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Sefton Council



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Supporting Carers

MEETING: SCHOOLS FORUM
DATE: Monday 14 January 2019
TIME: 1.30 pm
VENUE: Formby Professional Development Centre, Park Road, Formby

Member

Dorothy Lee Ogden (Chair)
Simon Penney
Ian Raikes
Julian Ward
Sue Kerwin
Niki Craddock
Anna James
Jenny Taylor
Bernie Coxon,
Malcolm Parry,
Mary Wall
Cllr Richard Hands
Cathy Earley
Paul Tomlinson
Matt Symes (Chair of SASH)
David Jones
Isobel Macdonald Davies
Toni Oxtton-Grant
Brenda Porter
Nigel Bellamy
Danny MacAreavy
Wendy Corless
Brenda Hayes/Tim Short
Jon Horrocks
Nicola Walsh
Mary Johnson (FS)
Mike McSorley (HOS)
Kevin McBlain(FS)

Representatives

Academy Governor
Academy Headteacher
Academy Headteacher
Primary Headteacher
Primary Headteachers
Primary Headteacher
Primary Headteacher
Primary Headteacher
Primary Governor
Primary Governor
Primary Governor
Primary Governor
Nursery Headteachers
PVI
Secondary Headteacher
Secondary Headteacher
Secondary Governor
Special Headteacher
Special Governors Rep
HWB (Early Life Group)
Faith
PRU
UNION (Teaching)
UNION (Non-Teaching Union)
Virtual Head/LAC
Local Authority
Local Authority
Local Authority

Colette Jones
Telephone:
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Clerk to Schools Forum
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If you have any special needs that may require arrangements to facilitate your attendance at this meeting, please contact the Committee Officer named above, who will endeavour to assist.

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A G E N D A

1. **Apologies for Absence**
2. **Minutes of the Last Meeting** (Pages 5 - 8)
3. **Matters Arising**
None Recorded
4. **Agenda Item 4 Facility Time** (Pages 9 - 14)
5. **Agenda Item 5 Review of Schools Balances from 2017-18** (Pages 15 - 20)
6. **Agenda Item 6 Disapplication Form for use of SB Funding** (Pages 21 - 24)
7. **Agenda item 7 DSF Funding Allocations to schools** (Pages 25 - 62)
8. **Agenda Item 8 Consultation document** (Pages 63 - 66)
9. **Agenda Item 9 Early_Outcomes_Fund-Bid-Guidance** (Pages 67 - 118)
10. **Agenda Item 10 Guidance on sponsorship in schools** (Pages 119 - 128)
11. **Agenda Item 11 Early Years Report 2018-19** (Pages 129 - 134)

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Sefton Council

Sefton Schools Forum Minutes

Minutes of Sefton Schools' Forum Meeting **Monday 19th November 2018 1.30pm** **PDC, Formby**

Forum Members present: - Dorothy Lee Ogden (Chair), Ian Raikes, Simon Penney, David Jones, Cathy Earley, Matt Symes, Isobel Macdonald-Davies, Danny Macareavy, Niki Craddock, Toni Oxton-Grant, Sharon Cowey, Nicky Walsh and Sue Kerwin

In attendance:

Colette Jones -	Clerk to Sefton Schools Forum	(CJ)
Mike McSorley –	Head of Schools and Families	(MM)
Nick Carbonaro-	Corporate Finance	(NC)
Kevin McBlain -	Corporate Finance CS Finance	(KM)
Jacqui Kerr-	Team Leader SEN	(JK)

Actions

Apologies

- 1 Malcolm Parry, Jon Horrocks, Anna James

2 Minutes of the previous meeting

Forum agreed the minutes from the previous meeting

3 Matters arising from Minutes

9. Trade Union Facility Time

Facility Time was raised at the STJNC meeting, Unions are keen for academy schools to sign up and will provide an update of their membership to the LA. This information will be circulated. Forum requested a breakdown of facility time for maintained schools and academies and the redistribution of any underspend

4 Ofsted Framework

Matt Symes gave a presentation to Forum on 'Towards the Education Inspection Framework (EIF) September 2019 by Joan Bonefant, Senior HMI and Helen O'Neill HMI. Matt Symes highlighted slide 39 to Forum as the critical page which outlines the new framework Ofsted will use to inspect schools from September 2019. The 3 I's Intent, Implementation and Impact with the focus on curriculum, in design, delivery and progress, schools will need to articulate why a subject has been chosen. Joan Bonefant will attend a meeting with Sefton Headteachers on Thursday 10 January at 4pm PDC, Formby.

5 SEND Review Update

Jacqui Kerr gave a brief overview at the mid-point of the SEN Review; Sefton has

- Lower proportion of EHCP than national average
- Higher EHCP cohort in specialist provision 47% against national average of 36%
- More EHCP in secondary and FE Sectors
- Level of inclusion in mainstream is a challenge
- No shared vision-need to work closer together
- Shared awareness of existing problems

Agenda Item 2

- Equal frustration but matched with determination to improve
- Major challenge from parents
- Weak outcomes effect plans-High Needs Funding
- Need a sharper focus to present clear outcomes

The final report will be presented to SEN Strategic Partnership on 30 January 2019 by Michael Watmough.

6 Early Years 2018/19 Forecast Spending

The Local Authority have paid all Sefton Providers a universal hourly rate at £4 per hour for 3-4 year old childcare provision since April 2017; and this rate has continued into 2018/19, including the extra hours of free entitlement for 3-4 year olds based on working parents. The Disability Access Funding allocation is £615 pa per child is still available to providers along with Early Years Pupil Premium. Two year old funding is paid at £4.90 per hour, as similarly has been since April 2017.

For Early Years children with High Needs, the SEN Inclusion Fund was established to meet demands, and this year, £200k was agreed to be moved to the High Needs Funding block towards Nursery Inclusion costs, as these have increased further in 2018/19 due to the expansion on the extra 15 hours childcare support for working parents.

The forecast outturn for Early years suggests an initial under spend across Early Years of £664K this may be used to assist with balancing the High Needs Funding at outturn. Early Years block overspent in 2017/18, and this underspending partially reflects some underfunding of the 3-4 year old for the extra hours of childcare from September 2017. Catch up funding and ongoing full year funding of the extra hours has been received from the DfE from July 2018, based on actual headcount and hours recorded in the Early Years Census at January 2018.

Kevin McBlain to provide a breakdown of the Early Years for the next meeting

Funding for Early Years is estimated, unlike schools, who have exact figures and therefore the government can also take back funding should numbers/hours decline.

Cathy Early stated that she believes the Early Years contribution of £200k towards High Needs is disproportionate to primary and secondary contributions and requested a breakdown of the early years funding and spend for the next meeting.

Kevin McBlain mentioned that the Maintained nursery schools receive special transitional funding over 3 years (2017 to 2020) to cover exceptional costs of operating as schools. There have been no further announcements of this funding continuing post 2020, which may see some nurseries close if they become unviable. He said that the 2019/20 National Formula allocation for Early Years is due out shortly, and if the rates of allocation for 2 year old and 3-4 year olds is increased for Sefton, the Authority may consider raising the universal hourly rates payable to providers in 2019/20.

7 Update on the Schools and High Needs Formula Funding for 2019/20

On 5 November 2018, the Local Authority consulted all schools over the significant demand pressures and overspend on the High Needs budget and asked schools to consider increasing the School Block contribution to the maximum 0.5% Schools Block level (c.£0.796m) from the £0.450m already agreed by Schools Forum on 24 September 2018. All schools were asked to vote on whether they would increase the contribution, or not, and the results

would be shared at Schools Forum. Out of 93 Schools who were asked:

67 - No to increase and for the Local Authority to make a disapplication to the Secretary of State for a determination of the extra contribution

7 - Yes to increase

19 Schools eligible did not vote

Primary and Secondary School Forum Members were asked to vote on the increased contribution and the vote reflected the schools feedback:

8 No and 1 Yes recorded

Schools felt that they couldn't support the extra contribution towards High Needs and wanted the Local Authority to make a point on spending pressures felt by schools, through making a disapplication to the Secretary of State.

The Local Authority will therefore commence the process to make a disapplication to the Secretary of State with a response expected by January 2019.

Some points raised around the High Needs budget issues included

- No extra funding received for Post 16 but increased claims on High Needs funding to support further education - unfair
- Health should provide a greater contribution to schools funding for those with health issues rather than learning issues
- Clawing back funding from school reserves (School Balances report at the next meeting) a consideration – but discounted, as any schools' balances for re-use, would need to be recirculated through the schools formula rather than go to High Needs, and this would give Academy schools an unfair share of any redistribution, whose accounts are separate to the Authority's maintained schools.
- Local Authority recently won a High Needs tribunal

It was felt by Forum members that the Government doesn't appear to accept reality of High Needs cost pressures and demands and it has been a long-standing problem which affects most of the Local Authorities in the North West Region, with many now in a deficit position on their High Needs DSG. The Local Authority has made it clear that it has no reserves to balance the DSG budget.

The Local Authority were also concerned to inform members of Forum, that should the Secretary of State refuse the dis-application request, the Authority would need to make some early cost reductions, which may impact on the most inclusive schools and most vulnerable children.

A strategy to reduce High Needs costs is being considered in line with the findings of the High Needs consultation. Some actions may need to be implemented earlier, should the Secretary of State refuse the Local Authority's case for disapplication of extra Schools Block funding contribution for 2019/20.

8 National Fair Funding Report

Paper for information only

9 Early Years Sub Group

Cathy Early will provide a report for the next Schools Forum meeting in January on the make-up and future of the Early Years sub group meetings.

Agenda Item 2

10 Guidance on sponsorship in schools

Deferred until the next meeting 14 January 2018

11 AOB

Capital Funding

Government have announced capital funding for schools £10k for primary and £50K for secondary. No announcements have been made for special schools and nurseries. Real allocations by school will be announced in the New Year. This funding may be given as part of the DFC mechanism.

North West Finance Officers meeting

Kevin McBlain and Nick Carbonaro attended NW Finance Officers meeting and updated Forum with a presentation. Overall Sefton schools receive more funding using a local funding formula model in comparison to many other LA's who are using the NFF model. The NFF model may not be agreed for roll-out nationally as we move forward, and the earliest roll out could be 2021. Danny Macareavy thanked Kevin and Nick for their hard work putting the models together for schools. Finance will receive information from the DfE in December and will meet in early January with both SAPH/SASH to present models to headteachers. The next Schools Forum meeting will decide on the preferred model before submitting to the DfE by the end of January 2019.

Colette Jones to circulate the presentation to members

Date of Next Meeting

Monday 14th January 2018, 1.30pm-3.30pm, PDC, Formby



Sefton Schools Forum Report

Date of Meeting:	14 January 2019
Title of Report:	Trade Union Facilities Administration
Presenting Officer:	Kevin McBlain
Reason for Submission to Forum:	(2) ITEM FOR CONSULTATION
Executive Summary:	To provide members with information on the proposed changes to the Trade Union Facilities Administration from April 2018.
Budget/Risk Implications:	None
Recommendations:	<ol style="list-style-type: none"> 1. Schools Forum members are requested to agree the content and proposals contained in this report. 2. Schools Forum to formally recommend all schools and academies buy- in to the continuation of the local authority's union facilities agreement. The aim being for all schools and academies by contributing to a 'pool' to share the costs of paying for teaching trade union facilities time and draw on an established wealth of expertise.
Appendices <small>(to be attached)</small>	None
Background Papers <small>(available on request)</small>	None
Report Originator and Contact Details	Name: Kevin McBlain Tele: 01519344049 E-mail: Kevin.mcblain@sefton.gov.uk

SCHOOLS' FORUM POWERS & RESPONSIBILITIES

- 1 ITEMS FOR APPROVAL (DfE can adjudicate where Forum does not agree LA proposal)
- 2 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but LA decides)
- 3 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but DfE decides)
- 4 ITEMS FOR INFORMATION (No formal view of the Forum is sought)

Schools Forum meeting January 2019

1. Item for Decision

Schools Forum members are requested to agree the content and proposals contained in this report relating to the financial administration of the costs associated with the teaching unions facilities arrangements.

2 Purpose of Report

This report brings together previous reports information, where appropriate and outlines the proposed funding and financial administration of the union facilities work undertaken on behalf of schools in Sefton from April 2019 and provide information as to costs incurred and work undertaken by union representatives funded against the agreed trade union facilities arrangements.

3. Current Position and Costs

3.1 Trade Union representatives have a statutory right to reasonable paid time off from employment to carry out trade union duties and to undertake trade union training. The facilities agreement provides an effective route for statutory and collective consultation and bargaining, a framework and structure to manage industrial relations and access to branch official from recognised unions, without individual settings being required to put their own potential expensive arrangements in place.

Further detail can be found in the Trade Union Facilities arrangements SLA documentation that has been drawn up in partnership between the Local Authority and the Teacher Trade Unions.

3.2 Funding for facilities time for trade unions representing school based employees at a local/branch level have been primarily funded through the de-delegation of School Block funding by maintained schools, for 2018/19 and by formal buy into the Trade Union Facility Time SLA agreement by a handful of academy schools.

3.3 The following table summarises the funding allocated to each Trade Union for supply teacher cover for the release of union representatives in respect of union facilities work undertaken during the financial year 2018/19.

<u>Charges - based on TU Facility Time Agreement</u>	No. Days	Supply @ U4 = £218
NASWT	4	33,136.00
NUT	3	24,852.00
ATL	2	<u>16,568.00</u>
Total Cost		74,556.00
Unison / GMB / Unite contribution		30,000.00

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NAHT and any adhoc requests from schools for supply cover for Public duties requests		16,000.00
		120,556.00

- 3.4 Forum members will be aware from facilities agreement documentation that each individual union is allocated manpower resources based on a “time calculation”, which is determined by the level of membership within each trade union. With effect from 1 September 2018 the National Union of Teachers (NUT) and the Association of Teachers and Lecturers ATL) has combined to become the National Education Union. The Local Authority has been working with all the teacher trade union officials to review the current facility time arrangements.
- 3.5 Teaching union colleagues are continuing to review activities and tasks undertaken by those involved under the facilities agreement. In accordance with the facilities agreement trade union representatives carry out a range of complex and demanding activities including advice, representation and negotiation. Representatives attend meetings covering, but not exclusively, disciplinary, grievance, ill health and capability meetings, formal or informal, and consultation meetings on changes to working arrangements including work associated with schools converting to academy status (such as formal sign-off of TUPE arrangements).
- 3.6 Following the review of the existing facility time arrangements it is proposed that the that the annual contribution from all settings to fund a centrally administered union facilities time would be reduced to £2.10 per primary pupil and £4.12 per secondary pupil based on pupil numbers as determined by the Schools Block funding formula.
- 3.7 In addition to paragraphs 3.1 and 3.5 above and Trade Union Facilities arrangements documentation, union colleagues have stated that they are willing to provide Forum Members with a briefing note of the support activity and help they give to schools and academies if required. The following three bullet points summarise the intention of the teaching unions facilities arrangement.
- Governing bodies are responsible under employment law for sanctioning paid time off for employees undertaking trade union duties in their own establishment. Lay officials of each recognised union in each workplace, including staff reps and branch secretaries, have the right to time off with pay to carry out trade union duties (section 168 TULRCA, the Trade Union and Labour Relations Consolidation Act).
 - Such officers also have the right to time off for training if related to TULRCA section 178 (2) matters, (terms and conditions, recruitment,

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suspension, dismissal, work allocation, discipline, union membership, time off facilities and procedures, as outlined in the ACAS code of practice below*). Similar rights are conferred on Trade Union Health and Safety representatives under regulation 4(2) of the safety Representatives and Safety Committees Regulation 1997.

