

**Total Membership 25**  
**The Forum is quorate if at least 40% (10) of the members are present**



## London Borough of Waltham Forest SCHOOLS FORUM

Day/Date/Time	Venue
Wednesday 15 September 2021, 5.30 pm	VIA TEAMS
<b>Contact:</b>	
<b>Clerk to Schools Forum</b>	<a href="mailto:schoolforum@walthamforest.gov.uk">schoolforum@walthamforest.gov.uk</a>
<b>Maintained Primary Headteacher Representatives (5)</b>	
Claire Nairn	Handsworth
Lindsey Lampard	Chingford C of E Primary
Rosie McGlynn	Our Lady and St George
Tracey Griffiths	Barn Croft Primary School
Zakia Khatun	Whitehall Primary School
<b>Primary Academies and Primary Free Schools Representatives (4)</b>	
Amanda Daoud	Lime Trust (Larkwood, Hornbeam)
Anne Powell	Griffin Trust (Riverley, Willow Brook, Lammas)
Maureen Okoye ( <b>Chair</b> )	Arbor Trust (Davies Lane, Selwyn, Woodford Green, Acacia Nursery)
Iram Malik	Genesis Trust (St Marys and St Saviours)
<b>Maintained Primary Governor Representatives (1)</b>	
Aktar Beg	Edinburgh Primary
<b>Nursery School Representative (1)</b>	
Helen Currie	Forest Alliance Nursery Schools (Church Hill, Low Hall)
<b>Maintained Secondary Headteacher Representatives (2)</b>	
Clive Rosewell	Willowfield School
Jenny Smith	Frederick Bremer School
<b>Secondary Academies and Secondary Free Schools Representatives (4)</b>	
Jane Benton	Chingford Trust (North Chingford and South Chingford)
John Hernandez ( <b>Vice Chair</b> )	Exceptional Education Trust (Norlington School and Sixth Form)
Rob Pittard	Exceptional Education Trust (Norlington School and Sixth Form)
Tracey Penfold	Highams Park Trust
<b>Maintained Secondary Governor Representative (1)</b>	
Gillian Barker	Walthamstow School for Girls
<b>Maintained Special School Representative (1)</b>	
Bruce Roberts	Belmont Park School
<b>Special School and Special Academies Representative (1)</b>	
Kirstie Fulthorpe	Whitefield Trust (Joseph Clark, Whitefield)
<b>PRU (1)</b>	
Liz Rattue	Hawkswood Group
<b>Non School Members (4)</b>	
Early Years Providers	Sarah Kendrick (Redwood Pre-School)
16-19 Providers	Janet Gardner (Waltham Forest College)

## Total Membership 25

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Trade Unions	Katharine Lindenberg (NEU)
Diocesan	Andy Stone (Holy Family)

## AGENDA

Agenda Item	Report Name	Report Authors
1	Welcome all and Apologies <i>(Welcome new member: Liz Rattue, Hawkswood Group)</i>	Chair
2	Declarations of Interest	All
3	Minutes of meeting 10 February 2021	Chair
3a	Decision Sheet from February 2021	For the record
4	Schools Forum Membership and Powers	Duncan James-Pike
5	DSG Outturn 2020-21	Duncan James-Pike
6	Dedicated Schools Grant 2021-22 & update on School Funding Announcement for 2022-23	Hiran Perera
7	Growth Fund 2022-23	Harun Gulied
8	Scheme for Financing Maintained Schools	Sergio Dimech
9	National Funding Formula Consultation	Duncan James-Pike
	<b>Date of Next Meetings:</b> Wednesdays, 5:30pm <ul style="list-style-type: none"> <li>• <del>13 October 2021</del> Cancelled</li> <li>• 10 November 2021</li> <li>• 08 December 2021</li> <li>• 12 January 2022</li> <li>• 09 February 2022</li> </ul>	

**Total Membership 25****The Forum is quorate if at least 40% (10) of the members are present**

	<b>Growth Fund Task and Finish Group</b>  Tuesday 05 October: 4.00pm  Wednesday 13 October: 5.30pm  Wednesday 20 October: 4.00pm	
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# MINUTES OF SCHOOLS FORUM MEETING

Wednesday 10 February 2021

Microsoft Teams

5:30 pm – 7:30 pm

Attendees:	
Day/Date/Time	Venue
Wednesday 10 February, 5.30 pm	VIA TEAMS
Contact:	
<b>Clerk to Schools Forum</b>	<a href="mailto:schoolforum@walthamforest.gov.uk">schoolforum@walthamforest.gov.uk</a>
Maintained Primary Headteacher Representatives (5)	
Lindsey Lampard	Chingford C of E Primary
Tracey Griffiths	Barn Croft Primary School
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Jenny Smith	Frederick Bremer School
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John Hernandez ( <b>Vice Chair</b> )	Exceptional Education Trust (Norlington School and Sixth Form)
Rob Pittard	Exceptional Education Trust (Norlington School and Sixth Form)
Maintained Secondary Governor Representative (1)	
Gillian Barker	Walthamstow School for Girls
Special School and Special Academies Representative (1)	
PRU (1)	
Bridget Solecka	Hawkswood Group
Non School Members (4)	
Early Years Providers	Sarah Kendrick (Redwood Pre-School)
Diocesan	Andy Stone (Holy Family)
LBWF Officers	
David Kilgallon	Director of Learning and Systems Leadership
Duncan James-Pike	Strategic Finance Advisor, Children and Young People Services
Eve McLoughlin	Head of Early Years, Childcare and Business Development
Hiran Perera	Senior Accountant Education Finance
Harun Gulied	Education Finance

Lindsay Jackson	Head of Education Business Effectiveness
Omon Edgal	Senior Accountant Education Finance
Rianna Terry	Clerk to Schools Forum
Mohammad Akhtar	Early Years Finance and Business Manager
Raina Turner	Head of Education Finance
Sergio Dimesch	Principal Accountant Education Finance
Eva Gunkova	Assistant Director, SEND
<b>Observers</b>	
Graham Jackson	
Mike Thomas	
Gurpreet Kataora	
Stella Hawkins	
Rebecca Linden	
Shermaine Lewis	
Simon Craner	
Sadia Begum	Observing Minute Taker, LBWF

<b>Apologies</b>	
Tracey Penfold	Highams Park Trust
Jane Benton	Chingford Trust (North Chingford and South Chingford)
Claire Nairn	Handsworth

## **1. Welcome and Apologies**

- 1.1 Apologies sent for Jane Benton, Tracey Penfold and Claire Nairn.
- 1.2 Tracey Penfold sent voting intentions in advance and these have been included in the decisions.

## **2. Declaration of Interests**

- 2.1 No declaration of interests highlighted.

## **2a. Minutes and Decision Sheet from Meeting 9 December 2020**

- 2a.1 No inaccuracies documented on the decision sheet or minutes from 9 December 2020

## **3. Schools Block Indicative Allocations 2021-22**

- 3.1 Schools Forum was advised that these figures were no longer indicative and have been approved by the ESFA.
- 3.2 Budgets total £214.93 million, an increase of £13 million comprising an increase of £4.5 million (2%) on last year's base; and £9.03 million

from the Teachers' Pay Grant (TPG) and Teachers' Pension Employer Contribution Grants (TPECG) rolled into the base.

