil Units	
	Primary (Years R-6)	£2,712.00		23,957.33	
	Key Stage 3 (Years 7-9)	£3,797.00		9,262.00	
	Key Stage 4 (Years 10-11)	£4,312.00		5,896.17	
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR
2) Deprivation	FSM % Primary	£440.00		3,167.09	
	FSM % Secondary		£440.00		1,688.40
	IDACI Band F	£200.00	£290.00	3,255.35	1,973.31
	IDACI Band E	£240.00	£390.00	3,677.57	2,144.98
	IDACI Band D	£360.00	£515.00	2,881.55	1,653.16
	IDACI Band C	£360.00	£515.00	1,156.95	618.90
	IDACI Band B	£420.00	£600.00	1,604.67	766.85
	IDACI Band A	£575.00	£810.00	688.07	331.56
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR
3) Looked After Children (LAC)	LAC X March 16			266.48	
4) English as an Additional Language (EAL)	EAL 2 Primary	£515.00		1,273.11	
	EAL 3 Secondary		£1,385.00		262.28
5) Mobility	Pupils starting school outside of normal entry dates			1,748.05	48.74
	Description	Weighting	Amount per pupil	Percentage of eligible pupils	Eligible proportion of primary and secondary NOR respectively
6) Prior attainment	Low Attainment % new EFSP	38.50%	£1,050.00	12.64%	2,976.55
	Low Attainment % old FSP 73			12.47%	
	Secondary low attainment (year 7)	48.02%	£1,550.00	22.41%	3,583.65
	Secondary low attainment (years 8 to 11)			24.11%	

Not included above.

FSM6 Primary £540, Secondary £785

Mobility – no unit cost has been released

## The Forward Plan

<u>Meeting Date</u>	<u>Report Title</u>	<u>Author</u>
04 October 2017	High Needs Update	Wendy Vincent
	Consultation Feedback	Maria Beaney
	New Class Growth Funding Policy Change	Maria Beaney
	Updated Pupil Variation Numbers	Maria Beaney
	Provisional School / Academy Funding Formula 2018-19	Maria Beaney
10 January 2018	2018- 19 Initial Dedicated Schools Grant Allocation	Maria Beaney
	Final 2018-19 Centrally Retained & De-delegated Budgets	Maria Beaney
	2018-19 Final Schools and Academy Funding Formula	Maria Beaney
	Round 2 Schools Block: 2017-18 Centrally Retained Forecast	Maria Beaney
	School Improvement Update	Azhar Mobin
	Traded Services	Ocelot
04 July 2018	DSG 2017/18 Outturn and Reserves Report	Maria Beaney
	Schools 2017/18 Outturn and Reserves Report	Maria Beaney
	Traded Union 201-18 Outturn Report	Nikki Smith
01 September 2018	KS2 School Improvement Update	Azhar Mobin
	2018-19 DSG Budget Allocation Update	Maria Beaney
	2018-19 Round1 Monitoring SB Centrally Retained Services	Maria Beaney
	2019-20 Budget Setting Timetable	Maria Beaney
	Pupil Number Variations	Maria Beaney
	Provisional 2019-20 Centrally Retained & De-delegated Budgets	Maria Beaney