- To save every school having to release employee Representatives from each union to have full and updated training in all issues listed above, Sefton operates a local union officer scheme in which a handful of trained elected officers covers all members in all schools, with a pooled funding model to reimburse schools which release an elected officer for boroughwide duties.

3.8 The return on the investment made in trade union facility time will be many times the sum spent. Recent research commissioned for the TUC from the University of Hertfordshire stated that for every £1 spent between £3 and £9 of benefits were accrued.

4. Funding and Charging Rate Proposals

4.1 Based on the content of previous union administrative papers presented to Forum, the number of schools buying into the current trade union arrangements and the above revised costings, it is proposed that £93,000 is allocated provided supply cover for the release of teaching trade union officials from 1st April 2019:

Charges	No. Days	Supply @ U3 = £272
NASWT	4	41,344.00
NUT / ATL	5	51,680.00
Total Cost		93,024.00
NAHT and any adhoc requests from schools for Public duties request		16,000.00
		109,024.00

As well as facility time arrangements, the de-delegated funding from maintained primary schools also includes £7,200 to support staff who are required to be released to cover other public duties (e.g. magistrate duties / Jury Service). It also includes 40 days' supply cover (£8,200) for NAHT branch officers to provide some backfill in school whilst they provide support to other headteacher colleagues and carry casework. The call on this supply will be closely monitored on an annual basis. The cost of both these arrangements is an additional £0.79 per primary pupil based on pupil numbers as determined by the Schools Block funding formula

- 4.2 Schools Forum is asked to formally recommend all schools and academies buy-in to the continuation of the local authority's teacher union facilities agreement. The aim being for all schools and academies by contributing to a 'pool' to share the costs of paying for teaching trade union facilities time and draw on an established wealth of expertise.
- 4.3 Acknowledge that where schools and academies do not buy-in to this union facilities arrangement those settings will be responsible for making their own arrangements for covering work areas/tasks etc. and costs associated with release of officials for representation or training. Trade union representatives employed within the school or academy will be entitled to undertake the full range of functions detailed in the facilities agreement and to appropriate training from their respective union. The unions have advised that a school based representative would need cover for approximately 10 days of initial training per official per union.
- 4.4 It is essential that as many schools as possible contribute to ensure good provision of assistance (skills and experience) and having help readily available to those schools and academies that need it, when they need it. In addition, it is proposed that the commitment entered by schools and academies is for three years (this is consistent with all other support functions offered to schools by the local authority), thereby providing stability and predictability to the quality and level of service provided.
- 4.5 Union officials are actively canvassing schools and academies to commit to arrangements outlined in this paper.
- 4.6 The facility time arrangements for non-teaching unions is currently under review, along with the funding mechanism for contributions from schools, and will be reported to Schools Forum when the review is completed
5. Financial Administration Proposals
- 5.1 The process for funding the union facilities agreement work from April 2019 will be as follows:
- The identified costs of providing the service, see above, will be recovered from schools and academies as a contribution based on a standard amount per pupil (for all pupils aged reception to post 16 in primary and secondary schools), agreed planned places for special schools and alternative provision schools and full-time equivalent for nursery aged pupils (nursery schools and nursery classes). Nursery aged pupils attending for 30 hours will be deemed to be 1.0fte.
 - A single point count will be made upon which the annual levy will be based, the October Census data, preceding the traditional financial year, will be used.
- 5.2 The annual contribution will be recovered through:

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- De-delegation, for maintained schools, Schools Forum representatives will be asked to agree, as part of the formal funding model discussion to approve, the charge to be deducted from the school's individual budgets. The funding model will generate each school's contribution and the amount will be separately identified on the schools' funding statement
 - For academies, an "invoice" will be prepared, based on the total membership of each MAT/trust rather than at individual academy establishment level. This will reduce the administration of income collection. Income will be collected during April.
- 5.3 Schools and academies will be asked to sign up to this arrangement for three years, being reviewed in September 2021. However, all schools and academies will be able, as with most schemes previously offered through the local authority, to give three months' notice prior to the start of the following year's provision to withdraw from these arrangements (allowing academies and maintained schools to review their commitment on an annual basis).
- 5.4 Where schools and academies provide staff release time to undertake agreed union facilities agreement work they will for supply cover up to maximum of Teachers Upper Pay point 3.
- 5.5 The scheme will operate based on the financial year April to March.
- 6 What next?
- 6.1 If the above is accepted by Schools Forum, local authority and union colleagues will seek to;
- a) Formal commitment from all academies and MATs to these arrangements
 - b) Progress the de-delegation arrangements for maintained schools as part of the budget approval process which is included in the 2019/20 DSG School Funding paper to be discussed later in this January 2019 Schools Forum meeting.
- 7 Recommendations
- 7.1 Schools Forum members are requested to agree the content and proposals contained in this report.
- 7.2 Schools Forum to formally recommend all schools and academies buy- in to the continuation of the local authority's union facilities agreement. The aim being for all schools and academies by contributing to a 'pool' to share the costs of paying for teaching trade union facilities time and draw on an established wealth of expertise.

Sefton Schools Forum Report

Date of Meeting:	14 th January 2019
Title of Report:	Review of School Balances 2017/18
Presenting Officer:	Mary Johnson, Senior Finance Officer – Schools Finance
Reason for Submission to Forum:	ITEM FOR INFORMATION
Executive Summary:	The Fair Funding: Scheme for Financing Schools requires schools holding balances over the Sefton permitted levels to report to the Local Authority on the intended use of surplus balances. Schools must demonstrate that these balances are properly assigned for the specific purposes permitted by the Local Authority.
Budget/Risk Implications:	None
Recommendations:	Forum is asked to note this report of school balances for 2017/18; and the membership of the School Balances working group.
Appendices (to be attached)	Appendix 1 – School Balances Analysis 2017/18
Background Papers (available on request)	Fair Funding: Scheme for Financing Schools School Forum Report ‘Review of School Balances’ 2006/07 and the introduction of a surplus balances clawback scheme from April 2008 DCSF Briefing Paper: School and Early Years Funding Arrangements 2008-11 Schools Forum Meeting 21 st April 2008 – Agenda Item No.7 Schools Forum Meeting 13 th June 2011 – Agenda Item No.9 Schools Forum Meeting 12 th December 2011 – Agenda Item No.8 DfE briefing paper: LA Schemes for Financing Schools - Revised Scheme Guidance 2011-12 Schools Forum Meeting 31 st March 2014 – Agenda Item No.8 Schools Forum meeting 29 th September 2014 – AOB Schools Forum Meeting 29 th June 2015 – Agenda Item 4 Schools Forum Meeting 7 th December 2015 – Agenda Item 6
Report Originator and Contact Details	Name: Mary Johnson Tele: 0151 934 3324 E-mail: mary.johnson@sefton.gov.uk

SCHOOLS’ FORUM POWERS & RESPONSIBILITIES

- 1 ITEMS FOR APPROVAL (DfE can adjudicate where Forum does not agree LA proposal)
- 2 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but LA decides)
- 3 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but DfE decides)
- 4 ITEMS FOR INFORMATION (No formal view of the Forum is sought)

Agenda Item 6

Schools Forum 14^h January 2019
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1. Background

- 1.1 Surplus balances held by schools are permitted under the DfE Fair Funding: Scheme for Financing Schools, subject to any balance control mechanism in place.
- 1.2 Schools can only carry forward balances over and above the permitted levels under specific categories agreed by the Schools Forum and the Local Authority.
- 1.3 Schools with balances over the permitted limits are asked to give a detailed breakdown of how their excess balances are to be spent against the categories set down by the Local Authority.
- 1.4 In December 2010 the DfE published new guidance on Local Authority Schemes for Financing Schools, effective from 1st April 2011, including recommendations on changes to the operation of a school balances control mechanism.
- 1.5 At the Schools Forum meeting on 13th June 2011, members agreed to continue with the current school balances control mechanism in 2011/12, but on the understanding that officers of the Local Authority consult all schools on whether there should be a change to the school balances control mechanism effective from 1st April 2012.
- 1.6 The outcome of the consultation exercise was tabled at the School Forum meeting on 12th December 2011. Schools Forum agreed to continue to have a school balance control mechanism from 2012/13. The members voted to increase the limit for permitted balances to 12% for Nursery, Primary & Special Schools and 8% for Secondary Schools or £20,000.00 (where that is greater than either % threshold).
- 1.7 At Schools Forum on 31st March 2014, members were asked to note the document entitled, 'Policy for the challenge of schools and pupil referral units with surplus balances'. It sets out the criteria for carrying forward committed balances assigned for specific purposes permitted by the Local Authority. Where the specific purposes quoted do not meet the Local Authority's criteria or where there is insufficient evidence available, then the Schools Forum Balances Control Group may implement the clawback mechanism.
- 1.8 At Schools Forum on 29th September 2014 a consultation was opened with SAPH and SASH regarding a review of the process for analysing schools surplus balances.
- 1.9 At Schools Forum on 26th June 2015 members agreed to formally consult with all schools on the future of the school balances control mechanism from 1 April 2016. The Local Authority wrote out to all maintained schools on 14th July 2015 to ask for their views.
- 1.10 The outcome of the consultation was reported at Schools Forum on 7th December 2015. Members noted the outcome of the consultation and approved the decision to retain the current School Balances Control Mechanism in the Sefton Fair Funding Scheme for Financing Schools from 1 April 2016. To retain the limits for permitted balances of 12% for Nursery, Primary and Special Schools and PRU's; and 8% for Secondary Schools or £20,000.00 (where that is greater than either % threshold).

2. Review of Individual School Balances

- 2.1 The balances held by Sefton maintained schools at 31st March 2018 exceeded £14.15m (breakdown by school attached as Appendix 1).
- 2.2 School Balances for Sefton maintained schools totalled £14,150,247 at 31/3/18 (excluding the balances of converting academy schools). 40 primary schools, 2 secondary schools, 3 special schools, 2 nursery schools and 1 PRU closed with balances above the permitted levels.
- 2.3 As part of the budget setting process for 2018/19 each school had until the 30 June 2018 to complete a balances proforma and return it to the Local Authority identifying how the excessive balances will be used. All schools affected were compliant.
- 2.4 The Schools Forum School Balances working group would usually meet during September/October to review the proformas for those schools with balances over 12% for Nursery / Primary / Special Schools and PRU's and over 8% for Secondary Schools. If the group feels the information submitted is insufficient, those schools are then called to an individual meeting to provide further supporting evidence.
- 2.5 During this process, the Balances Control group has the power to top-slice excessive balances where these are not justified satisfactorily, and recycle the funding through the Schools Formula.
- 2.6 For 2018/19, given the financial pressures all schools are facing; underfunding; shortfall in high needs funding; National Funding Formula; Teachers Pay Award; National Insurance and Pension cost increases. Members are asked to consider whether a more arms-length approach should be adopted for this year.
- 2.7 Firstly, to call Headteachers and Governors to a meeting to account for high balances when they are having to make savings simply to remain in the black could be seen as counter-productive. The DfE acknowledged this a few years ago when they said schools should not be punished for making efficiency savings.
- 2.8 Secondly, the membership of the working group has remained the same for the last few years. These people have given up their valuable time, along with the resources given over to the administration of the process by officers of the Council.