- 3.3 There were £530,000 of unallocated resources once the initial formula had been run and these were allocated by adding 3.47% to Basic Entitlement (AWPU) rates raising the AWPU for Key Stage 1&2 by £177; Key Stage 3 by £166; and Key Stage 4 by £187
- 3.4 Tables demonstrate the changes between the October 2019 and October 2020 census, in relation to the various characteristics that get funded.
- 3.5 Appendix A shows the new Local Funding Formula for 2021-22, which closely follows the National Funding Formula.
- 3.6 Appendix B show the numbers on roll, along with the budgets per pupil for the current financial year, alongside the same data for the next financial year, including the roll-in of Teachers Pay and Pension funding.
- 3.7 Schools Forum to note, the contents of Local Funding Formula 2021-22 Indicative Budget Shares Report.

#### **4. High Needs Indicative Allocations 2021-22**

- 4.1 The report demonstrates the place led funding and the indicative top-up allocation for settings.

This is the follow-up report, to the report presented in December 2020, which was a high-level report demonstrating how the £46 million funding would be spent from ESFA for High Needs. Each of the appendices breaks down in far more detail how the funding will be applied in each setting.

- 4.2 Appendix A summarises the changes between the February 2021 report and the December 2020 report. It reflects the allocation and the type of the funding. The allocation brought forward in December was what ESFA had announced in the summer, this report shows that the final allocation has reduced by £81,000.
- 4.3 Two changes were made, an increase to the Hawkswood Secondary place funding for the academic year by 5 places (from 10 to 15), spot purchasing was also increased by the same amount.
- 4.4 A new section has also been added to the report for Regulations for Excluded Pupils which Schools Forum had been advised about in December, that the regulation would be reinstated, any receipts for that will be returned back to the High Needs Block.
- 4.5 Appendix B, sets out the actual commissioned numbers for place funding.

Appendix C includes indicative allocations for top-ups. Schools Forum was reminded that a monthly schedule is sent to all Schools asking

them to confirm they are correct, and no funding is being misallocated or duplicated.

Appendix D demonstrates the place funding for Special Schools

Appendix E, it was noted that although places are commissioned, the LA also holds back funds for spot purchases, in the instance of demand changing.

Appendix F is the place allocations for Hawkswood, the assessment units commissioned at Belmont Park, and the new accelerated learning places at Sir George Monoux.

Appendix G demonstrates the main places commissioned from the FE institutions.

- 4.6 Schools Forum to note, the contents of Dedicated Schools Grant: High Needs Indicative Budget Allocations 2021-22 Report (2.1-2.11)

## **5. Early Years Block Indicative Allocations 2021-22**

- 5.1 Few changes from the formula in comparison to last year, feedback from the Early Years Task & Finish Group and from the consultation were that people were happy with the formula as it was.
- 5.2 The DfE/ESFA Early Years Block budget control total for 2021-22 as set out in Appendix F. The Early Years Block is not a fixed budget and is adjusted in the summer term from the January 2021 census data.
- 5.3 For three- and four-year olds, there is an 8p per hour increase from the Department of Education against last year. There is a 6p increase per hour for two-year olds. The SEN inclusion block funding, we have asked to increase from a 3.25% top slice of the budget to 3.5%.
- 5.4 Deprivation bandings have been reviewed, to increase the base rate to £5 per hour. Higher base rate is what providers wanted.
- 5.5 Table 1 demonstrates the dates that were used to set the indicative budgets (April 2019 – Spring term 2020, to avoid impact from Covid)
- 5.6 3.5% of the overall budget for 3 to 4-year olds has been allocated to supplements as follows: a) £20,430 (0.1%) to a quality supplement for system Support and workforce development; and b) £629,865 (3.4%) to deprivation.
- 5.7 Consultation ran from 14 January - 22 January 2021, and despite the current difficult times, 59 of the 200 Providers who could have responded to that consultation did so. The responses to the consultation were all in favour of what the budgets have been based on.
- 5.8 Risks to be brought to Schools Forum's attention:

- January 2021 census will drive the Early Years budget (7/12) and we are waiting for the DFE to decide as to whether they will fund on January 2020 data, however this is yet to be confirmed.
  - Maintained Nursery Schools - there is a large disparity between what Maintained Schools in Waltham Forest have access to and what Local Authorities have in other Boroughs, i.e. Haringey.
- 5.9 Schools Forum to note, the contents of Early Years Funding Formula for the Provision of Free Early Education Entitlement (FEEE) Places for 2,3- and 4-Year Olds for 2021-22 Report (2.1.1-2.1.9)
- 6. PRU and AP Funding Arrangements 2021-22 to 2023-24**
- 6.1 At Schools Forum in September 2020, it was agreed in principle to an increase in Schools top-up funding contribution to the commissioned PRU places, to bring the overall funding to £23,000 per place, which is closer to the London average.
- 6.2 Waltham Forest has commissioned a total of 111 places for 2020-21, within Tier 5 of the AP Strategy. The places are made up of 20 within the Primary sector and 91 in the Secondary sector. Waltham Forest pays £10,000 for each of the commissioned places which is set nationally from the ESFA.
- 6.3 Table 4.1.2 outlines the charging system since 2013-14
- 6.4 Appendix A and B outlines the contributions from Primary and Secondary Schools, based on the numbers on role from the October 2020 census.
- 6.5 Primary School top-up of £10.90 per pupil, which will increase in line with inflation over the two next financial years.
- 6.6 It is proposed that the funding clawback for excluded pupils is used to subsidise the Secondary contribution by a reduced amount over the next three years. By 2021-22 it will be the aim to bring the per pupil charge down to £48.57. By 2022-23 it will make the charge £62.80 per pupil and in 2023-24 making the charge £69.91.
- 6.7 Schools Forum to Agree:
- a) That schools' top-up funding contributions are agreed for three years periods starting in April 2021, with reviews undertaken via Schools Forum at the beginning of the third year.

**Yes – 14**

No – 1

Abstain – 1



- b) School top-up funding contributions for PRU and AP Assessment places are based on per pupil calculations to rise annually in line with inflation.

**Yes – 13**

No – 1

Abstain – 1

- c) Use of clawbacks from excluded pupils, and those who leave school for any other reason who are receiving education funded by the LA by another (non-school) provider, are used to subsidize the secondary contributions by a reducing amount over the oncoming three year period.

**Yes – 14**

No – 0

Abstain – 0

- d) Remaining clawback to be ringfenced for use within the AP strategy and provision during the three-year period, with recommendations on spend provided annually by the AP Headteacher Advisory Group.

**Yes – 18**

No – 0

Abstain – 0

- 6.8 Schools Forum to note, the contents of Funding of PRU and AP Assessment Places 2021-22 to 2023-24 Report (2.2.1-2.2.3)

### **Dates of Next Meetings**

- **Wednesday 15 September 2021, 5:30pm**
- **Wednesday 13 October 2021, 5:30pm**
- **Wednesday 10 November 2021, 5:30pm**
- **Wednesday 8 December 2021, 5:30pm**
- **Wednesday 12 January 2022, 5:30pm**
- **Wednesday 9 February 2022, 5:30pm**

## **Schools Forum 10 February 2021**

### **Summary of Decisions**

#### **Item 3      Local Funding Formula 2021-22: Indicative Budget Shares**

##### **2.1      Schools Forum noted:**

2.1.1    The contents of this report.

#### **Item 4      Dedicated Schools Grant: High Needs Indicative Budget Allocations 2021-22**

##### **2.1      Schools Forum noted:**

2.1      The total 2021-2 HNB Gross funding to Waltham Forest is £46.568 million, a decrease of £81,290 from the ESFA July 2020 notification.

2.2      The actual increase in HNB grant compared to the 2020-21 is £3.316 million which represents an 8% increase, excluding the pay and pensions grant elements of £0.808 million.