3. Recommendations

- 3.1 Members are recommended to:
 - a) To note the level of school balances for 2017/18
 - b) To consider whether the School balances working group should adopt an arms-length approach to the school balances proforma this year

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School Balances 2017/18

PRIMARY

Code	DFE	School	Funding 2017/18 £	School Expenditure 2017/18	Variance £	2016/17 (U/Spends) O/Spends	2017/18 (U/Spends) O/Spends	Cumulative (Underspend) O/Spends To March 2018	
EP38	2008	Linacre	941,095	908,183	-32,911	-29,822	-32,911	(62,733)	6.67%
EP44	2013	Netherton Moss	1,037,722	1,089,979	52,257	-217,472	52,257	(165,214)	15.92%
EP25	2023	The Grange	2,098,450	2,013,850	-84,601	-284,627	-84,601	(369,228)	17.60%
EP14	2030	Birkdale	1,717,558	1,686,604	-30,955	-38,798	-30,955	(69,752)	4.06%
EP17	2032	Churchtown	3,438,607	3,420,315	-18,292	-343,302	-18,292	(361,594)	10.52%
EP21	2034	Farnborough Road Jnrs	1,908,487	1,868,638	-39,848	-137,230	-39,848	(177,078)	9.28%
EP20	2035	Farnborough Road Infs	1,699,200	1,592,118	-107,082	-107,771	-107,082	(214,853)	12.64%
EP39	2036	Linaker	2,215,038	2,090,343	-124,695	-195,148	-124,695	(319,843)	14.44%
EP46	2038	Norwood	1,801,010	1,848,877	47,867	-58,635	47,867	(10,768)	0.60%
EP42	2047	Marshside	820,187	767,230	-52,957	-75,669	-52,957	(128,626)	15.68%
EP34	2048	Kew Woods	1,754,841	1,750,328	-4,513	-63,140	-4,513	(67,653)	3.86%
EP18	2050	Davenhill	1,706,059	1,660,039	-46,020	-245,790	-46,020	(291,810)	17.10%
EP33	2053	Hudson	1,053,688	1,013,548	-40,140	-4,158	-40,140	(44,297)	4.20%
EP84	2054	Waterloo	2,184,786	2,210,238	25,453	-76,815	25,453	(51,362)	2.35%
EP23	2056	Forefield Juniors	1,472,506	1,447,815	-24,691	-300,752	-24,691	(325,443)	22.10%
EP22	2057	Forefield Infants	1,223,267	1,210,738	-12,529	-144,473	-12,529	(157,002)	12.83%
EP36	2060	Lander Road	1,175,907	1,177,625	1,719	-166,201	1,719	(164,482)	13.99%
EP40	2063	Litherland Moss	1,004,732	970,521	-34,210	-181,018	-34,210	(215,228)	21.42%
EP28	2066	Hatton Hill	1,828,296	1,775,460	-52,836	-254,660	-52,836	(307,496)	16.82%
EP45	2067	Northway	1,268,940	1,251,212	-17,728	-197,618	-17,728	(215,346)	16.97%
EP85	2075	Woodlands	1,234,043	1,229,093	-4,950	-153,565	-4,950	(158,515)	12.85%
EP79	2076	Summerhill	858,394	878,639	20,245	-133,129	20,245	(112,885)	13.15%
EP24	2078	Freshfield	1,182,651	1,168,031	-14,620	-115,036	-14,620	(129,656)	10.96%
EP27	2080	Green Park	934,987	929,603	-5,383	-49,854	-5,383	(55,237)	5.91%
EP52	2086	Redgate	726,703	730,950	4,247	-71,863	4,247	(67,616)	9.30%
EP35	2087	Kings Meadow	1,057,779	989,592	-68,187	-152,554	-68,187	(220,741)	20.87%
EP37	2088	Larkfield	1,214,233	1,228,490	14,257	-106,509	14,257	(92,252)	7.60%
EP54	2089	Shoreside	871,196	845,374	-25,821	-102,946	-25,821	(128,768)	14.78%
EP43	2090	Melling	832,617	820,126	-12,491	-101,331	-12,491	(113,823)	13.67%
EP83	2091	Valewood	917,466	900,970	-16,496	-104,024	-16,496	(120,520)	13.14%
EP41	2092	Lydiate	1,255,695	1,186,705	-68,990	-168,446	-68,990	(237,437)	18.91%
EP13	2093	Bedford	2,108,382	2,013,533	-94,848	-259,833	-94,848	(354,681)	16.82%
EP16	3000	Christ Church	1,806,109	1,760,773	-45,337	-156,106	-45,337	(201,442)	11.15%
EP64	3010	St John's, Crossens	724,473	795,346	70,872	-119,610	70,872	(48,738)	6.73%
EP56	3020	St Andrew's	1,249,847	1,256,253	6,407	-51,291	6,407	(44,884)	3.59%
EP66	3024	St Luke's, Formby	1,610,273	1,557,454	-52,819	-115,484	-52,819	(168,303)	10.45%
EP73	3025	St Philip's, Litherland	852,351	830,201	-22,150	-95,457	-22,150	(117,607)	13.80%
EP71	3303	St Oswald's	1,063,942	1,066,286	2,344	-96,842	2,344	(94,499)	8.88%
EP32	3304	Holy Trinity	866,505	836,915	-29,590	-80,759	-29,590	(110,349)	
EP74	3305	St Philip's, Southport	878,637	844,443	-34,193	-40,429	-34,193	(74,623)	8.49%
EP11	3307	Ainsdale	914,577	877,667	-36,911	-102,003	-36,911	(138,914)	15.19%
EP69	3313	St Monica's	1,890,370	1,809,791	-80,579	-270,802	-80,579	(351,381)	18.59%
EP75	3316	St Robert Bellarmine	1,002,265	978,340	-23,925	-117,421	-23,925	(141,346)	14.10%
EP31	3322	Holy Spirit	1,116,568	1,150,021	33,453	-67,671	33,453	(34,219)	3.06%
EP29	3336	Holy Family	912,628	916,977	4,349	-186,225	4,349	(181,876)	19.93%
EP48	3337	Our Lady of Lourdes	2,568,300	2,544,087	-24,213	-303,653	-24,213	(327,867)	12.77%
EP76	3338	St Teresa's	504,614	466,487	-38,126	-72,548	-38,126	(110,675)	21.93%
EP72	3339	St Patrick's	1,382,943	1,394,047	11,104	-39,788	11,104	(28,684)	2.07%
EP77	3341	St Thomas'	485,088	536,015	50,927	-50,907	50,927	20	
EP65	3342	St John's, Waterloo	826,780	795,132	-31,648	-112,526	-31,648	(144,174)	17.44%
EP67	3343	St Luke's Halsall	991,710	969,420	-22,290	-88,004	-22,290	(110,294)	11.12%
EP70	3345	St Nicholas'	874,516	867,673	-6,843	-123,937	-6,843	(130,780)	14.95%
EP60	3351	St George's	861,249	787,358	-73,891	-2,270	-73,891	(76,161)	8.84%
EP26	3353	Great Crosby	2,533,520	2,389,241	-144,278	-170,090	-144,278	(314,368)	12.41%
EP68	3354	St Mary's	485,526	462,387	-23,139	-62,987	-23,139	(86,126)	17.74%
EP58	3355	St Edmunds & St Thom	1,340,773	1,316,051	-24,722	-118,366	-24,722	(143,088)	10.67%
EP51	3357	Our Lady Star of the S	1,098,286	1,057,513	-40,773	-52,131	-40,773	(92,905)	8.46%
EP47	3359	Our Lady of Comp	1,012,906	986,554	-26,352	-197,319	-26,352	(223,671)	22.08%
EP19	3361	English Martyrs	1,830,269	1,807,396	-22,873	-231,182	-22,873	(254,055)	13.88%
EP59	3362	St Elizabeth's	1,879,607	1,815,706	-63,901	-167,607	-63,901	(231,508)	12.32%
EP78	3364	St William of York	1,078,014	1,051,008	-27,006	-81,326	-27,006	(108,331)	10.05%
EP50	3366	Our Lady Queen of P	713,019	717,302	4,283	-173,637	4,283	(169,353)	23.75%
EP61	3367	St Gregory's	923,166	944,816	21,650	-208,614	21,650	(186,964)	20.25%
EP82	3368	Ursuline	1,635,512	1,653,072	17,560	-185,824	17,560	(168,264)	10.29%
EP62	3369	St Jerome's	839,153	848,767	9,614	-18,619	9,614	(9,005)	1.07%
EP30	3374	Holy Rosary	1,700,051	1,713,292	13,241	-304,285	13,241	(291,043)	17.12%
EP63	3375	St John Bosco	799,103	780,640	-18,463	-92,026	-18,463	(110,489)	13.83%
EP15	3376	Bishop David Sheppard	1,207,422	1,141,180	-66,242	-22,356	-66,242	(88,598)	7.34%
EP55	3378	Springwell Park	2,085,526	1,966,901	-118,624	-275,560	-118,624	(394,184)	18.90%
EP80	3379	Thomas Gray	1,237,537	1,250,227	12,690	-15,109	12,690	(2,419)	0.20%
EP81	3380	Trinity St Peters	948,758	920,276	-28,482	-80,547	-28,482	(109,029)	11.49%
EP57	3382	St Benedict's	1,049,709	1,016,506	-33,203	-34,561	-33,203	(67,763)	6.46%
EP49	3383	Our Lady of Wals	1,086,838	1,047,716	-39,122	-67,359	-39,122	(106,481)	9.80%
EP12	3384	All Saints	1,570,037	1,607,074	37,037	-266,904	37,037	(229,868)	14.64%
EP53	3385	Rimrose Hope	1,621,258	1,642,104	20,847	-190,629	20,847	(169,783)	10.47%
		TOTAL PRIMARY	97,604,256	95,851,186	-1,753,071	-9,952,958	-1,753,071	-11,706,029	

SECONDARY

Code	DFE	School	Funding 2017/18 £	School Expenditure 2017/18	Variance £	2016/17 (U/Spends) O/Spends	2017/18 (U/Spends) O/Spends	Cumulative (Underspend) O/Spends To March 2018	
ES21	4003	Stanley High	1,543,337	1,936,316	392,979	-391,292	392,979	1,688	
ES16	4110	Meols Cop High	4,715,579	4,886,264	170,684	-885,118	170,684	(714,433)	15.15%
ES18	4611	Savio High	3,129,139	3,365,878	236,739	94,579	236,739	331,318	-10.59%
ES15	4621	Maricourt High	7,012,198	6,900,292	-111,906	-543,981	-111,906	(655,886)	9.35%
ES17	4623	Sacred Heart High	6,377,624	6,491,085	113,461	-428,486	113,461	(315,025)	4.94%
ES13	4624	Holy Family High	4,523,057	4,478,784	-44,273	612,387	-44,273	568,114	-12.56%
ES11	4800	Christ The King High	5,925,673	6,023,954	98,281	-324,786	98,281	(226,505)	3.82%
ES19	4804	South Sefton SFC	1,192,527	1,654,901	462,374	280,054	462,374	742,429	-62.26%
		TOTAL SECONDARY	34,419,134	35,737,474	1,318,340	-1,586,642	1,318,340	-268,302	

SPECIAL

Code	DFE	School	Funding 2017/18 £	School Expenditure 2017/18	Variance £	2016/17 (U/Spends) O/Spends	2017/18 (U/Spends) O/Spends	Cumulative (Underspend) O/Spends To March 2018	
EH94	7004	Presfield	2,053,583	1,902,371	-151,212	-515,275	-151,212	(666,488)	32.45%
EH92	7006	Merefield	2,346,138	2,272,911	-73,227	-207,273	-73,227	(280,500)	11.96%
EH91	7009	Crosby High	2,152,938	2,015,120	-137,817	-198,953	-137,817	(336,770)	15.64%
EH93	7011	Newfield	1,660,739	1,600,372	-60,367	-290,820	-60,367	(351,186)	21.15%
EH95	7013	Rowan Park	3,655,176	3,697,400	42,224	-252,308	42,224	(210,084)	5.75%
		TOTAL SPECIAL	11,868,574	11,488,175	-380,399	-1,464,629	-380,399	-1,845,028	

NURSERY

Code	DFE	School	Funding 2017/18 £	School Expenditure 2017/18	Variance £	2016/17 (U/Spends) O/Spends	2017/18 (U/Spends) O/Spends	Cumulative (Underspend) O/Spends To March 2018	
EN12	1002	Crossens	318,298	337,417	19,119	-126,092	19,119	(106,973)	33.61%
EN14	1003	Sand Dunes	239,341	403,508	164,167	-27,660	164,167	136,507	-57.03%
EN11	1004	Cambridge	348,775	302,513	-46,263	-155,585	-46,263	(201,848)	57.87%
EN13	1005	Greenacre	296,649	308,471	11,822	-31,783	11,822	(19,960)	6.73%
		TOTAL NURSERY	1,203,063	1,351,909	148,846	-341,120	148,846	-192,273	

PRU'S

Code	DFE	School	Funding 2017/18 £	School Expenditure 2017/18	Variance £	2016/17 (U/Spends) O/Spends	2017/18 (U/Spends) O/Spends	Cumulative (Underspend) O/Spends To March 2018	
EH97	1100	Impact Secondary Pru	2,286,190	2,193,788	-92,402	-47,229	-92,402	(139,631)	6.11%
EH96	1101	Jigsaw Primary Pru	449,520	427,234	-22,286	-85,339	-22,286	(107,625)	23.94%
		TOTAL PRU'S	2,735,710	2,621,022	-114,688	-132,568	-114,688	-247,256	

Summary

	Funding 2017/18 £	School Expenditure 2017/18	Variance £	2016/17 (U/Spends) O/Spends	2017/18 (U/Spends) O/Spends	Cumulative (Underspend) O/Spends To March 2018
Total Primary	97,604,256	95,851,186	-1,753,071	-9,952,958	-1,753,071	-11,706,029
Total Secondary	34,419,134	35,737,474	1,318,340	-1,586,642	1,318,340	-268,302
Total Academy	45,362,596	45,362,596	0	0	0	0
Total Special	11,868,574	11,488,175	-380,399	-1,464,629	-380,399	-1,845,028
Total Nursery	1,203,063	1,351,909	148,846	-341,120	148,846	-192,273
Total Pru	2,735,710	2,621,022	-114,688	-132,568	-114,688	-247,256
Total All Schools	193,193,333	192,412,362	-780,971	-13,477,916	-780,971	-14,258,887

School and Early Years Finance (England) Regulations Local Authority Application to Disapply Regulations Form

1 Please complete this form to apply to the Secretary of State for Education to disapply the School and Early Years Finance (England) Regulations, or to vary conditions in the Dedicated Schools Grant. Please complete all relevant fields and return the completed form via an attachment on the [ESFA contact form](#):

When submitting this form via the ESFA contact form please ensure that you select **LA Funding Formula – Disapplication / exceptional factor request** from the drop-down list in the **2. Enquiry Details** screen

2 You may wish to include brief supporting attachments with your request such as forum minutes (if links not available) or spreadsheet calculations. Attachments should only be included as supplementary evidence and referenced in the 'details of the request' box.

3 In the 'details of request' box, you should include, where appropriate:

- What is the impact on the schools concerned?
- Do the schools benefit from the proposal?
- Will maintained schools and academies be affected in the same way?
- What is the rationale for the proposal?
- What is the potential impact on other schools in the area?
- What is the potential impact on other educational functions and services in the area?

4 In the 'Assessment of the equalities implication' box:

- You are under a duty to comply with section 149 of the Equality Act 2010. Please identify and assess the potential equality impact of your request in the 'assessment of the equalities information box' and provide us with the analysis. If you do not do so, or if we consider that you have not complied with section 149, we may reject your request.

Local Authority number	343
Local Authority	Sefton
Funding year request relates to	2019/20
Type of request	School Block Movement
Which requirement in the Regulations does this request relate to?	Determine or redetermine budget shares of schools maintained by it;
Which requirement in the conditions of grant does this request relate to?	To transfer up to 0.5% of School Block allocation to High Needs Block to support significant cost pressures in 2019/20
Number of schools affected	The additional transfer of approx. £346k to increase the contribution up to the maximum 0.5% would impact on all primary schools and 15 secondary schools (out of 18) as the LA would wish to reduce the Lump Sum amount per school by £2.5k across both phases - however schools would be protected by MFG as the LA would not be applying for MFG disapplication for lump sum reduction from 2018/19 allocation. The LA would also reduce the Cap on winning schools and MFG would be set at -1.5% (Appendix M) provides a breakdown by school of potential changes in funding if full 0.5% contribution from School Block is agreed
Have the schools affected by this request been consulted?	Yes

<p>What are the views of the schools affected by this request?</p>	<p>Schools feel that government should allocate more funding to schools and high needs. Sefton schools are funded below the national average per pupil and are under pressure financially. They feel making the request to the Secretary of State will raise awareness of the challenges faced across the whole school sector. Schools Forum has agreed to the movement of £0.450m (or 0.29% of the Schools Block allocation) which was agreed in 2018/19 but did not agree a further increased contribution in 2019/20 of approx. £0.346m to take this up to the maximum level of contribution (£0.796m) i.e. 0.5%</p>
<p>Does schools forum agree with this request?</p>	<p>No</p>
<p>If yes, please provide link(s) to the minutes showing schools forum agreement</p>	
<p>If this has not yet been discussed with Schools forum, what date will this be?</p>	

5 Please see the 'Block Disapplication Evidence' tab for information on what evidence is required for disapplication requests to move funding from the schools block to the high needs block.
 Please additionally complete the 'Early Years Pass-through' tab to provide additional information on disapplication requests for the pass-through requirement for the three and four year old entitlements.

Details of request (2,500 characters maximum)

Please note that if attached files are more than 2.5mb in size then please email them separately to academy.questions@education.gov.uk

In 2017/18, the outturn on High Needs ended with an overspend of £1.8m. The major contributors to the overspend were the commissioning of additional new places at two Special Schools for extra pupils and for the provision of extra resources and support to other schools for children and young people with very complex needs.

This year, a further 8 children (a class) with SEN have been placed at a maintained special school in order to continually meet need. However even with this additional in-house commissioned provision we are still facing significant increases in the number of children apply for independent special school places. Pressures on schools' budgets in recent years, caused by lower than average per pupil funding and unfunded cost pressures has meant schools are often unable to meet the demands placed on them in managing children with low incidence special needs and disabilities. This in turn has led to growing requests through our SEN panel for additional High Needs funding to support their provision.

On 24 September 2018, Schools Forum were presented with a statement report indicating that High Needs was forecast to overspend by £2.3m in 2018/19.. At the same meeting the LA presented a further report seeking schools ongoing support for a contribution of £0.450m (or 0.29% of the Schools Block allocation) towards High Needs cost pressures in 2019/20, in line with their contribution towards 2018/19 funding. Forum were also asked to consider a further contribution in 2019/20 of £0.346m to take this up to the maximum level of contribution of £0.796m or 0.5% of the SB allocation (based on the latest funding allocation subject to the October 2018 pupil census). Schools Forum members agreed to support a similar sum to that allowed in 2018/19 (£0.450m) but not the additional amount.

The Local Authority agreed to consult all schools on the need to increase the contribution from the schools block up to 0.5% in 2019/20 and a meeting was held on the 5th November 2018 and this was followed up with a communication of the presentation to all schools the next day asking for individual feedback from each school on their preferred option. Following a consultation with schools a formal request was made to Schools Forum on 19 November 2018. School Forum supported the view of consulted schools which was not to agree the request for an additional £0.346m transfer from the schools block to the high needs block. The request is therefore for the SoS to determine the additional allocation of funding from the schools block to the high needs block to bring it to 0.5%. The Local Authority expressed concerns that if the SoS did not agree to the disapplication request then any reductions to High Needs funding in 2019/20 would impact on the most inclusive schools and children with the highest levels of need.

On Schools Forum asked the local authority to make the point that they felt is to be exceptionally unfair that there was no mechanism to top slicing post funding when there has been an significant increase in the numbers of students in this sector.

Assessment of the equalities implication (2,000 characters maximum)

Please note that if attached files are more than 2.5mb in size then please email them separately to academy.questions@education.gov.uk

Please identify and assess the potential equality impact of your request and provide us with the analysis. In particular, s.149 of the Equality Act 2010 requires you to have due regard to the need to:

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

Sefton has 1307 children and young people with EHCP's (profile below)
 SEN 2 date 2018
 Under 5 41
 5-10 316
 11-15 555
 16-19 307
 20-25 88

Total 1307

As well as 1138 children and young people who receive top up funding to support their needs.
 2018/19 (Sept 2018) No. of Children
 Mainstream Primary 366
 Mainstream Secondary 150
 Mainstream Special 622

If the request is not granted the local authority will need to significantly reduce the levels of funding available for top ups to schools which will have an impact on this cohort.

Name of requestor	Mike McSorley
Job Title	Head of Schools and Families
Email address	mike.mcsorley@sefton.gov.uk
Date	30/11/2018

Page 24 Official use only	Request number	
	Request date	
	Decision outcome	
	Details of the Decision (including any conditions)	

Name	
Date	
Type of Notification	
if this notification type is listed as 'intention to approve' the Department will notify you when the regulations are laid.	

Sefton Schools Forum Report

Date of Meeting:	14 January 2019
Title of Report:	DSG Funding Allocations to Schools; Central Schools Services; High Needs and Early Years Blocks for 2019/20
Presenting Officer:	Mike McSorley/Kevin McBlain
Reason for Submission to Forum:	(1) ITEMS FOR APPROVAL & (4) ITEMS FOR INFORMATION
Executive Summary:	<p>To provide members with information on the 2019/20 proposed funding allocations to individual Schools and within the Central Schools Services Block (including delegation and de-delegation) on which Schools Forum are asked to formally approve, by phase, as required.</p> <p>To note the intention to submit the final Authority Proforma Tool (APT) Return to the DfE by the deadline of 21st January 2019 to enable School Budgets to be set for 2019/20.</p> <p>To note the decision of the Secretary of State to support the Local Authority's disapplication request to increase the level of Schools budget contribution towards High Needs budget pressures in 2019/20 from £0.450m to the maximum 0.5% of Schools Block Funding (£0.795m)</p> <p>To note the funding of High Needs and Early Years for 2019/20 and to note the overall level of support being given to High Needs from Schools and Early Years in 2019/20.</p>
Budget/Risk Implications:	None
Recommendations:	<p>The Schools Forum is asked to note / and or agree the following recommendations:</p> <p><u>FOR NOTING BY SCHOOLS FORUM</u></p> <ul style="list-style-type: none"> • Note the overall DSG funding for 2019/20 and the allocation assigned to each of the 4 funding blocks including any adjustments to be made. • Note the Local Authority recommendations in support of Schools funding 2019/20 after consultation with Schools and via SAPH and SASH on 10th January 2019. • Note the decisions taken at the previous Schools Forum meetings on 24 September and 19 November 2018 respectively, to support the transfer of £0.450m of Schools Block funding to High Needs in 2019/20, to help with budget pressures; but to disagree on any further contribution up to the maximum DfE guidance level of 0.5% of the total Schools Funding Block • Note the decision of the Local Authority to make a

	<p>disapplication request in November 2018 to the Secretary of State, requesting an increase to this contribution up to the maximum guidance level of 0.5% of the 2019/20 total Schools Block allocation.</p> <ul style="list-style-type: none"> Note the Secretary of State’s response to the disapplication request and subsequent application of the additional contribution from School’s budget shares up to £0.795m in 2019/20 as requested <p><u>ITEMS REQUIRING A VOTE OF FORUM REPRESENTATIVES AS NECESSARY</u></p> <ul style="list-style-type: none"> To agree, by a vote of Individual Maintained School Sector phase, as appropriate, the basis for, and, de-delegation of, specific central services as shown in para 7.5 below, to be pooled centrally by the local authority to provide a service to all ‘maintained’ schools. <u>(Maintained Schools Only to vote by phase, as required)</u> To agree by a vote, to the central contingency allocation of £0.350m in support of significant pre-16 pupil growth in 2018/19 and in compliance with KS1 infant class size legislation and as described in Para 7.6 below (ALL Schools to vote) To agree by a vote to support the Central Schools Services Block funding allocation (totalling £1.271m in 2019/20) with associated services as shown in Para 7.7 below (ALL Schools to vote) <p><u>FINAL OUTCOME FOR NOTING</u></p> <ul style="list-style-type: none"> In accordance with the decisions made by Schools Forum which are noted; and those agreed by vote at this meeting, that Schools Forum now note the intention of the Local Authority to submit the final APT for the 2019/20 schools’ formula funding to the DfE, by the deadline of 21st January 2019. This will include any decisions made around transfer of funding between funding blocks; de-delegated amounts and centrally retained budgets.
<p>Appendices (to be attached)</p>	<p>Appendix 1 –Draft APT 2019/20 Pro Forma DfE submission (APT) to be submitted to the DfE by 21st January 2019 Appendix 2 - Individual Funding Allocations for Primary and Secondary Schools in 2019/20</p>
<p>Background Papers (available on request)</p>	<p>2019/20 DSG Funding Announcement – 17 December 2018 Copyright Licences – DSG Announcement 20 December 2018</p>
<p>Report Originator and Contact Details</p>	<p>Name:Kevin McBlain Tele: 0151 934 4049 E-mail: kevin.mcblain@sefton.gov.uk</p>

SCHOOLS' FORUM POWERS & RESPONSIBILITIES

- 1 ITEMS FOR APPROVAL (DfE can adjudicate where Forum does not agree LA proposal)
- 2 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but LA decides)
- 3 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but DfE decides)
- 4 ITEMS FOR INFORMATION (No formal view of the Forum is sought)

1.0 **Background**

- 1.1 The 2019/20 Dedicated Schools Grant settlement was announced on 17th December 2018, and is based on four main funding blocks; Schools; Central School Services; High Needs and Early Years. This is in line with Department for Education (DfE) announcements regarding 2019/20 funding guidance issued in July 2018. An early draft of the schools APT funding Pro-forma was sent to Local Authorities in May/June, to enable them to draft potential formula allocations for discussion with Headteachers and Schools Forum for 2019/20. Schools Forum received a paper in September discussing any major changes arising from the revised DfE guidance for 2019/20. These changes had minimal effect on Sefton's formula funding and revolved around minor adjustments to the national funding formula elements.
- 1.2 One of the key announcements in the summer, was around the delayed roll out of the new National Funding Formula, which has now been delayed by a further year, from 2020/21 to 2021/22. At a recent Education conference event held in October, it was suggested that the DfE might never pursue the full implementation of the new funding model, even by 2021/22, since many schools/Local Authorities have already gradually been moving towards the new funding model for their schools. In the event, Primary legislation would be required to make any formal changes.
- 1.3 Sefton Headteachers were consulted, informally, by Finance officers and the Head of Education in June 2018, with possible financial models, to help the LA determine the general approach to be taken for setting the 2019/20 Schools funding allocation. There was broad agreement from Headteachers, that they wished to stay, as closely as possible, with our own local formula model, rather than moving towards the new National Formula factors.
- 1.4 DfE guidance in July 2018, suggested, that Local Authorities could again consult with schools and ask their Schools Forum to support any funding Block transfers of up to 0.5% of their total Schools block allocation.
- 1.5 In September 2018, Schools Forum were therefore asked once again, to support a contribution a similar amount towards High Needs budget pressures in 2019/20 that they offered in 2018/19 (i.e £0.450m), and this was agreed unanimously by a vote of each phase. However, the Local Authority also asked, if Forum would be willing to support a further contribution of c.£0.345m to take the overall contribution to the maximum the DfE allow without having to make a disapplication request, at 0.5% of total Schools Block funding (c.£0.795m). However, Schools Forum could not agree to this additional request without further consultation with schools.
- 1.6 On 5 November 2018, a consultation meeting was set up for Head teachers to attend from across all schools; and after some discussion and debate, a simple questionnaire was sent out to all schools, to test support for this increase. Most schools decided it was not something they could willingly support. Subsequently, at the next Schools Forum, held on 19 November 2018, Forum members, based on the responses from schools, rejected the Local Authority's request for the extra funding contribution.

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- 1.7 This then prompted the Local Authority to submit a disapplication to the Secretary of State, to overturn the Schools Forum decision. An application was duly submitted by the Head of Education by the deadline 30 November 2018 and the decision of the Secretary of State responded to the Local Authority on the 10th January 2019 stating that he is sympathetic to the situation faced by the Local Authority and is likely to approve our request but has asked for clarification as to whether this is still required following the additional funding High Needs funding announcement made last month. The DfE will also be providing a SEN advisor to support to the Local Authority to review our strategy to reduce High Needs commitments in future years (Appendix 3 copy of the Secretary of State's formal letter dated 10 January 2019). The Local Authority has written back to Secretary of State confirming the requirement to take 0.5% of the ISB to support High Needs pressures in 2019/20.
- 1.8 In July 2017, the then Secretary of State for Education, Justine Greening, announced that an extra £1.3bn of funding was to be made available to schools over the two years 2018/19 – 2019/20. after which there will be a Public Spending review in 2020.
- 1.9 The additional resource was to guarantee that there would be, at least, a +0.5% funding growth per pupil pa included for each of the two years 2018 to 2020. Local Authorities were also advised that there would be no loss of High Needs funding compared with 2017/18 figures, and that this block too would receive at least a +0.5% funding uplift in 2018/19 and 2019/20. This guaranteed increase is around £0.127m for Sefton.
- 1.10 Similar to 2018/19 for Schools Block, the National funding allocations for 2019/20 have been based on using the DfE's National Formula Funding methodology; and Local Authorities are being allowed a further two year period of a 'soft' formula funding approach, whereby they can choose, in consultation with their schools and Schools Forum, to move flexibly towards the new National Formula Funding distribution if they choose; or remain largely with their own Local formula, before a 'hard' formula funding regime technically cuts-in from 2021/20, at which time, the DfE would then effectively control all school funding allocations nationally, subject to Primary Legislation being in place.
- 1.11 Since these guarantees, additional funding has been announced by the DfE across High Needs and the School Block. On 16 December 2018, the Secretary of State announced additional funding towards High Needs budget pressures in both 2018/19 and 2019/20. A national allocation of £250m has been set aside for High Needs revenue spending, split equally between the current Financial Year and next Financial Year (£125m each year). Sefton benefit from this additional grant funding by £0.562m in each year, which is to be welcomed.
- 1.12 As part of the Schools Block allocations for 2019/20, the DfE have adopted a new method of allocating Pupil Growth funding, based on actual movement of pupils between the last two years, and using the data from the October 2018 school Census, rather than on a historic funding basis. Funding of £1,370 per Primary pupil Growth and £2,050 per Secondary pupil growth has then been applied to the new data to give a fresh allocation. This change has seen Sefton's funding increase from £0.150m in 2018/19, to a figure of £0.577m.