2.3      The LA has allocated the Gross HNB grant of £46.568million as follows:

2.4      Place funding to all settings is £13.749 million.

Places commissioned for the Academic Year 2021-22 have increased by 82 places from 945 to 1027 as follows:

- Special schools (by 25 places to 750)
- FE colleges (by 37 places to 182)
- SRPs (by 10 to 95)

2.5      The indicative top up funding to all settings is £25.035 million, this includes £0.878 million aside to meet growth in top up payments in mainstream schools.

2.6      The allocation for Contracts and other provisions is £1.963 million

2.7      The allocation for Support Services is £1.291 million

2.8      The allocations for Independent school fees and the non-maintained sector are £2.072 million

- 2.9 A sum of £2.458 million has been set aside to meet commitments e.g. £0.5 million HN deficit and £0.8 million to meet the JR risk
- 2.10 The ESFA will recoup a sum of £8.900 million. Appendix B sets out the recoupment for each institution.
- 2.11 The HNB net funding after recoupment is £37.53 million, excluding sixth form grant £2k.

**Item 5**      **Early years funding formula for the provision of free early education entitlement (FEEE) places for 2-, 3- and 4-year-olds for 2021-22**

**2.1 Schools Forum noted:**

- 2.1.1 The DfE/ESFA Early Years Block budget control total for 2021-22 as set out in Appendix F.
- 2.1.2 The hourly funding rates for 2-, 3- & 4-year-olds as set out in Appendix A & G for 2021-22.
- 2.1.3 The indicative budget shares as set out in Appendices B & C that will form the basis of monthly allocations to all Early Years providers in 2021-22.
- 2.1.4 That the LA is compliant with the DfE 95% pass through rate as outlined in the compliance tool as set out in Appendix E.
- 2.1.5 The SEND Inclusion Fund budget of £781,465 as set out in 9.8.
- 2.1.6 The Early Years System Support budget of £20,430 as set out in 9.6.
- 2.1.7 The feedback from the final consultation as set out in Appendix H.
- 2.1.8 That final outturn expenditure figures for the 2020-21 Early Years Block (EYB) funding are not available currently. Final DfE/ESFA EYB 2021-22 allocations are also not available currently as these are based on January 2020 and January 2021 census data, which is not yet finalised and published. Both sets of data are due to be published by the DfE/ESFA during Summer 2021.
- 2.1.9 That Early Years underspend reserves will be used to cover any 2020-21 EYB budget reductions by the DfE/ESFA. Further details on the Early Years underspend reserves will be provided to Schools Forum when accurate year-end expenditure is available.

**Item 6      Funding of PRU and AP Assessment Places 2021-22 to 2023-24**

**2.1      Schools Forum agreed:**

- 2.1.1 That schools' top-up funding contributions are agreed for three years periods starting in April 2021, with reviews undertaken via Schools Forum at the beginning of the third year.
- 2.1.2 School top-up funding contributions for PRU and AP Assessment places are based on per pupil calculations to rise annually in line with inflation.
- 2.1.3 Use of clawbacks from excluded pupils, and those who leave school for any other reason who are receiving education funded by the LA by another (non-school) provider, are used to subsidize the secondary contributions by a reducing amount over the oncoming three-year period.
- 2.1.4 Remaining clawback to be ringfenced for use within the AP strategy and provision during the three-year period, with recommendations on spend provided annually by the AP Headteacher Advisory Group.

**2.2      Schools Forum noted:**

- 2.2.1 No school can be forced to contribute to the PRU; however, Schools Forum are asked to note that, unlike mainstream schools, PRUs only receive funding via commissioned places and the associated 'top-ups'. Schools who choose not to opt-in to the school's contribution leave the PRU's financial sustainability - and the delivery of the agreed AP framework - vulnerable.
- 2.2.2 Whilst there can be an agreed higher charge for schools who do not choose to opt in but need to access places later in the year, this forces the Hawkswood Group to reduce their core expenditure and core staffing costs impacting on the service that can be provided to all pupils. To ensure the Group can strategically plan and retain quality, it is strongly advised that schools agree that an opt-in model is expected for all schools.
- 2.2.3 Both Hawkswood Primary and Secondary and Belmont Park are also commissioned to deliver SEND places, these places are not included in this funding agreement.

Meeting / Date	<b>SCHOOLS FORUM 15 September 2021</b>	Agenda Item	<b>4</b>
Report Title	<b>Schools Forum membership and powers</b>		
Decision/Discussion/ Information	For Discussion and Decision		
Report Author/ Contact details	<b>Duncan James-Pike, Strategic Finance Advisor</b> <b>020 8496 3502</b> <a href="mailto:duncan.james-pike@walthamforest.gov.uk">duncan.james-pike@walthamforest.gov.uk</a>		
Appendix A	<b>Schools Forum powers and responsibilities</b>		

## **1. SUMMARY**

- 1.1 This report reviews the representation of maintained schools and academies / free schools at Schools Forum following the October 2020 census.

## **2. RECOMMENDATIONS**

### **2.1 Schools Forum to agree:**

- 2.1.1 That the current balance of school representation is appropriate to continue for the 2021-22 session.

## **3. REASON**

- 3.1 The balance of representation at Schools Forum should be broadly proportionate to the number of pupils in each group of schools.

## **4. BACKGROUND**

### **4.1 Schools Forum guidance**

- 4.1.1 The Schools Forums Regulations provide a framework for the appointment of members but allow a considerable degree of discretion to accommodate local priorities and practice.

- 4.1.2 Schools Forum powers and responsibilities are included as Appendix A to this report and can be found with the Schools Forum Operational and good practice guide, March 2021; Schools forums structure; and Schools forum self-assessment toolkit at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/888371/Schools\\_forum\\_operational\\_and\\_good\\_practice\\_guide.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/888371/Schools_forum_operational_and_good_practice_guide.pdf)

## **4.2 Represented Groups**

- 4.2.1 Schools members and academies members must comprise at least 2/3rds of the Schools Forum membership.
- 4.2.2 Maintained primary schools; maintained secondary schools; and academies and free schools must be broadly proportionately represented on Schools Forum, based on the total number of pupils registered at them.

## **4.3 Maintained Schools members**

- 4.3.1 Where the LA maintains the following types of school, they must be represented on the Schools Forum: Primary Schools; Secondary Schools; Special Schools; Nursery Schools; and PRUs.
- 4.3.2 Within each of the five groups above there could be the following types of member: Headteachers (or their representative); and Governors.
- 4.3.3 In overall terms there must be at least one headteacher (or their representative) and one governor.
- 4.3.4 The relevant sub-group of the relevant type of school elects their representatives e.g., primary school governor representatives are elected by the governors of primary schools, secondary school headteacher representatives are elected by the headteachers of secondary schools.
- 4.3.5 LA appointment of members may occur only if no election takes place by the agreed date or in the event of a tie.

## **4.4 Academy and free school members**

- 4.4.1 At least one academies member must be a representative of mainstream academies, which includes free schools, UTCs and Studio Schools.
- 4.4.2 In addition, there must be one member for each of the following groups (if such exist in the LA area): Special academies, including free schools; and Alternative Provision academies, including free schools.
- 4.4.3 The relevant proprietors of academies elect for their group, e.g., mainstream academies, special academies, and alternative provision academies.
- 4.4.4 LA appointment of members may occur only if no election takes place by the agreed date or in the event of a tie.

#### **4.5 Non-school members**

- 4.5.1 There are four non-school members: Early Years Private, Voluntary, and Independent (PVI) providers; 16-19 providers; Trade Unions; and a diocesan representative.
- 4.5.2 Before considering other groups, the LA must consider diocesan representation.