- 1.13 The DfE are not prescriptive as to whether all this funding should be managed centrally towards pupil growth, or whether a smaller figure is set aside. This would be a decision taken between each Local Authorities in conjunction with their Schools and Schools Forum. The Local Authority is already supporting a number of schools who have been asked to increase their PAN to support additional population bulges within the borough. The implementation of the Sefton Local Plan is now underway and as a result there is a need to increase school places in specific areas to support increasing pupil population numbers. The LA would therefore recommend that £0.350m be set aside with the remaining balance of this funding being delegated to schools to support ongoing pressures within the education system.
- 1.14 Notwithstanding, the transfer of a contribution of funding from Schools Block to High Needs in 2019/20, as explained above, the Local Authority have also agreed to use £0.200m from Early Years funding, taken from their ongoing contingency/transitional formula funding. This is considered affordable and will not impact on the funding paid to Early Year Providers.
- 1.15 Using the DfE's final allocations for 2019/20 based on October 2018 census pupil numbers, a revised schools funding model has been presented to SASH and SAPH on 10th January 2019 and the approach to the formula and figures, as agreed by both Phases, has now been included in the Authority's final Authority Proforma Tool (APT) Return, which, if ratified by Schools Forum today, will be submitted as final, to the DfE by their deadline of 21st January 2019.
- 1.16 The final formula model is now being adopted for 2019/20 as agreed unanimously by members of SAPH and SASH and including the following decisions and formula element adjustments:
- The agreed deduction from the DfE's Schools Block funding allocation (including that agreed through the Secretary of State's determination) is £0.795m (split £0.430m Primary and £0.366m Secondary) towards High Needs in 2019/20 before applying the individual formula funding to schools.
 - The application of Business Rates with an inflationary uplift for 2019/20 of 2.39%
 - The setting aside of £0.350m Pupil Growth including Infant Class size growth funding before school allocations are made.
 - The continued application of Sefton's own local elements of the formula from 2018/19 into 2019/20 but with a reduction to a (£0.1175m) Lump Sum payment to all schools (this will be protected by MFG calculation).
 - An uplift to three Secondary School's funding after applying funding formula elements to ensure they meet the DfE minimum funding level of £4,800 per pupil for each school (£0.131m)
 - A reduction of £51 in the primary low attainment funding element to reflect increased numbers within the funding criteria compared to 2018/19 (overall funding level kept at same level as 2018/19)
 - The use of additional headroom to increase the Ever 6 FSM formula element (at £25 per eligible pupil in both the primary and secondary funding elements)
 - Application of minus 1.5% MFG with a gains cap of 1.1%.

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1.17 These changes to the local formula were considered the best, to provide as much funding as possible to as many schools as possible, given the continuing budget pressures felt by all. Under the model chosen, MFG will cost £0.356m but this is mostly offset by the cap being set at 1.1%.

2.0 Total DfEFunding Allocations for 2019/20 prior to any Local Authority Inter-Block Adjustments

2.1 As stated above, the final funding allocations for 2019/20 were released to LA s on 17th December 2018, along with the APT Return containing the October 2018 census data. The allocations are illustrated below.

2019/20 DSG Funding Allocations for Sefton are as follows:

<u>Notional DSG Allocations 2019/20</u>	<u>DSG Funding 2019/20 (£m)</u>	<u>Comments</u>
Schools Block (SB)	£158.980m	Includes delegated, de-delegated funding, plus a new allocation for pupil growth of £0.577m & Business Rates
Central Schools Services Block (CSSB)	£1.271m	Includes a number of historic and other central services set aside by Schools Forum annually – (See further analysis below)
Early Years Eligible 2 YO Entitlement (EY)	£2.754m	2 YO Funding based on £5.22 p hr ongoing from 2018/19
Early Years 3-4 YO Universal Free Entitlement (EY)	£9.543m	Early Years formula allocation based on £4.30 p hr confirmed as the ongoing base funding rate from 2018/19 into 2019/20.
Early Years 3-4 YO Additional 15 hours p week eligible Entitlement for working parents in	£4.245m	Full Year Effect of funding for the 15 extra hours of free childcare per week to eligible parents, which commenced Sept 2017. Rate based on £4.30 p hr.
Early Years 3-4 YO Pupil Premium (EY)	£0.118m	3-4 YO Pupil premium – set at a decreased level based on lesser application of the funding requirement in 18/19 (£0.199m to £0.118m)
Early Years 3-4 YO Transitional Funding for Maintained Nursery Schools (EY) . This is the final year of support but indications are that DfE are reviewing this element and an announcement is expected in the next	£0.587m	Awarded for 3 years to 2019/20 to equalise funding to Maintained Nursery Schools through the new EY Formula funding and to enable LA s to move towards

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few weeks.		a universal Rate for all providers.
Early Years 3-4 YO New Disability Access Funding (EY)	£0.067m	Funding to help providers taking children with special needs and disabilities. To be awarded to children claiming Disability Living Allowance as a lump sum of £615 p child pa.
High Needs Block (HN) –	£27.206m	Allocation after making all EFA recoupment deductions for direct payments to Non-Maintained Institutions by the DfE; Also includes growth funding of £0.562m as part of announced 2 year additional resources 18/19 – 19/20 BUT Before any inter Block adjustments for contributions by Schools and Early Years towards anticipated High Needs budget pressures in 2019/20 (£0.996m)
Total allocated DSG funding 2018/19 (Per DfE Dec 2017)	£204.771m	17th Dec 2018 – DfE Allocation Schedule
Add: High Needs Block EFA 6 th Form (Post 16) funding back through the LA (HN)	£0.217m	EFA Payment through the LA for Post 16 High Needs provision in Maintained Special and Secondary schools. (Changed calculation wef 19/20 – 4 months adjustment only)
Total DSG funding	£204.988m	

Schools Block national allocation

- 2.2 Sefton's Schools Block will see a net increase of £2.060m compared to 2018/19. This additional amount includes the second year of headroom growth of +0.5% funding per pupil through the new Formula Funding (£0.572m); additional funding of (£1.060m) after taking account of changes in pupil numbers between October 2017 and October 2018 (i.e an extra: +176.0 Primary and +70.5 Secondary pupils); together with the uplifted calculation of funding for Pupil Growth based on changes to actual pupil numbers year on year (£0.428m).
- 2.3 This additional funding ensures that the minimum funding levels per pupil of £3,500 per Primary pupil and £4,800 per Secondary Pupil are made in 2019/20 (Increased from £3,300 and £4,600 respectively in 2018/19). The DfE have also set the minimum funding guarantee (MFG) at 0% in the national distribution of funding to

Local Authorities, to protect all schools likely to be affected by the new national formula changes, which for Sefton, is most of them. The Schools Block figure is also inclusive of Pupil growth funding of (£0.577m), which has been allocated on a new basis in 2019/20, replacing the old historic lagged calculation. Use of this funding will still need to be agreed by Forum as a Centrally managed set aside amount, which will be decided at today's meeting.

- 2.4 Comparing year on year, overall, pupil numbers have increased by a net +246.5 in 2019/20. This is based on an increase in Primary pupil numbers of +176; and for the first time in many years, an increase in Secondary pupils of +70.5.
- 2.5 Notwithstanding, this allocation will be adjusted for the contribution agreed by Schools Forum on 24 September 2018, to transfer £0.450m of Schools Block headroom growth to High Needs in 2019/20 to help with budget pressure in that Block; **along with the additional funding to be confirmed by the Secretary of State through the disapplication process (£0.345m).**

Central Schools Services Block allocation

- 2.5 From 2018/19, a new Central School Services Block was created. This contains funding for ongoing historic and other centrally retained DSG items for Sefton services, such as the running of the Teacher Training Centre at Formby; Grounds Maintenance of playing fields for former closed schools; Free School Meals checking; School Licences; School admissions; and former Education Services Grant funding of statutory duties of the Local Authority, performed for **ALL** schools in the Borough.
- 2.6 This block is now funded by the DfE on a per pupil basis, and may need to be reduced over the next few years, as it expects Local Authorities to start to remove many of its historic cost related activities and either absorb them; scrap them or retain them as traded services with schools. The funding for Sefton has seen a small increase into 2019/20 of just £0.017m. An analysis of the 2019/20 central budgets is shown in a section below and will need to be formally agreed at today's Schools Forum.

Early Years Block allocation

- 2.7 Early Years funding was announced in early December 2018 for 3-4 year olds. There are no changes to the national funding allocation, which for Sefton, will be a universal rate of £4.30 per hour. This is the same hourly rate as that given in 2017/18, when the new Early Years formula was introduced; along with the extra 15 hours childcare free to working parents from September 2017. The 2-Year old rate to Sefton has also not changed into 2019/20, and remains at £5.22 per hour.
- 2.8 Maintained Nursery Schools will continue to receive a subsidy in 2019/20, to ensure their financial stability, and this is contained at broadly the same levels of funding as 2017/18, as part of a 3-year guaranteed funding amount (2017/18-2019/20). No further announcements have been made in respect of the future ongoing funding of

Nursery schools; and Local Authorities may need to prepare contingency plans for their future funding to maintain their financial viability and stability, before this transitional support ends in March 2020.

- 2.9 It is proposed that the hourly Base Rates paid to Early Years providers by the Local Authority for 2-year-old (£4.90 p hr) and the 3&4-Year old 15 universal and additional 15 hours of childcare (£4 p hr plus deprivation supplement between £0.05p - £0.15p p hr) be kept at the same levels as 2018/19, on the basis that the national funding levels have not increased. The transfer of £0.200m from Early Years to High Needs in support of budget pressures in 2019/20 will have no effect on the base rates payable to providers, as it will come out of a contingency set aside for training etc and from the transitional formula allocation retained to ensure Sefton's funding reaches a minimum floor level nationally of £4.30 p hour for 3&4-year olds. All other supplements including Early Years Pupil Premium and Disability Access Funding will remain payable at current levels into 2019/20 i.e up to £302 pa p child for Pupil Premium and £615 pa p child for Disability Access funding.

High Needs Block allocation

- 2.10 The High Needs funding for 2019/20 was increased by growth of £0.562m in both 2018/19 and 2019/20, announced by the Secretary of State in December 2018 due to growing pressures across Councils. Against the Revised 2018/19 High Needs allocations (excluding similar growth funding in 18/19), the increase (before any deductions in respect of NMNS; Colleges of FE and other EFSA directly funded allocations) sees an increase in real funding of around £0.860m. However, after deductions for directly funded institutions, this increases to £1.321m. This is due to changes made to the level of deductions for SEND Post 16 places in Maintained Special schools and Mainstream schools.
- 2.11 Formally, a full year deduction would be made in respect of these Post 16 places, and then be repaid to Local Authorities via ESFA 6th Form Grant, to pass on to its special/mainstream schools accordingly. However, from 2019/20 the DfE have reduced the level of deduction for these institutions, to allow greater flexibility to Local Authorities to decide their own funding levels for these post 16 funded places in their own special schools. As a result, deductions made for 2019/20, only reflect the remainder of the current 2018/19 Academic Year (April-July 2019). From 2020/21 no deductions will be made for these schools and Local Authorities will get the full place funding for them via the High Needs Block funding.
- 2.12 Sefton's High Needs budgets have been under severe pressure over the last four years and have been forecast to overspend by around £2.3m in 2018/19. However, this forecast has now reduced to around £1.8m (Nov 2018) due to the addition of growth in 2018/19 of £0.562m, announced by the Secretary of State in December 2018.
- 2.13 The DfE have again, allowed Local Authorities to ask their schools and Schools Forum for a contribution of up to 0.5% of the Schools Block funding towards High Needs in 2019/20. Sefton subsequently asked Schools for a £0.450m contribution for 2019/20 and this was formally agreed at the Schools Forum meeting of 24 September 2018. An additional amount of £0.345m from Schools Block has also

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been determined by the Secretary of State towards High Needs in 2019/20 under a disapplication lodged by the Local Authority in November 2018. In addition, Early Years will make a contribution of £0.200m towards High Needs next year, to come out of some set-aside contingency funding given through the EY national Formula.

- 2.14 These contributions, together with the DfE funding growth given for High Needs, should increase the High Needs resources by a net £0.800m in 2019/20, assuming the funding for Post 16 in-house places is maintained at current levels, following the adjustments made by the DfE explained above. This should help alleviate some of the budget pressures currently experienced but will nowhere near cover ongoing overspending.
- 2.15 During the year, the Head of Education instigated a review of High Needs services, which is due to report back in early 2019, from which changes may be made to help reduce costs and improve services. This is being conducted by an independent consultant.

3 Schools Block Allocations for 2019/20 further analysis

- 3.1 In respect of the Schools Block allocations for 2019/20, Sefton's funding has changed since 2017/18, not least due to the new National Formula Funding allocation and the protections offered to schools in the transition towards a Hard-National Funding Formula; plus +0.5% p pupil funding growth for 2018/19 and again in 2019/20.
- 3.2 The table below shows how the 2018/19 Base figures compare with 2019/20 to illustrate the changes in school funding between the two years. Note that the figures shown below take no account of the agreed transfer of funding to High Needs in either 2018/19 or 2019/20 towards funding pressures.

<u>Schools funding analysis 2018/19 compared to 2019/20</u>	<u>Pupil Nos & / Values (£) 2018/19</u>		<u>Oct 2018 Census Changes</u>	<u>Other Changes</u>	<u>Pupil Nos & / Values (£) 2019/20</u>
Primary Pupils	20,844		+176		21,020
Secondary Pupils	14,196		+70.5		14,266.5
Totals – Pupil Nos	35,040		+246.5		35,286.5
Primary Unit of Funding per pupil 2018/19 & 2019/20	£3,983.55			+£18.55	£4,002.10
Secondary Unit of Funding per pupil 2018/19 & 2019/20	£5,103.18			+£13.07	£5,116.25
Primary & Secondary	£155.478m			+1.637m	£157.115

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direct funding allocations – pupil led						m
Business Rates (£1.292m 18/19) (£1.287m 19/20) & Historic Infant Class Growth (£0.150m 18/19)/ Revised Pupil Growth funding (£0.578m 19/20) – School led	£1.442m				+0.423m	£1.865m
Total Schools Block Allocation	£156.920m				+£2.060m	£158.980m
Change in Funding – Schools Block from 2018/19 to 2019/20					+£2.060m	+£2.060m
Major Variations						
Net change in Pupil Numbers Oct 2017 to Oct 2018			+246.5			£1.061m
Year 2 +0.5% Growth per pupil headroom to 18/19 Baseline Pupil Nos	Pupil Nos (P) Pupil Nos (S)	21,020 14,266.5	x x		+£18.55 +£13.07	+£0.572m
New Pupil Growth calculation and Business Rates 19/20					+£0.427m	+£0.427m
Net Variation						+£2.060m
Central Schools Services Block	£1.254m				+£1.271m	£0.017m

3.3 As demonstrated in the table above, the overall School Funding Block has increased in 2019/20 by £2.060m or £2.077m including the new Central Schools Services Block.