#### **4.6 Practice in Waltham Forest**

- 4.6.1 Membership has been uncontested recently and it has been the practice for groups to co-opt new members or for the LA to appoint members rather than hold elections.

#### **4.7 October 2020**

- 4.7.1 Following the October 2020 school census, it appears that the balance of representation at Schools Forum remains broadly proportionate to the number of pupils in each group of schools, see Table below.

	Maintained Primary	Maintained Secondary	Academy and Free
Number on Roll October 2020	12,371	7,033	18,530
Members*	6	3	8
Members per pupil	2,200	2,300	2,300

\*Maintained Primary and Secondary Members include 1 Governor in each group



## Schools forum powers and responsibilities

A summary of the powers and responsibilities of schools forums.

Function	Local authority	Schools forum	DfE role
Formula change (including redistributions)	Proposes and decides	Must be consulted [voting restrictions apply - see schools forum structure document] and informs the governing bodies of all consultations	Checks for compliance with regulations
Movement of up to 0.5% from the schools block to other blocks	Proposes	Decides	Adjudicates where schools forum does not agree LA proposal
Contracts (where the LA is entering a contract to be funded from the schools budget)	Proposes at least one month prior to invitation to tender, the terms of any proposed contract	Gives a view and informs the governing bodies of all consultations	None



Function	Local authority	Schools forum	DfE role
Financial issues relating to: <ul style="list-style-type: none"> <li>• arrangements for pupils with special educational needs, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding</li> <li>• arrangements for use of pupil referral units and the education of children otherwise than at school, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding</li> <li>• arrangements for early years provision</li> <li>• administration arrangements for the allocation of central government grants</li> </ul>	Consults annually	Gives a view and informs the governing bodies of all consultations	None
Minimum funding guarantee (MFG)	Proposes any exclusions from MFG for application to DfE	Gives a view	Approval to application for exclusions

Function	Local authority	Schools forum	DfE role
De-delegation for mainstream maintained schools for: <ul style="list-style-type: none"> <li>contingencies</li> <li>administration of free school meals</li> <li>insurance</li> <li>licences/subscriptions</li> <li>staff costs – supply cover</li> <li>support for minority ethnic pupils/underachieving groups</li> <li>behaviour support services</li> <li>library and museum services</li> <li>School improvement</li> </ul>	Proposes	Maintained primary and secondary school member representatives will decide for their phase. Middle schools are treated according to their deemed status	Will adjudicate where schools forum does not agree LA proposal
General Duties for maintained schools <ul style="list-style-type: none"> <li>Contribution to responsibilities that local authorities hold for maintained schools <b>(please see <a href="#">operational guide</a> for more information)</b></li> </ul>	Proposes	Would be decided by the relevant maintained school members (primary, secondary, special and PRU).	Adjudicates where schools forum does not agree LA proposal
Central spend on and the criteria for allocating funding from: <ul style="list-style-type: none"> <li>funding for significant pre-16 <a href="#">pupil growth</a>, including new schools set up to meet basic need, whether maintained or academy</li> </ul>	Proposes	Decides	Adjudicates where schools forum does not agree LA proposal

Function	Local authority	Schools forum	DfE role
<ul style="list-style-type: none"> <li>funding for good or outstanding schools with <a href="#">falling rolls</a> where growth in pupil numbers is expected within three years</li> </ul>			
<p>Central spend on:</p> <ul style="list-style-type: none"> <li>early years block provision</li> <li>funding to enable all schools to meet the infant class size requirement</li> <li>back-pay for equal pay claims</li> <li>remission of boarding fees at maintained schools and academies</li> <li>places in independent schools for non-SEN pupils</li> <li>admissions</li> <li>servicing of schools forum</li> <li>Contribution to responsibilities that local authorities hold for all schools</li> </ul>	Proposes	Decides	Adjudicates where schools forum does not agree LA proposal
<p>Central spend on:</p> <ul style="list-style-type: none"> <li>capital expenditure funded from revenue – projects must have been planned and decided on prior to April 2013 so no new projects can be charged</li> <li>contribution to combined budgets – this is where the schools forum agreed prior to April 2013 a</li> </ul>	Proposes up to the value committed in the previous financial year and where expenditure has already been committed.	Decides for each line	Adjudicates where schools forum does not agree LA proposal

Function	Local authority	Schools forum	DfE role
<p>contribution from the schools budget to services which would otherwise be funded from other sources</p> <ul style="list-style-type: none"> <li>existing termination of employment costs (costs for specific individuals must have been approved prior to April 2013 so no new redundancy costs can be charged)</li> <li>prudential borrowing costs – the commitment must have been approved prior to April 2013</li> </ul>	<p>Read <a href="#">establishing local authority DSG baselines</a> for more information.</p>		
<p>Central spend on:</p> <ul style="list-style-type: none"> <li>high needs block provision</li> <li>central licences negotiated by the Secretary of State</li> </ul>	Decides	None, but good practice to inform forum	None
Scheme of financial management changes	Proposes and consults the governing body and Head of every school	Approves (schools members only)	Adjudicates where schools forum does not agree LA proposal
Membership: length of office of members	Decides	None (but good practice would suggest that they gave a view)	None
Voting procedures	None	Determine voting procedures	None

Function	Local authority	Schools forum	DfE role
Chair of schools forum	Facilitates	Elects (may not be an elected member of the Council or officer)	None

## LONDON BOROUGH OF WALTHAM FOREST

Meeting / Date	<b>SCHOOLS FORUM</b> <b>15 September 2021</b>	Agenda Item	<b>5</b>
Report Title	<b>Dedicated Schools Grant Outturn 2020-21</b>		
Decision/ Discussion/ Information	For Information		
Report Author/ Contact details	Duncan James-Pike, Strategic Finance Advisor <a href="mailto:duncan.james-pike@walthamforest.gov.uk">duncan.james-pike@walthamforest.gov.uk</a> 0208 496 3502		
Appendices	Appendix A: Use of DSG Balances 2020-21 & proposed use in 2021-22  Appendix B: 2020-21 High Needs Expenditure		

### 1. SUMMARY

- 1.1 This report updates School Forum on the 2020-21 final outturn for the Dedicated School Grant; the balances held for each block at the end of March 2021; and the forecast balances for March 2022.

### 2. RECOMMENDATIONS

#### **Schools Forum to note:**

- 2.1 The final settlement of DSG allocation to the Local Authority (LA) for 2020-21, after academy recoupment was **£163.842 million**.
- 2.2 The cumulative brought forward DSG balance from 2019-20 of a **£0.574 million surplus** became a **£0.942 million deficit** at the end of **2020-21**.
- 2.3 There is a new accounting practice to record DSG deficits in the Local Authority accounts. Deficits will not need to be offset by balances in the LAs revenue accounts but are recorded as **Un-useable Reserves**.
- 2.4 The High Needs (HN) overspend in 2020-21 was **£0.409 million** leading to a cumulative carry forward deficit on the HN block of **£5.007 million**. This cumulative deficit was mostly offset by surplus balances in the Early Years, Growth Fund and Schools Blocks.

- 2.5 For 2021-22 the DSG surplus balances on Early Years, Growth Fund and Schools Block will reduce. The DSG deficit position is forecast to increase by **£1.515 million** to **£2.063 million**.

### 3. REASON

- 3.1 The LA provides Schools Forum with updates on the DSG final settlement allocation and Outturn position for the previous financial year as submitted to the Department for Education.
- 3.2 As part of the 2022-23 DSG budget cycle, discussions are required on the current trajectory of the DSG balances and the management of the HN deficit.

### 4. DSG OUTTURN 2020-21 EFSA ALLOCATION & BALANCES

- 4.1 The DSG comprises four funding blocks: The Schools, Early Years, High Needs and Central School Services blocks. **Table 1** sets out the DSG allocations received for 2020-21.

Table 1 DSG Gross to Net Allocations 2020-21

2020-21	ESFA Gross Allocations	Less Academy Recoupment	Net DSG paid to LA
Dedicated School Grants	£	£	£
Schools Block	201,329,794	96,836,856	104,492,938
Growth Fund	1,280,668		1,280,668
Total Schools Block	202,610,462	96,836,856	105,773,606
High Needs	42,639,645	8,580,834	34,058,811
Early Years	22,544,894		22,544,894
Central Services	1,465,180		1,465,180
<b>Total DSG</b>	<b>269,260,181</b>	<b>105,417,690</b>	<b>163,842,491</b>

- 4.2 The final 2020-21 DSG allocated to the Local Authority (LA) after adjusting for academy recoupment was **£163.842 million**. The annual Early Year retrospective adjustment by the ESFA did not occur this July 2021 but there may be adjustments following the termly censuses.
- 4.3 The historic DSG balances reported over each block are summarised in **Table 2**. The opening 2020-21 surplus balance was **£0.574 million reduced by £1.515 million, closing with a deficit balance of £941,511**. Collectively, the surpluses on the Schools Block, Growth Fund and Early Years Block no longer offset the deficit on the High Needs block.

Table 2 sets out the DSG balances for the period 2017-18 to 2020-21

	31 March 2018	31 March 2019	31 March 2020	31 March 2021
	£	£	£	£
Schools Block	-919,000	-464,248	-541,364	-465,892
Growth Fund	0	-414,072	-1,134,783	-927,137
Total Schools Block	-919,000	-878,320	-1,676,147	-1,393,029
High Needs	-944,000	1,735,760	4,531,799	5,007,516
Early Years	-2,525,000	-2,869,495	-3,429,712	-2,672,976
Central Services	0	0	0	0
Total DSG	-4,388,000	-2,012,055	-574,060	941,511

- 4.5 A new statutory instrument amended the School and Early Years Finance Regulations 2020 in relation to the treatment of DSG deficits. The deficit must no longer be recorded in the LA revenue account. The local authority must instead record this in a separate account which has been named the **Un-useable Reserves**.
- 4.6 The detailed use of DSG balances for 2020-21 and planned uses for 2021-22 are set out in **Appendix A**. The overall cumulative DSG balance moves into a larger deficit of **£2.063 million** by March 2022.
- 4.7 The DSG balances held for Growth Fund address the reducing annual allocations from the ESFA. £432,166 was used in 2020-21 and in 2021-22 the LA forecast to use £781,315 leaving a sum of £145,822 to be carried into 2022-23.
- 4.8 In 2020-21 the HN block expenditure exceeded its funding allocation by £409,398. This overspend includes two residential placement costs of £303,979 which will be reversed in 2021-22. This reduces the actual overspend in 2020-21 to £105,418. The cumulative HN Block deficit before the residential reversal (as of 31 March 2021) stands at £5.007 million. Appendix B sets out the 2020-21 summary of HN income and expenditure.
- 4.9 The Early Years Block has a surplus of **£2.673 million for 2021-22** which is forecast to reduce to **£1.174 million by March 2022**.

## 5. DSG DEFICIT BALANCES ESFA GUIDANCE & EXPECTATIONS

- 5.1 The Schools Revenue Funding 2021 to 2022 operational guidance requires the DSG deficit management plans to be discussed with Schools Forum setting out the local authority's plans for bringing the DSG spend back into balance in a timely manner.



- 5.2 As part of this process the LA will update School's Forum on HN funding, in year pressures and outcomes of new strategies as part of the School Budget Planning cycle.

	Schools Block Contingency	School Improvement	Schools Facing Financial Challenges	Universal Offer	Growth Fund	Other	Schools Block Total	Early Years	SENIF	Early Years Block Total	High Needs Block Total	Total
	£	£	£	£	£	£	£	£	£	£	£	£
<b>Balances at 31 March 2020</b>	(123,790)	(80,000)	(100,000)	(79,000)	(1,359,304)		(1,742,095)	(3,389,918)	(39,794)	(3,429,712)	4,598,118	(573,689)

<b>2020-21 Actuals</b>												
Growth Fund reported December 2019					432,167		432,167					432,167
School Improvement etc				13,173			13,173					13,173
Return of Carbon Reduction Reserve	-36,000						-36,000					-36,000
Balance Sheet adjustments	-34,946						-34,946					-34,946
Children and Families Centres contract								200,000		200,000		200,000
Speech & Language Therapy contract								172,600		172,600		172,600
2 YO Payments								158,979		158,979		158,979
3&4 YO Payments								286,044		286,044		286,044
All Talk Contract								66,667		66,667		66,667
Place Creation								28,900		28,900		28,900
Moderation								1,100		1,100		1,100
Two year Old Top-Up (Revised Estimate)								70,592		70,592		70,592
Use of SENDIF									33,231	33,231		33,231
ESFA 2019-20 July 2020 adjustment								153,006		153,006		153,006
In year Surplus / Deficit	-5,138					-20,191	-25,328	(414,382)		(414,382)	409,398	-30,312
<b>Balances at 31 March 2021</b>	(199,874)	(80,000)	(100,000)	(65,827)	(927,137)	(20,191)	-1,393,029	(2,666,413)	(6,563)	(2,672,976)	5,007,516	941,511

<b>2021-22 Quarter 1 Projection</b>												
Needed for Growth Fund					781,315		781,315					781,315
Previously Unidentified (Covid)						20,191	20,191					20,191
Assume Drawn Down		80,000	100,000	65,827			245,827					245,827
Children and Families Centres contract								200,000		200,000		
Outstanding payments from previous financial year								160,000		160,000		
Speech & Language Therapy contract								172,600		172,600		
Workforce Development								100,000		100,000		
Premises & Place Development								45,000		45,000		
Top Up of 2 year old hourly rate								286,425		286,425		
Centrally /Retained								70,000		70,000		
System Leadership								41,236		41,236		
Potential clawback from census returns								424,000		424,000		424,000
Potential underspend											-350,000	-350,000
<b>Forecast Balance at 31 March 2022</b>	(199,874)	0	0	0	(145,822)	0	(345,696)	(1,167,152)	(6,563)	(1,173,715)	4,657,516	2,062,844

<b>ACTUAL MOVEMENT IN DSG RESERVES 2020-21</b>	349,066	723,505	33,231	756,736	409,398	1,515,200
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<b>FORECAST MOVEMENT IN DSG RESERVES 2021-22</b>	1,047,333	1,499,261	0	1,499,261	-350,000	1,121,333
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**SUMMARY OF HIGH NEEDS BLOCK 2020-21 OUTTURN**