3.4 The chosen formula model adopts slightly different criteria from 2018/19. MFG has been changed from -0.5% to -1.5% in 2019/20 and the Gains Cap has also been changed to make the overall allocation affordable and distributed as fairly as

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possible to schools. The anticipated agreement by the Secretary of State to allow the Authority to increase the level of schools' block contribution to High Needs up to the maximum 0.5% of Schools Block funding has led to minor changes in the formula. There has been a small reduction to the Lump Sum affecting all schools which has been reduced from £120k per school to £117.5k. The Local Authority has also used any headroom left in the ISB to support increases in the Ever 6 FSM funding allocation for both the primary and secondary sectors.

- 3.5 The Government announced in July 2018 that they were going to continue to allow Local Authorities to set their own formula locally, or move towards the new National Formula model. This was considered again by a representation of Headteachers in June, when a model of the new formula funding was considered alongside our current model; and for the reasons outlined previously, a continuation of a local formula was favoured over moving towards the new formula funding model. Using the National Funding Formula, would see a marked shift in funding from Pupil Led AWPU to Deprivation and Prior Attainment factors. The move to NFF would see a reduction to the Lump Sum payments to Sefton schools of £10k per school, based on going from £120k p school to £110k p school.
- 3.6 The proposed 2019/20 formula has been adjusted for the new minimum per pupil funding, which has been increased as part of a two-year agreement with the DfE. However, this second adjustment has made a difference to the level of funding headroom available to all schools, due to a significant increase in the level of funding to three secondary schools, needed to bring them up to the minimum per pupil level (taking £0.131m of the £0.572m +0.5% funding growth).
- 3.7 Local Authorities have also been given the flexibility to gradually move towards the NFF of stay largely with their own local formula, and to set their own MFG of anywhere between +0.5% for growth and minus -1.5% as currently used. For the allocation of national funding to Local Authorities, the DfE have applied a 0% MFG.
- 3.8 The consultation with schools has included reports to Schools Forum taken in September 2018 and November 2018; and there has been a meeting between Headteachers from SAPH and SASH with Officers of the Council in January, to enable discussion around financial modeling of the funding scenarios. The chosen model is now presented to Forum today for final approval and is included in the draft APT Return to the DfE attached to this report (**See Appendix 1**). See also (**Appendix 2**) which shows the effect of the proposals on individual schools.
- 3.9 If the Schools Forum agree the details included in the draft APT, pre De-Delegation, the baseline funding for Schools in 2019/20 will be as follows and including the decision already made to support High Needs next year and agreed use of the Pupil Growth funding in 2019/20.:

	£m
DfE Baseline allocation 2019/20 (Excluding the Central Schools Services Block)	£158.979

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Less - Transfer of Schools Block funding to High Needs to support budget pressures in 2019/20	£-0.795mm
Less Pupil Growth funding (to be agreed)	£-0.350m
Total adjusted Schools Funding Allocation for distribution through the Formula included in the APT (Pre-De-delegation for maintained schools)	£157.833
<u>Split of Funding above before Maintained schools De-delegation</u>	
Primary Maintained schools allocation (70 Schools)	£79.930m
Secondary Maintained schools allocation (6 Schools)	£26.013m
All Academy Schools top-slice for direct funding from the ESFA (17 Academy/Free Schools)	£51.887m
unallocated balance on formula	£0.003m
Schools funding allocations 2019/20	£157.833m

- 3.10 Back in 2013/14, Schools Forum agreed to create a central contingency for exceptional pupil number growth. The funding is used to support schools which have additional teaching costs due to significant growth in pupil numbers from September to March and who will receive no additional support for these pupils until April in the next financial year. This mostly affects Primary schools with large intakes and this funding was top-sliced from the Primary Sector.
- 3.11 A contingency of £0.150m was agreed in 2018/19, and has not been increased since and this time and any overspend in recent years has had to be supported from DSG underspends. However, in 2019/20, the DfE has change the calculation of Pupil Growth funding to better reflect pupil number changes and pressure on schools. This has led to an additional funding allocation being awarded to Sefton of £0.577m. Schools, and Schools Forum will need to decide, in conjunction with the LA, what level the Pupil Growth contingency should be set at for 2019/20. The DfE guidance suggests that LA s may decide not to use all this funding for pupil growth next year. The local authority is recommending that the contingency is increased to £0.350m (will help on average 7 schools each year) and the residual funding added into the general ISB funding allocations for schools and distributed through the formula.
- 3.12 Note, that any of this contingency not used by the end of a financial year, must also be reallocated back to schools.

Central Schools Services Block (CSSB) further analysis

3.13 This Central Service Block is provided on the basis of previous expenditure. It is now calculated as a rate per pupil. It contains a number of historic budgets held by Local Authorities originating out of the Schools Block funding. It is expected that Local Authorities will gradually unwind these 'historic' central budgets and reduce them over the next two years, after which, the DfE have said they will reduce the funding. The block for Sefton includes the following locally delivered services (**£1.271m 2019/20**):

- Contribution to combined services & Misc. Expenditure - **£0.289m** (Includes budgets for residual running costs of closed schools including any repair and maintenance and utility costs across Primary, Secondary and Special sectors, a contribution towards the Professional Development Centre, and support of residual grounds maintenance,)
- Co-ordinated admissions scheme - **£0.137m**
- School Licences 2018/19 etc. - **£0.191m** as announced by the DfE in December 2018 (See Para below)
- Servicing of the Schools Forum - **£0.062m**
- In addition, the Council have requested that the ESG retained funding, which has transferred to DSG from Council funding from April 2017 is kept centrally within DSG to contribute towards the costs of the Council's ongoing statutory duties for all schools - **£0.592m**

3.14 In respect of School Licences (above), the Department for Education has agreed to purchase a single national licence for schools, managed centrally by the DfE, for all state-funded schools in England. A detail of the amount to be deducted from DSG for these school licences has also been provided, and for 2019/20, the cost will be **£190,553** excluding VAT, a minimal increase on 2018/19. The list of licences covered is included below for information.

- Copyright Licensing Agency (CLA)
- Schools Printed Music Licence (SPML)
- Newspaper Licensing Authority (NLA)
- Education Recording Agency (ERA)
- Motion Picture Licensing Company (MPLC), and
- Filmbank Distributors Ltd. (for the PVSL)
- Christian Copyright Licensing International (CCLI)
- Mechanical Copyright Protection Society (MCPS)
- Performing Rights Society (PRS)
- Phonographic Performance Ltd (PPL)

4. High Needs Funding 2019/20 further analysis

4.1 High Needs budgets have been under severe pressure from the increasing demands for places and top ups being placed on High Needs services over the last 4 years. In 2015/16 High Needs overspent its funding allocation by £0.720m and in

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2016/17, by £1.5m; 2017/18, by £1.8m and it is estimated to overspend by £2.3m this year, 2018/19.

- 4.2 As explained in paragraph 2.13 above, a request was made of Sefton schools to agree a contribution from the Schools Funding Block of £0.450m in 2019/20 and this was agreed at Schools Forum on 24 September 2018. A further request by the LA to Schools Forum on 19 November 2018 to increase the level of contribution to the maximum 0.5% of Schools Block funding, was rejected. The LA then made a dis-application to the Secretary of State to decide on the extra contribution. **The application is still waiting on final confirmation from SoS but is assumed to have been successful and the level of Schools contribution has been increased accordingly to £0.795m.** In addition, the LA request a contribution from Early Years Block of £0.200m towards the High Needs budget pressures in 2019/20.
- 4.3 In December 2018, the Secretary of State announced additional growth funding for High Needs in both 2018/19 and 2019/20. (£250m over the two years). Sefton's allocation is £0.562m in each year.
- 4.4 The high needs funding has also been adjusted for area cost adjustment changes in 2019/20 adding a further £0.297m on baseline comparisons and before deductions are made for direct funding by the ESFA of NMNS; Academy special schools; Colleges of FE and Maintained Special and Mainstream schools.
- 4.5 The Table below shows the year on year effect on High Needs funding from 2018/19 to the 2019/20 funding position. Note that there may still be some adjustment to be made in respect of import/export pupil costs linked to High Needs, once the results of the January 19 Census and ILR data are available in February 2019:

<u>HIGH NEEDS FUNDING ANALYSIS</u>	<u>2018/19</u>	<u>2019/20</u>	<u>Variation</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>
<u>High Needs Formula</u>			
Historic based funding 50% and Proxy Factor Funding 50% 2018/19 before deductions / incl the transfer of Resourced Unit funding to Schools Block	£24.955m	£25.082m	+£0.127m
ADD Area Cost Adjustment Basic Entitlement calculation - incl	£2.448m	£2.619m	+£0.171m

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changes to population etc 2019/20			
*Growth Funding announced December 2018 2018/19 and 2019/20	£0.562m	£0.562m	0
Adjusted Baseline comparison	£27.965m	£28.263m	+£0.298m
Import/Export of pupils between LA areas directly funded by the DfE - net adjustment to Sefton (Yet to be finalised in Feb 19)	£-0.120m	£-0.120m	0
Less DfE deductions for Pre and Post 16 student places and others in NMSS and Special Academies; Special AP; Colleges of FE etc directly funded by the ESFA; and including Sefton's Special School places (see below)	£-1.398m	£-0.937m	+£0.461m
2018/19 adjusted Baseline figure and Indicative High Needs funding for 2019/20 before any contributions from Schools and Early Years	£26.447m	£27.206m	+£0.759m
<u>ADDITIONAL SUPPORT FOR HIGH NEEDS IN 2018/19 & 2019/20</u>			
Add - agreed Schools Block contribution for 2018/19 (agreed at SF 4 Dec 2017) & 2019/20 (Nov 18-Jan	+£0.450m	+£0.795m	+£0.345m

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19)			
Add - agreed Early Years Block contribution for 2018/19 & 2019/20	+£0.200m	+£0.200m	0
Total adjusted High Needs Funding excluding any Post 16 SEND Grant back to the LA for local schools out of the deductions made above	£27.097m	£28.201m	+£1.104m
Add Post 16 Grant from the ESFA for Sefton Pupils in Special Schools	£0.650m	£0.217m	£-0.433m
Total Adjusted High Needs Funding	£27.747m	£28.418m	+£0.671

- 4.6 The Head of Education promised a full review of High Needs services in 2018 with a view to examining efficiencies and reducing spend to avoid further future requests from schools for funding support. This is currently underway and will report back by the end of March 2019.

Other High Needs information

4.7 Pre 16 Pupils

The total quantum funding level assigned to the HN block is now fixed as per the DfE baseline assessment made back in 2014/15 and will not be subject to any change relating to any local pupil count data. However, there are still a couple of local adjustments the LA will process to aid local funding and monitoring arrangements which have been included in the table above:

- Adjust and account for funding currently delegated to schools for Individual Assigned Resources (IAR) for specific SEN pupils to correlate with the over £10k HN pupil threshold;
- Transfer of High Needs funding which supports Day and Residential Independent Schools expenditure.

The revised notional HN Block allocation is then split as follows:

- Allocation of the £10k Place-Plus funding to all providers based on the planned place level agreed by the LA;
- Allocation of “Top-up” funding to all pupils identified as HN; and
- Allocation of resources to all central pupil/school support services (e.g. Behaviour Support, PRUs, Special Advisory Inclusion Service etc)

Post 16 Pupils

- 4.8 Funding for Post 16 High Needs pupils is also calculated on a Place-Plus basis; however, the funding is split into 3 elements. The first two elements are based on place and need and will be paid directly by the Education Funding Agency (ESFA) to colleges and institutions, or to LAs to channel for their own Post 16 HN Places based on agreed numbers of students at @ £6k per Place plus @ £4,977 per pupil additionality.
- 4.9 However from 2019/20, the DfE have decided to reduce the deductions it makes in respect of Post 16 places in LA Maintained Special schools and Mainstream schools, to enable Local Authorities flexibility to decide how this funding is spent through its High Needs base funding, rather than through Post 16 Grant (see the Table above). In previous years, the DfE have deducted equivalent of 65 SEND places @£10k (£0.650m) from the Authority’s High Needs Base funding allocation in respect of 3 Special schools Post 16 provision, only to give it back via ESFA Post 16 grant, for the LA to channel to its own special provision. In 2019/20, only 4 months deduction has been made (£0.217m) April to July 2019. This will be the last amount deducted and paid back in this way. This will leave the balance of £0.433m to be found from within the Authority’s main High Needs funding allocation in 2019/20 to restore the full £0.650m place funding, or else to negotiate this spending with the special schools. In future, this funding will remain within the main High Needs funding allocation.
- 4.10 In addition to these funding elements, LAs receive directly, the third element of funding from the EFA known as ‘Top up’ funding. This is given to the main commissioning authorities to enable them to agree special needs funding with providers over and above the base elements 1 and 2.
- 4.11 This third element does form a part of the overall High Needs Block allocation. Important to note however, is the disparity of funding given by the DfE in respect of Pre and Post 16. This was highlighted in previous reports to Schools Forum in particular in September 2018 - High Needs budget monitoring statement, which suggested that Post 16 is grossly underfunded by through the DfE by around £1.7m and vice-versa for Pre 16. This is a real issue with many Local Authorities, but is masked within Sefton’s High Needs budgets through the way resources are budgeted to align closely with real costs.
- 4.12 The DfE have used the new National High Needs Formula to calculate funding for Local Authorities.

5 Early Years Funding Block further analysis

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- 5.1 In early December 2018, the DfE announced the 2019/20 funding allocation for Early Years including 2 year old and 3 – 4 Year old childcare. For most Local Authorities, including Sefton, there was to be no change to the base funding from the 2018/19 base rates of £4.30 p hour (3-4 Year olds); and £5.22 p hour (2 Year olds). The details of the settlement are explained above in paragraphs 2.7 to 2.9. The table below shows the changes to relative funding between 2018/19 and 2019/20 and transfer of contribution to High Needs in 2018/19 and 2019/20 from Early Years formula transitional funding held as an Early Years contingency.