Description	Outturn 2020-21
<b>INCOME</b>	
High Needs funding received by LA net of Academy recoupment	34,046,811
Inter block Transfer from Schools Block	303,000
	<b>34,349,811</b>
<b>EXPENDITURE</b>	
Place Funding - Belmont Park	570,000
Special Schools Top-up	9,760,414
Spot Purchases	345,833
<b>SPECIAL SCHOOLS</b>	<b>10,676,247</b>
Place Funding	605,500
Special Resource Provisions Top-up	2,378,503
Spot Purchases	73,167
<b>SPECIAL RESOURCE PROVISIONS</b>	<b>3,057,170</b>
<b>MAINSTREAM SCHOOLS TOP UP</b>	<b>8,604,505</b>
<b>POST 16 PROVISION TOP UP, SPOT PURCHASES AND OTHER COSTS</b>	<b>2,839,737</b>
Hawkswood PRUs Place led funding	994,167
Hawkswood PRUs Top up	188,708
<b>PRUs</b>	<b>1,182,875</b>
Alternative Provision via Hawkswood	625,000
Accelerated Learning - George Monox College	427,872
AP College placements	510,525
Assessment Places - Belmont Park & Heathcote	328,333
<b>ALTERNATIVE PROVISION</b>	<b>1,891,730</b>
Independent School Fees & Non Maintained Special Schools	1,601,289
Other LA Schools Top Up	1,281,722
Alternative and Education Contributions (Tuitons, Transition/LAC)	1,281,919
<b>INDEPENDENT &amp; NON MAINTAINED SPECIAL SCHOOLS</b>	<b>4,164,930</b>
Speech and Language Therapy Service	143,500
Home Hospital contract	394,998
Outreach Support Services	679,249
Early Years Home Visitors	127,950
Contribution to Disability Enablement Service Team with 61K reduction from previous years	456,938
Contribution to BACME (Social Inclusion)	299,100
FAP payment to Schools for admitting excluded pupils	68,997
Preventitive work (EP) / Virtual School	94,038
CAMHS Support	17,245
Contribution to High Needs Finance Team	60,000
<b>SUPPORT SERVICES</b>	<b>2,342,015</b>
<b>HIGH NEEDS TOTAL SPEND</b>	<b>34,759,209</b>
<b>Net Over spend on High Needs</b>	<b>-409,398</b>
Deficit brought forward from 2020-21	-4,598,112
Deficit carried forward to 2021-22	<b>-5,007,510</b>

## LONDON BOROUGH OF WALTHAM FOREST

Meeting / Date	<b>SCHOOLS FORUM</b> <b>15 September 2021</b>	Agenda Item	<b>6</b>
Report Title	<b>Dedicated Schools Grant 2021-22 &amp; update on School Funding Announcement for 2022-23</b>		
Decision/ Discussion/ Information	For Information		
Report Author/ Contact details	Hiran Perera, Senior Accountant Education Finance <a href="mailto:hiran.perera@walthamforest.gov.uk">hiran.perera@walthamforest.gov.uk</a> 0208 496 3442 Duncan James-Pike, Strategic Finance Advisor <a href="mailto:duncan.james-pike@walthamforest.gov.uk">duncan.james-pike@walthamforest.gov.uk</a> 0208 496 3502		

### 1. SUMMARY

- 1.1 This report updates School Forum on the Dedicated Schools Grant (DSG) ESFA allocations for 2021-22 and the July 2021 announcement by the Department for Education (DfE) on the provisional allocations for School, High Needs and Central Services blocks for 2022-23.

### 2. RECOMMENDATIONS

#### Schools Forum to note:

- 2.1 The total 2021-22 Gross DSG allocation before academy recoupment is **£287 million**. The Schools block increased by **£0.09 million** and the High Needs block increased by a sum of **£0.05 million** from that reported to February 2021 Schools Forum.
- 2.2 The total 2021-22 Net DSG for the LA after academy recoupment and deductions of £113.20 million is **£173.80 million**.
- 2.3 Schools block net allocation is **£111.78 million**.
- 2.4 The Central School services block and Early Years block allocation unchanged from those reported in February 2021.
- 2.5 The High Needs block Net allocation increased to **£37.66 million** after Academy recoupment.

Table 1 2021-22 DSG updated DfE Allocations

DSG funding Blocks	Gross Amount reported in Feb 2021 £m	Net Amount reported in Feb 2021 £m	Updated 2021 Gross Allocation £m	Updated 2021 Net Allocation £m	Net increase £m
Schools	215.94	111.69	216.04	111.78	0.09
High Needs	46.56	37.61	46.61	37.66	0.05
Central Services	15.85	1.59	1.59	1.59	-
Early years	22.77	22.77	22.77	22.77	-
<b>Dedicated Schools Grant</b>	<b>286.86</b>	<b>173.66</b>	<b>287.00</b>	<b>173.80</b>	<b>0.14</b>

## 2.6 ESFA Funding proposal for 2022-23

- Excluding pay and pensions, Schools Block funding is expected to increase by 2.5%
- High Needs block funding is expected to rise by 7.5%.
- The Central Services block is expected to reduce by 2.7%

## 2.7 Changes to funding formula factors for 2022-23

- Business rates are not included in APT from FY 2022-23. From April 2022 business rates for maintained schools will be paid directly to the LA from FY22-23. Maintained Nursery schools will be out of the scope of the new centralised business rates system.
- Funding factors remain unchanged from 2021-22 with some technical changes to:
  - FSM6 deprivation** factor by moving from January 2020 census to October 2020 census
  - Low prior attainment** uses 2019 EY foundation stage profile and KS2 tests data as proxy for 2020 tests due to cancellation of 2020 assessments.
  - Mobility** uses entry date of pupils who joined during January to March 2020 in place of cancelled May 2020 school census.
  - Sparsity** factor now calculated using road distance rather than straight-line distance and using a distance taper.

## 3. REASON

- 3.1 The LA provides Schools Forum with updates on school funding settlements advised during the year. This assists with the Budget Setting cycle for the next financial year.
- 3.2 The Department for Education (DfE) recently published the 2022-23 National Funding Formulae (NFF) for the schools, high needs and central school services blocks of the DSG. The technical guidance sets out the detail on the funding formulae as well as any changes since

last year's funding formulae, and the data tables provide notional allocations to local authorities and schools.

- 3.3 This report summaries the impact of the indicative 2022-23 allocations to the DSG. Further reports on the impact at individual school level will be brought to Schools Forum as the budget setting progresses.

#### 4. DEPARTMENT OF EDUCATION JULY ANNOUNCEMENT ON 2022-23 FUNDING

- 4.1 In July the DfE published notional allocations for the School, High Needs and Central School Services blocks for 2022-23. Details of the 2022-23 National Funding Formulae were also published.
- 4.2 The pupil numbers used in the announcement were from the October 2020 census. Final allocations for 2022-23 will change based on the October 2021 census for the Schools Block.
- 4.3 The minimum funding per pupil includes Teachers pay and pension grant contributions at £180 for primary year groups and £265 for secondary year groups. Estimated Teachers pay and pension grant included in schools block is £8.02 million.
- 4.4 Table 2 report the headline changes to Waltham Forest

Table 2 2022-23 Provisional DfE Allocations

DSG funding Blocks	Allocation excluding Pay & Pension and Growth £m	Change in funding from 21-22 £m	% Increase or (Decrease) £m	Pay & Pension Grant £m	Allocation including Pay & Pension £m
Schools	211.11	5.12	2.5%	8.02	219.13
High Needs	49.31	3.45	7.5%	0.75	50.06
Central Services	1.39	-0.04	-2.7%	0.16	1.55
Early years*					
<b>Dedicated Schools Grant</b>	<b>261.80</b>	<b>8.53</b>		<b>8.93</b>	<b>270.73</b>

- 4.5 The Gross School Block excluding growth fund, pay and pensions is expected to increase by **2.5%** from the 2021-22 allocation: **£5.12 million**.
- 4.6 The growth in the HNB Gross allocation is expected to be **7.5%**, **£3.45 million**. This excludes pay and pension element estimated at **£0.75 million**.
- 4.7 Increase in funding will need to address growth in demand and cumulative deficit position of **£5 million**.

Meeting / Date	<b>SCHOOLS FORUM 15 September 2021</b>	Agenda Item	<b>7</b>
Report Title	<b>Growth Fund 2022-23</b>		
Decision/Discussion/ Information	For Discussion and Decision by all		
Report Author/ Contact details	Harun Guleid, Senior Accountant Education Finance, <a href="mailto:harun.guleid@walthamforest.gov.uk">harun.guleid@walthamforest.gov.uk</a> 020 8496 4177 Hiran Perera, High Needs Accountant <a href="mailto:hiran.perera@walthamforest.gov.uk">hiran.perera@walthamforest.gov.uk</a> 020 8496 3442		

## 1. SUMMARY

- 1.1 This report sets out the initial forecast for the Growth Fund 2022-23 and proposes a task and finish group to discuss that forecast.
- 1.2 The Growth Fund is an element within the Schools Block with a direct allocation of **£1.01 million** against a cost of **£1.795 million** in 2021-22, with the balance being met from reserves.
- 1.3 Within the Growth Fund Local Authorities may retain a small fund to support schools with temporarily falling rolls where local planning data shows that the surplus places will be needed within the next three financial years.

## 2. RECOMMENDATIONS

### 2.1 Schools Forum to agree:

- 2.1.1 That a task and finish group is established to reach an agreement on options to manage the potential growth fund deficit in 2022-23.

## 3. REASON

- 3.1 The ESFA has been decreasing the direct Growth Fund allocation and there is an estimated decrease in funding year on year by 20% from 2021-22 to 2023-24.
- 3.2 Schools Forum decides the size of the Growth Fund and how it is allocated.

### **Background**

- 4.1 Schools budgets for a given Financial Year are determined by the pupil count in the preceding October's school census. The purpose of the Growth Fund is to fund growing schools for the period of September to March (maintained) or September to August (academies) as those additional pupils will not be funded through the formula.

- 4.2 From the 2018-19 financial year the ESFA allocated specific funding for the Growth Fund – this was based on historical spend. However, from that year on our allocation has been reducing substantially each year. **See Table 1**

**Table 1: Growth Fund Income**

Growth Fund	2018-19	2019-20	2020-21	2021-22
Opening Balances	0	414,072	1,359,304	927,252
DSG Allocation	2,800,000	2,285,615	1,280,668	1,013,410
<b>Total Available Fund</b>	<b>2,800,000</b>	<b>2,699,687</b>	<b>2,639,972</b>	<b>1,940,662</b>
Growth Fund Expenditure	-2,385,928	-1,564,904	-1,712,720	-1,794,725
Academy Recoupment ESFA adj		224,521		
<b>Closing Balance</b>	<b>414,072</b>	<b>1,359,304</b>	<b>927,252</b>	<b>145,937</b>

- 4.3 The ESFA are in effect unwinding the growth fund with the drop in growth fund allocation being no greater than 0.5% of our schools' block allocation for the year.
- 4.4 At the beginning of the current financial year 2021-22 there were growth fund reserves of **£927,252**.
- 4.5 Table 2 below illustrates the forecast income and expenditure of the Growth Fund through to 2024-25. Please note that DSG allocation for growth fund income for each of those years is a reduction of 20% from the previous year, assuming that this is the best estimate.

**Table 2. Growth Fund Forecast**

Growth Fund	2022-23	2023-24	2024-25
Opening Balances	145,937	- 55,303	- 260,516
DSG Allocation	810,728	648,582	518,866
<b>Total Available Fund</b>	<b>956,665</b>	<b>593,280</b>	<b>258,350</b>
Growth Fund Expenditure	-1,011,968	-853,796	-719,698
<b>Closing Balance</b>	<b>-55,303</b>	<b>-260,516</b>	<b>-461,349</b>

- 4.6 There is uncertainty on the growth fund allocation the LA will be receiving from the ESFA in 2022-23 onwards and only when the October 2021 census are released will LBWF be able to provide a better estimate. The LA is forecasting a closing deficit balance of **-£55,303** in 2022-23. It is proposed that a task and finish group be established to look at options to manage the potential growth fund deficit in 2022-23.
- 4.7 Currently there is a growing expansion in secondary schools with one school permanently expanding this year and two other secondary schools in 2022-23.



**Table 3. Forecast secondary expansions**

	Current PAN	Final Intended PAN	2019/21	2020/21	2021/22	2022/23	2023/2024	2024/2025
Kelmscott	180	240		(1)bulge	(1)bulge	2FE Expansion		
Norlington Boys	120	150		(1)bulge	(1)bulge	1FE Expansion		
Leytonstone School	180	210	(1)bulge	(1)bulge	1FE Expansion			
Willowfield	180	210			(1)bulge	(1) bulge	1FE Expansion	
Heathcote					2FE temp reduction	2 FE Perm reduction		
South Chingford					1.5FE temp reduction	1.5FE Perm reduction		

4.8 LBWF Officers propose three Microsoft Teams meetings for a task and finish group:

- Tuesday 5 October 2021 4.00pm
- Wednesday 13 October 2021 5.30pm
- Wednesday 20 October 4.00pm

## 5. Falling Rolls

5.1 A Falling Rolls Fund was established for 2019-20 to protect good schools that were experiencing large and sudden falls in their rolls. The Falling Rolls Fund supports schools that meet the following criteria:

- Judged by Ofsted in their last report Good or Outstanding.
- Numbers on Roll are less than 80% of total Planned Admission Number (PAN)
- Numbers on Roll are more than 5% lower than the previous October census.
- School is in a planning area where the vacant places are required

5.2 These criteria have been set to ensure that funding supports good and outstanding schools with falling rolls in planning areas where places are needed, and the LA cannot not support reductions in PAN; and does not support schools that have vacant places as they have increased their PAN for reasons other than addressing basic need.

5.3 Schools receive protection for the fall in numbers above the 5% threshold, paid at the current AWPU rate. For example, a school that experienced a drop of 6.5% will receive AWPU for 1.5% of its previous intake.

- 5.4 The National Pupil Projections: July 2018 (2019 update) states that “*primary pupil numbers are forecast to decrease each year to at least 2027, before this smaller pupil population moves through to secondary schools*”.
- 5.5 Falling rolls funding should only be used to support schools where places are forecast to be needed over the short-medium term. Given the projected reduction in primary numbers in the next few years no primary schools are expected to be eligible for support from a Falling Rolls fund in 2022-23.

Meeting / Date	<b>SCHOOLS FORUM 15 September 2021</b>	Agenda Item	<b>8</b>
Report Title	<b>Scheme for Financing Maintained Schools</b>		
Decision/Discussion/ Information	For Information: Maintained School representatives only		
Report Author/ Contact details	Sergio Dimech, Group Accountant Education Finance <a href="mailto:sergio.dimech@walthamforest.gov.uk">sergio.dimech@walthamforest.gov.uk</a> 020 8496 3700  Alternative Contact Omon Edgal, Senior Accountant Education Finance <a href="mailto:omon.edgal@walthamforest.gov.uk">omon.edgal@walthamforest.gov.uk</a> 020 8496 4354		

## **1. SUMMARY**

- 1.1 This report concerns the Scheme for Financing Maintained Schools.

## **2. RECOMMENDATIONS**

### **2.1 Maintained School representatives on Schools Forum to note:**

- 2.1.1 The consultation process to refresh the current scheme.

## **3. REASON**

- 3.1 Local authorities are required to publish schemes for financing schools, setting out the financial relationship between them and the schools they maintain.
- 3.2 There have been several revisions to statutory guidance which require the scheme to be updated.
- 3.2 All maintained schools must be consulted on the scheme and the scheme must be approved by the maintained school representatives on Schools Forum.