EARLY YEARS FUNDING ANALYSIS	2018/19	2018/19	Variation
	Revised	Nov 2017	£m
	July 2018		
	£m	£m	£m
Early Years 2 Year old entitlement	£2.754m	£2.754m	0
Early Years 3-4 Year Old Universal 15 hours Free childcare entitlement	£9.365m	£9.365m	0
Early Years 3-4 Year Old Additional 15 hours Free childcare entitlement for working parents	£4.166m	£4.166m	0
Early Years formula transitional funding to ensure reaching the national funding floor – Treated as Contingency funding for Sefton Early Years in 17/18 – ongoing.	£0.257m	£0.257m	0
Early Years 3-4 Year Old Pupil Premium	£0.118m	£0.118m	0
Early Years 3-4 Year Old Disability Access Funding	£0.071m	£0.067m	£-0.004m
Early Years Transitional funding towards Maintained Nursery Schools (Year 3 of 3 for agreed funding)	£0.597m	£0.587m	£-0.010m
Total Early Years funding before any inter-block adjustments	£17.328m	£17.314m	£0.014m
EARLY YEARS SUPPORT FOR HIGH NEEDS			
Add agreed Early Years Block contribution to High Needs for 2019/20 to come out of EY transitional contingency above	£-0.200m	£-0.200m	0
Total adjusted Early Years Funding	£17.128m	£17.114m	£-0.014m

6.0 Central Schools Services further analysis

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- 6.1 The Central Schools Services Block includes a number of historic funding items, which the DfE have made clear they expect Local Authorities to review and reduce over the next few years. They will for the most part, continue to be funded on a Per Pupil basis going forward, but the future funding beyond 2021/22 may not be guaranteed, and may be reduced under transitional arrangements. The suggestion is, that most of these services should become traded services with schools who wish to buy them in the future, and this may need consideration going forward.
- 6.2 This Block also includes provision for the statutory functions of the Local Authority performed on behalf of ALL schools including Academies, by prescription, and for which an element of funding was transferred back in 2017/18 from former Education Services Grant (ESG) to Local Authorities into the DSG funding towards these costs. Forum agreed this funding should be used to pay for these services at no additional cost to schools. It is assumed this will continue.
- 6.3 Schools Forum are being asked to agree this total funding Block allocation for use in 2019/20.
- 6.4 With the cessation of the ESG to LA s in 2017/18, the EFA recognised that LAs may not be able to achieve the full savings through efficiencies, and may need to use other sources of funding to pay for education services once the general ESG funding rate had been removed. Regulations were therefore amended from 2017/18 to allow LA s to retain some of their schools' block funding to cover the statutory duties that they carry out on behalf of their maintained schools, and which were previously all funded through the ESG. The EFA's proposed method for doing this is similar to the de-delegation arrangement, with the main difference being that the statutory responsibility to fulfil the duties for maintained schools remains with the LA and cannot be delegated. These costs are captured separately within the APT Formula Return.
- 6.5 Under this method, retaining some of the maintained schools' DSG for duties once funded by the ESG general funding rate will result in an effective reduction to core schools funding. This method does not apply to academy schools who have been receiving, at a Trust level, similar education support grant allocations. The allocation received by academies is also being reduced from with a transition protection scheme that will protect academies until 2020.
- 6.6 From 2018/19, after a consultation with schools, it was agreed that those statutory functions still provided for Maintained schools by the Local Authority could be charged to the schools receiving them, and rates for recharge were agreed in recovery of the costs of provision (£0.520m) as part of a de-delegation calculation. The services provided, are not captured by the duties included for all schools above, or through Traded services with schools. The cost of these services is identified as being around £0.520m pa to perform, across a range of areas, which can be clearly identified.
- 6.7 On the basis of a full cost recovery, the Local Authority have calculated the appropriate rates for charging Maintained schools in 2019/20, which are based on: A charge per pupil of £18.77 for Primary and Secondary Pupils; £46.70 per

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Special School Place; £46.70 per AP Place and £28 per FTE Nursery school place. These rates will need to be agreed at this budget meeting for 2019/20.

6.8 There are three recognised segments of funding which may be either de-delegated or retained centrally, and these are shown in the Table below for information. There are two groups that central services fit into:-

- De-delegated Services. These must be allocated through the formula but can only be de-delegated for maintained primary and secondary schools.
- Centrally Retained Services. These can be centrally retained before allocating the formula with the agreement of the Schools Forum. A number of these services are subject to a limitation of no new commitments or increases in expenditure from 2013-14 (Schools Forum approval is required to confirm the amounts on each line) and have been subject to strict DFE review in 2016 with new guidelines.

The table below identifies which services can be retained through de-delegation with Maintained schools and which can be retained centrally with all school approval. However, as explained above, the costs of Maintained schools Statutory duties chargeable by the LA to them, cannot be de-delegated, nor is it a Centrally Retained value, yet it may be treated as such, for the purpose of the Schools Finance Regulations through the APT:

(a) Has to be allocated through formula but can be de-delegated for maintained schools (approval is by the relevant phase members of the schools forum)	<ul style="list-style-type: none"> • Contingencies (including Schools Facing Financial Difficulties) • Free school meals eligibility • Insurance • Licences/subscriptions • Staff costs – supply cover for Trade Union Facility Time • Support for minority ethnic pupils and underachieving groups • Behaviour support services • Library and museum services
(b) Can be centrally retained before allocating formula with agreement of schools forum	<ul style="list-style-type: none"> • Funding for significant pre-16 pupil growth (any underspend has to be added to the following year's formula allocations) • Equal pay back-pay • Places in independent schools for non-SEN pupils • Closed Schools Contingency • Services previously funded by the retained rate of the ESG
(c) Can be centrally retained before allocating formula but no new commitments or increases in expenditure from 2012-13 (schools forum approval was required to confirm	<ul style="list-style-type: none"> • Admissions • Servicing of schools forum • Capital expenditure funded from revenue • Contribution to combined budgets (including expenditure shown under

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the amounts on each line over a long committed period for historic costs)	miscellaneous if appropriate) <ul style="list-style-type: none">• Schools budget centrally funded termination of employment costs• Schools budget funded prudential borrowing costs
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7.0 Delegation / De-delegation

7.1 There are some central services in the above table (a) where maintained schools can decide that some funding should be taken out of their pre-16 formula budgets before they receive them and moved to central funding

7.2 The role of the Schools Forum has always been to manage the DSG in the best interests of the schools' community globally, often requiring a degree of self-sacrifice on the part of individual schools and phases to get the best common outcome for education in the borough.

7.3 However, the changes to the School Forum regulations now require that for each the Services identified in table (a) above it would be for the Schools Forum members in the relevant phase (primary or secondary) to decide whether that service should be retained centrally. The decision would apply to all maintained schools in that phase, and would mean that the funding for these services was removed from the formula before school budgets were issued. There may be different decisions made for each phase.

7.4 The Services that Maintained schools agreed to de-delegate in 2013/14 an on an ongoing basis were:

- Staff Costs – Union Facility Time & Jury Service (Primary and Secondary Phases)
- The Admission of FSM eligibility (Primary only)
- Support for minority ethnic pupils or underachieving groups (Primary and Secondary Phases)
- Library and Museum Services (Primary only)
- Schools facing financial difficulties (Primary and Secondary phases)

7.5 The current budget allocation for each central service has been reviewed and recommendation of Officers to the School Forum is for the de delegation of each service area based on the funding levels for each sector as follows:-

Staff Costs – Union Facility Time & other Public Duties (Jury Service etc)., - £0.078m

The basis for allocating the 2019/20 funding per pupil is as follows:

Primary 'Maintained' School Sector – (£0.057m) - £2.89 per pupil (£3.38 in 18/19)
Secondary 'Maintained' School Sector – (£0.0210m) - £4.13 per pupil (£6.17 in 18/19)

This budget supports the representation and co-ordination role for individual officials of the recognized teaching unions. It also covers Convener costs and cover release for attendance at local authority consultative groups. These groups play a critical role in both the development of policies for the local authority to commend to schools and in representing schools' views to the local authority.

As all schools are covered by the policies developed with the unions it is proposed the formula allocation for this service (which would be delegated on pupil numbers) should be de delegated and run centrally on behalf of all schools. Schools can claim back monies to support supply cover for staff that are released to cover official union duties.

The Admission of Free School Meal Eligibility – £0.029m

This funding was previously allocated to the maintained primary sector only. However, the Admissions Team now conducts complete checks against annual census data and so captures maintained secondary pupil numbers also. It is therefore proposed that a rate of £6.70 per pupil be charged against numbers of pupils eligible for FSM for 2019/20 to include primary and secondary phases (no change from 2018/19).

The Admissions Team processes the applications for Free School Meals (FSM). Claimants who receive some tax credits, certain benefits or who are asylum seekers will complete an application and their entitlement is assessed using the DWP Free School Meals Eligibility Checking system before approving FSM eligibility. Entitlement is reassessed at regular intervals.

Support for minority ethnic pupils or underachieving groups - £0.094m

Primary School Sector £0.074m - 60% prior attainment 40% EAL eligibility
Secondary School Sector £0.020m - 60% prior attainment 40% EAL eligibility

This budget supports schools in improving the outcomes for underachieving ethnic minority groups and pupils with English as an Additional Language (EAL)

The support varies depending on school needs and could include support for EAL and achievement, unaccompanied asylum seeking children, working with agencies including police and social care and individual support for children, staff and parents.

Additional advantages:

- One central team, phone number and website
- All staff funded are operational

- Service has long-standing links to support agencies, Ed Welfare, Health, CAMHS, admissions, local charities / faith groups
- Ability to access external funding on behalf of local authority schools

Library and museum services (Primary Schools only) - £0.005m

This is small contribution that goes to support the Sefton Libraries Service and would be allocated out on a per capita basis (23p).

All the above services **will be delegated to schools in the first instance** but if maintained schools in a phase collectively agree, **through the Schools Forum**, they can be provided centrally by **returning the funding** to the local authority. The final delegated budget would then exclude these amounts.

***Regulation 9(8)** allows local authorities to carry over to 2018-19 unspent de-delegated central expenditure to be used for the same purpose as it was used in 2017-18. In other words, it can be used for de-delegated services without having to allocate through the formula again. This responds to representations that money that maintained schools de-delegate should continue to be available for the use of maintained schools*

Schools Facing Financial Difficulties Contingency - £0.172m

This is to re-designate funding originally held in centrally retained non-delegated budgets on recommendation from the DfE to help support schools in hardship facing large redundancy costs or financial difficulties. This would be recovered on the basis of a lump sum allocation: -£2,100 per Maintained Primary School and £4,200 per Maintained Secondary School. This funding would not be available to Academy schools.

7.6 Central Retention of Funding to support specific Services / commitments

As identified in the above table (b) there are certain budgets that can be retained centrally before allocating through the formula, with the agreement of Schools Forum.

- Funding for significant pre-16 pupil growth –
- Closed Schools Contingency
- Equal pay back-pay
- Places in Independent schools for non-SEN pupil
- Prudential Borrowing
- Transport for pupils with SEN
- Services previously funded by the retained rate of the ESG

In Sefton there has only really been one centrally retained element within this prescriptive block of services retained for significant growth in pupil numbers. However, from 2018/19, services previously funded from the retained rate of the

Education Services Grant to LA s will be transferring into the DSG to fund the statutory support services provided by the LA to **all** schools, including Academies.

Supporting schools with significant growth in pupil numbers - £0.350m

In 2019/20, the DfE have changed the methodology for allocating Pupil Growth funding away from historic information, and based on the last Census in 2018. It also uses a formulaic approach to allocation nationally Sefton has been allocated additional Pupil Growth funding of £0.577m in 2019/20 as part of the DSG settlement.

In the DfE guidance offered in July 2018, it is stated:

‘We do not expect local authorities to use these rates in their local arrangements for funding growth. Local authorities will generally allocate growth funding for a smaller number of pupils (where additional pupils have required an additional class), and will use higher factor values. The growth factor in the national funding formula is a proxy for overall growth costs at local authority level, and not at the level of individual schools. We are not illustrating allocations of growth at school level and do not expect local authorities to necessarily use this methodology to decide how much growth funding to allocate to individual schools. Local authorities should continue to make decisions about growth funding locally as they do now. We not do anticipate that local authorities’ spending on growth will necessarily match precisely the sum allocated to them for growth, and they will continue to have the ability to ‘top slice’ their overall schools block funding to fund pupil number growth’.

The growth fund is ring fenced so that it only used for supporting growth in pupil numbers to meet basic need and to support additional classes needed to meet the infant class size regulation; It can only be used for this purpose and there must be clear criteria, approved by Forum to identify the circumstances upon which payments are made.

For clarity, in Sefton, this funding is predominately used to bridge the increased September-April organisational costs required due to extra classes being created for additional children arriving on roll in the September and the Pupil Led funding catching up with the new census data in April.

The recommendation to the Schools Forum is to increase the central reserve from £0.150m to £0.350m to support growth in pupil numbers to meet basic need within the Local Authority.

Regulation 9(7) requires local authorities to put any unspent money from the growth and infant class size funds back into the individual school’s budget, so that it is recycled to schools. As this is fully expected to be utilized in 2018/19 nothing has been included in the schools’ formula for 2019/20.

7.7 Statutory Functions of the local authority

There are some services which have traditionally been met through the central budget for schools, which relate to the statutory functions of the authority, such as co-ordinated admissions scheme, and the admin of Schools Forum.

There are also some budget decisions that have been made in good faith or on locally agreed decisions to support communal facilities or historical commitments.

The DfE will allow spend on these lines up to the level of 2012-13 values but no new commitments or increases will be allowed, apart from any items that change through DFE approval, such as central licences.

Following a review of these budgets by the DfE in 2016/17, some changes were made and these were included in the 2017/18 information.

The lists of budget lines covered by item (c) is as follows::

- Contribution to combined services & Misc. Expenditure - **£0.289m** (Includes budgets for Professional Development Centre, support of residual grounds maintenance, repair and maintenance and utility costs across Primary, Secondary and Special sectors for closed schools)
- Co-ordinated admissions scheme - **£0.137m**
- School Licences - paid centrally by the DfE and top-sliced for the LA s DSG funding - **£0.191m (See Para 3.14 above)**
- Servicing of the Schools Forum - **£0.062m**
- In addition, the Council have requested that the ESG retained funding, which has transferred to DSG from Council funding from April 2017 is kept centrally within DSG to contribute towards the costs of the Council's ongoing statutory duties for all schools - **£0.592m**

The Schools Forum is required to confirm the amounts identified above for each service area that is to be retained centrally at the values given above. This requires all school phases to vote.