## **4. CONTENTS OF THE SCHEME**

- 4.1 The Scheme covers various governance arrangements to ensure that maintained schools manage their resources effectively. It also places various

conditions on the LA to ensure it abides by its statutory obligations regarding maintained schools.

- 4.2 On 17 July 2021, the DfE published the 'Financial transparency of LA maintained schools and academy trusts. This document covered crucial points about changes that needs to be included in the scheme.
- 4.3 Most of the scheme is covered by statutory guidance which can be accessed at: <https://www.gov.uk/government/publications/schemes-for-financing-schools>

## **5. CONSULTATION PROCESS**

- 5.1 Part 1 – By October 2021 Half term.

Consultation with stakeholders on the contents of the Scheme for Financing Maintained Schools document.

Part 2 – By mid December 2021

Circulation of the Draft Document

Part 3 – January 2022 Schools Forum

Final Document to be endorsed.

Meeting / Date	<b>SCHOOLS FORUM 15 September 2021</b>	Agenda Item	<b>9</b>
Report Title	<b>Consultation on the National Funding Formula</b>		
Decision/Discussion/ Information	For Information		
Report Author/ Contact details	<b>Duncan James-Pike, Strategic Finance Advisor</b> <b>020 8496 3502</b> <a href="mailto:duncan.james-pike@walthamforest.gov.uk">duncan.james-pike@walthamforest.gov.uk</a>		

## **1. SUMMARY**

- 1.2 On 8 July the Government launched a consultation “Fair school funding for all: completing our reforms to the National Funding Formula” which can be accessed here: <https://www.gov.uk/government/consultations/fair-school-funding-for-all-completing-our-reforms-to-the-national-funding-formula>
- 1.2 The consultation closes on 30 September 2021. This report highlights some of the key issues.

## **2. RECOMMENDATIONS**

### **2.1 Schools Forum to note:**

- 2.1.1 The consultation and its implications

## **3. REASON**

- 3.1 This report informs Schools Forum about the consultation and to alert individual schools with PFI, split-site or Growth funding to this and future consultations.

## **4. THE CONSULTATION AND ITS RELEVANCE IN WALTHAM FOREST**

- 4.1. The consultation is essentially about how to transition local authorities from their local funding formulae towards the current National Funding Formula (NFF) factor rates. Most of the consultation is not directly relevant as Waltham Forest Schools Forum adopted the current NFF factor rates in 2020-21, taking advantage of the raising of the Minimum Funding Guarantee (MFG) to share the increase in funding and protect schools from any redistribution flowing from the adoption of NFF factor rates.
- 4.2 The MFG protects schools’ per-pupil funding and in 2020-21 and 2021-22 Schools Forum agreed to maximise the use of the positive MFG. This sharing of resources is demonstrated by Waltham Forest having the fifth highest proportion of Schools Block allocated through the MFG in 2020-21.

Year	MFG	Net	As % of Schools Block
2019-20	0%	£0.289m	0.14%
2020-21	1.63%	£7.356m	3.16%
2021-22	2.0%	£6.050m	2.8%

- 4.3 The consultation is flagging up future in-detail consultations on the remaining items outside the NFF: funding for split sites, PFI, and Growth, and asking for comments on these items. The consultation also references the future role of Schools Forum, the impact of the SEND review, the changing role of local authorities, and whether maintained schools' funding should be moved onto academic year basis to match academies.

## 5. THE QUESTIONS

- Q1: Do you agree that our aim should be that the directly applied NFF should include all pupil-led and school-led funding factors and that all funding distributed by the NFF should be allocated to schools on the basis of the hard formula, without further local adjustment through local formulae?**

Comment: Waltham Forest has adopted all NFF factors.

- Q2: Do you have any comments on how we could reform premises funding during the transition to the directly applied NFF?**

Comment: For Waltham Forest this relates to PFI and split-sites only.

Currently, the PFI schools' funding is for the "affordability gap" on the schemes and has no impact on the schools' actual funding. The consultation states that the DFE are exploring a more bottom-up funding model, looking at the additional costs that each PFI school incur, as a result of their PFI contracts, and then use this as a basis for our calculation of a PFI factor allocation in the NFF – rather than using uprated historic spend. This 'bottom up' approach would need to consider the overall additional costs that PFI schools can face (including contributions to the unitary charge, the affordability gap, and any other additional premises costs). Any change to PFI funding is unlikely to be implemented before 2024-25.

- Q3: Do you agree with our proposal to use national, standardised criteria to allocate all aspects of growth and falling rolls funding?**
- Q4: Do you have any comments on our proposed approach to growth and falling rolls funding?**

Comment: This is moving some way from our local method. Proposals are:

- To collect forecast growth from LAs unless new schools when collect from trusts and allocate only where growth is significant. (We fund on expected 1FE minimum, so shouldn't be an issue here).
- Standardising the amount that eligible schools receive but spending broadly the same proportion of the total Schools Block on growth as at present. (This seems to fix an historic budget rather than adjust for need).
- Use the in-year autumn census to check the amount of growth that actually materialised in schools where pupil numbers fell more than slightly short of forecasts. (This would not necessarily reflect the costs that schools have incurred in anticipation of the growth and in Waltham Forest we have only recently guaranteed 30 pupil funding rather than minimum of 25).
- No sign of leadership and management support for expanding schools.

**Q5: Do you agree that, in 2023-24, each LA should be required to use each of the NFF factors (with the exception of any significantly reformed factors) in its local formulae?**

Comment: In Waltham Forest we only use NFF factors.

**Q6: Do you agree that all LA formulae, except those that already 'mirroring' the NFF, should be required to move closer to the NFF from 2023-24, in order to smooth the transition to the hard NFF for schools?**

**Q7: Do you agree that LA formulae factor values should move 10% closer to the NFF, compared with their distance from the NFF in 2022-23? If you do not agree, can you please explain why?**

**Q8: As we would not require LAs to move closer to the NFF if their local formulae were already very close to the NFF, do you have any comments on the appropriate threshold level?**

Comment: These don't really apply in Waltham Forest other than we are funding AWPU above NFF rates, probably due to the high MFG producing some "spare" budget to allocate. Several other LAs have a similar issue. Officers will respond clarifying this point.

**Q9: Do you agree that the additional flexibility for LAs in the EAL factor, relating to how many years a pupil has been in the school system, should be removed from 2023-24?**

Comment: Not relevant, Waltham Forest already use EAL3

**Q10: Do you agree that the additional flexibilities relating to the sparsity factor should remain in place for 2023-24**

Comment: Not relevant, Waltham Forest does not use sparsity factors

**Q11: Are there any comments you wish to make on the proposals we have made regarding ongoing central school services, including on whether in the future central school services funding could move to LGFS?**

Comment: Waltham Forest has a very restricted range of services within the Central Schools Services block, the funding for which reduces each year. Officers consider that schools' expenditure should be ringfenced with the appropriate resources available in the DSG with adequate local flexibility to fund central duties.

**Q12: Do you agree with the proposal for a legacy grant to replace funding for unavoidable termination of employment and prudential borrowing costs?**

Comment: We do not have any legacy costs on Waltham Forest as we were a high delegator historically and have retained very little centrally.

**Q13: How strongly do you feel that we should further investigate the possibility of moving maintained schools to being funded on an academic year basis?**

**Q14: Are there any advantages or drawbacks to moving maintained schools to being funded on an academic year basis that you feel we should be aware of?**

Comment: Officers will discuss further with LA and maintained school colleagues.

**Q15: Please provide any information that you consider we should take into account in assessing the equalities impact of the proposals for change.**

**Q16: Are there any further comments that you wish to make about our proposed move to complete the reforms to the NFF?**