8.0 Recommendations

8.1 The Schools Forum is asked to note/ and or agree the following recommendations:

ITEMS FOR NOTING BY SCHOOLS FORUM

- Note the overall DSG funding for 2019/20 and the allocation assigned to each of the 4 funding blocks including any adjustments to be made.
- Note the Local Authority recommendations in support of Schools funding 2019/20 after consultation with Schools and via SAPH and SASH on 10 January 2019.
- Note the decision taken at the previous Schools Forum (24 Sept), by unanimous vote of all school representatives (excepting Special and Nursery Schools), to support the transfer of £0.450m of Schools Block funding to High Needs in 2019/20,

to help with budget pressures. However, Forum did not agree to increase this contribution to the maximum 0.5% of the Schools Block funding allocation (£0.795m), thereby leaving the Authority to make a disapplication request to the Secretary of State to make a determination for the increase. The Secretary of State has determined that the Local Authority can increase the School Block contribution to High Need up to the maximum 0.5% (£0.795m) in 2019/20.

- A review of High Needs is due to report back by the end of March 2019 and it is hoped that spending levels may be reduced through efficiencies.
- Note the rates to be applied against maintained schools funding for 2019/20 in recovery of statutory costs incurred by the Local Authority. This was agreed as a de-delegated item in 2018/19 and will need to be agreed by Forum today. Costs to be treated as de-delegated through the APT and raised through a charge per pupil for Primary and Secondary schools of £18.77; £46.70 per Place for Special schools; £46.70 for AP Places; and £28 Per FTE place at Nursery schools.
- Note the decision of the Local Authority to apply £0.200m of Early Years contingency funding to support High Needs budget pressures in 2019/20.

ITEMS REQUIRING A VOTE OF FORUM REPRESENTATIVES AS NECESSARY

- **To agree, by a vote** of Individual Maintained School Sector phase, as appropriate, the basis for, and, de-delegation of specific central services as shown in **para 7.5 above**, to be pooled centrally by the local authority to provide a service to all 'maintained' schools. **(Maintained Schools Only to vote by phase as required)**
- **To agree by a vote**, to the central contingency allocation of **£0.350m** in support of significant pre-16 pupil growth in 2019/20 and in compliance with KS1 infant class size legislation and as described in **Para 7.6 above (ALL Schools to vote)**
- **To agree by a vote** to support the Central Schools Services Block funding allocation (totalling £1.271m 19/20) with associated services as shown in **Para 7.7 above (ALL Schools to vote)**

FINAL OUTCOME FOR NOTING

- In accordance with the decisions made by Schools Forum which are noted; and those agreed by vote at this meeting, that Schools Forum now note the intention of the Local Authority to submit the final APT for the 2019/20 schools' formula funding by the deadline of 21st January 2019. This will include any decisions made around transfer of funding between funding blocks; de-delegated amounts and centrally retained budgets.

Local Authority Funding Reform Proforma

LA Name:	Sefton
LA Number:	343

Total DSG schools block allocation	£158,979,430.00
Total Funding For Schools Block Formula as a percentage of DSG schools block allocation	99.50%
Total funding allocated to schools as a percentage of DSG schools block allocation	99.28%
Total funding allocated to growth and falling rolls as a percentage of DSG schools block allocation	0.22%

Premises costs to exclude from allocation when calculating the minimum funding level	Mobility No	Rates No	PFI No	Split Sites No
Primary minimum per pupil funding level	Secondary (KS3 only) minimum per pupil funding level	Secondary (KS4 only) minimum per pupil funding level	Secondary (KS3 and KS4) minimum per pupil funding level	
£3,500.00			£4,800.00	

Pupil Led Factors

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Reception uplift	No	Pupil Units		0.00						
	Description	Amount per pupil		Pupil Units		Sub Total	Total	Proportion of total pre MFG funding (%)		Notional SEN (%)	
	Primary (Years R-6)	£3,060.20		21,020.00		£64,325,404	£126,110,674	40.78%		10.00%	
	Key Stage 3 (Years 7-9)	£4,317.75		8,674.00		£37,452,164		23.74%		10.00%	
	Key Stage 4 (Years 10-11)	£4,346.75		5,598.00		£24,333,107		15.43%		10.00%	
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)		Primary Notional SEN (%)	Secondary Notional SEN (%)
2) Deprivation	FSM	£325.00	£1,525.00	3,682.18	2,243.00	£4,617,282	£9,631,506	6.11%		40.00%	40.00%
	FSM6	£25.00	£125.00	5,190.60	3,886.55	£615,584				40.00%	40.00%
	IDACI Band F	£50.00	£100.00	2,273.35	1,502.06	£263,874				40.00%	40.00%
	IDACI Band E	£118.00	£160.00	907.15	644.02	£210,087				40.00%	40.00%
	IDACI Band D	£250.00	£350.00	1,449.55	855.12	£661,679				40.00%	40.00%
	IDACI Band C	£300.00	£460.00	796.51	511.04	£474,033				40.00%	40.00%
	IDACI Band B	£400.00	£500.00	2,336.24	1,372.23	£1,620,610				40.00%	40.00%
	IDACI Band A	£500.00	£795.00	1,090.07	784.05	£1,168,358				40.00%	40.00%
3) Looked After Children (LAC)	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)		Primary Notional SEN (%)	Secondary Notional SEN (%)
	LAC X March 17	£0.00		275.98		£0	£876,333	0.00%		0.00%	
4) English as an Additional Language (EAL)	EAL 3 Primary	£1,000.00		709.28		£709,276		0.56%		0.00%	
	EAL 3 Secondary	£1,000.00		167.06		£167,057		0.00%		0.00%	0.00%
5) Mobility	Pupils starting school outside of normal entry dates	£0.00		84.60		£0	0.00%		0.00%	0.00%	
6) Prior attainment	Description	Weighting	Amount per pupil (primary or secondary respectively)	Percentage of eligible pupils	Eligible proportion of primary and secondary NOR respectively	Sub Total	Total	Proportion of total pre MFG funding (%)		Primary Notional SEN (%)	Secondary Notional SEN (%)
	Primary Low Attainment		£809.00	35.06%	7,369.68	£5,962,070	£8,750,247	5.55%		100.00%	
	Secondary low attainment (year 7)	63.59%	£1,040.00	20.12%	2,680.94	£2,788,177					
	Secondary low attainment (year 8)	58.05%		20.17%							
	Secondary low attainment (year 9)	48.02%		21.31%							
	Secondary low attainment (years 10 to 11)			16.09%							
											100.00%

Other Factors

Factor	Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)	Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)	
7) Lump Sum	£117,500.00	£117,500.00			£10,927,500	6.93%	0.00%	0.00%
8) Sparsity factor					£0	0.00%	0.00%	0.00%

Please provide alternative distance and pupil number thresholds for the sparsity factor below. Please leave blank if you want to use the default thresholds. Also specify whether you want to use a tapered lump sum or the NFF weighting for any of the phases.

Primary distance threshold (miles)		Primary pupil number average year group threshold		Fixed, tapered or NFF sparsity primary lump sum?	Fixed
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Secondary distance threshold (miles)		Secondary pupil number average year group threshold		Fixed, tapered or NFF sparsity secondary lump sum?	Fixed	
Middle schools distance threshold (miles)		Middle school pupil number average year group threshold		Fixed, tapered or NFF sparsity middle school lump sum?	Fixed	
All-through schools distance threshold (miles)		All-through pupil number average year group threshold		Fixed, tapered or NFF sparsity all-through lump sum?	Fixed	
9) Fringe Payments				£0	0.00%	
10) Split Sites				£0	0.00%	
11) Rates				£1,303,097	0.83%	0.00%
12) PFI funding				£0	0.00%	
13) Exceptional circumstances (can only be used with prior agreement of ESFA)						
Circumstance				Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)
Additional lump sum for schools amalgamated during FY18-19				£0	0.00%	0.00% 0.00%
Additional sparsity lump sum for small schools				£0	0.00%	
Exceptional Circumstance3				£0	0.00%	
Exceptional Circumstance4				£0	0.00%	
Exceptional Circumstance5				£0	0.00%	
Exceptional Circumstance6				£0	0.00%	
Exceptional Circumstance7				£0	0.00%	
Total Funding for Schools Block Formula (excluding minimum per pupil funding level, funding floor protection and MFG Funding Total)				£157,599,358	99.92%	
14) Additional funding to meet minimum per pupil funding level				£131,084	0.08%	0.00%
Total Funding for Schools Block Formula (excluding funding floor protection and MFG Funding Total)				£157,730,442	100.00%	
15) Funding floor protection (select Yes if applying this protection)		No		£0	0.00%	
Total Funding for Schools Block Formula (excluding MFG Funding Total)				£157,730,442		
16) Minimum Funding Guarantee		-1.50%		£356,220		
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)				Yes		
Apply alternative gains cap for schools gaining more than 15%?				No		
Capping Factor (%)	1.10%	Scaling Factor (%)	100.00%			
Total deduction if capping and scaling factors are applied				-£256,588		
				Total (£)	Proportion of Total funding(%)	Notional SEN (%)
MFG Net Total Funding (MFG + deduction from capping and scaling)				£99,633	0.06%	0.00%
Total Funding for Schools Block Formula				£157,830,075		£25,213,917
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved)						
Additional funding from the high needs budget						
Growth fund (if applicable)				£350,000.00		
Falling rolls fund (if applicable)						
Other Adjustment to 18-19 Budget Shares				£0		
Total Funding For Schools Block Formula (including growth and falling rolls funding)				£158,180,075		
% Distributed through Basic Entitlement				79.95%		
% Pupil Led Funding				92.16%		
Primary: Secondary Ratio				1 : 1.28		
Total funding for schools block formula contains funding from outside of the 2019-20 Schools Block allocation?				No		

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Education & Skills
Funding Agency

Education and Skills Funding Agency
Earlsdon Park
53-55 Butts Road
Coventry
CV1 3BH

Tel: 0370 000 2288

www.education.gov.uk/efa-enquiry-form

10 January 2019

By email: nick.carbonaro@sefton.gov.uk; mike.mcsorley@sefton.gov.uk;
kevin.mcblain@sefton.gov.uk

Dear Colleagues

Request to disapply the Finance Regulations

Thank you for your disapplication request to move 0.5% from your schools block to your high needs block.

After consideration of your application and supporting evidence the Minister is sympathetic to your position and to the approach that you have proposed. However, following the additional high needs funding announcement, the Minister has an expectation that most local authorities will reduce or withdraw the original requested amount. You will be aware that we have requested confirmation regarding the amount of your block movement disapplication by 15th January and only after consideration of your response will a final decision be made.

We expect that you will meet the authority proforma tool (APT) deadline of the 21st January. We appreciate that we will not have made a final decision at that point, but most of the checks we do are unrelated to the total amount of funding in the formula and it will save time to continue with these. You are able to make your own assumptions up to the 0.5% that you originally requested; however if you are planning on amending your request to a lower amount, this should be reflected on your APT submission.

A SEN advisor will be in contact to discuss your high needs strategy and offer help with the longer term planning process.

If you require further information or clarification on this decision, please contact us at LA.Disapplication@education.gov.uk.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Keith Walker'.

Head of the Funding Policy Implementation Unit

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Department
for Education



Education & Skills
Funding Agency

Consultation on the implementation of new arrangements for reporting deficits of the dedicated schools grant

Since the Department for Education introduced the dedicated schools grant (DSG) in 2006, a small number of local authorities have overspent their DSG allocations and found themselves in a cumulative DSG deficit. In these situations, regulations have required that local authorities seek the approval of their schools forum in allowing them to carry over the overspend and offset it against the following year's DSG. Previously, when a local authority found itself to have a DSG deficit of over 2%, we've asked for an explanation, and an account of what its plan is for bringing its budget back into balance.

In the last two years the number of authorities reporting a cumulative DSG deficit has substantially increased. Because of this, we've decided that there is a need to tighten up the reporting arrangements. As announced in July 2018, we will through conditions of grant require a report from all local authorities that have an overall cumulative DSG deficit of 1% or more at the end of the 2018 to 2019 financial year, outlining their recovery plans. The 1% calculation will be based on the latest published DSG allocations for 2018 to 2019, gross of recouplement, as at the end of the 2018 to 2019 financial year.

DSG Deficit Recovery Plans

DSG is a ring-fenced specific grant, provided outside the local government finance settlement. It must be used in support of the schools budget for the purposes defined in the School and Early Years Finance (England) Regulations. As funding is ring-fenced, there is no requirement for local authorities to top-up the grant from general funding or from non-ring-fenced revenue reserves.

For this reason, DfE intends to require all local authorities with a cumulative overspend on DSG provision to produce recovery plans detailing the steps they plan to take to provide statutory services within the annual funding envelope. These recovery plans should be discussed with, and if possible, agreed with, the local schools forum.

Even though there is no requirement to subsidise DSG from general funding, local authorities cannot continue to build up cumulative deficits on DSG provision. In this scenario, local authorities may come under pressure to address the cumulative deficit on DSG provision through drawing on other resources.

Where a local authority has a cumulative overspend, producing a deficit on its DSG reserve, its recovery plan should look to bring the overall DSG account into balance within a maximum of three years. We recognise that this may prove difficult for some local authorities. Where this is the case, we would be open to receipt of evidence explaining the problem, and may accept a recovery plan

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that leaves some or all of the deficit accumulated to date outstanding. This means that the local authority would carry forward the amount agreed as a deficit, but we would not require this to be recovered within the three-year period. In all cases, we will expect local authorities' recovery plans to demonstrate how they will bring in-year spending in line with in-year resources within three years at most.

Any authorities that propose to leave part or all of their accumulated DSG deficit outstanding will need to provide a clear explanation as to why their deficits could not be recovered in the short term and provide thorough evidence to support their proposals. They will also need agreement from their Chief Finance Officer (CFO).

We expect a range of evidence to support local authority recovery plans. We would expect this to have already been presented to schools forums. We are aware that DSG deficits are usually caused by high needs pressures, and in these cases the evidence required in the recovery plans will typically include what we already look for in block movement disapplication requests. Authorities will, however, need to address whatever the main causes of overspending on the DSG have been.

The evidence should include:

- A full breakdown of specific budget pressures locally that have led to the local authority incurring a cumulative DSG deficit of over 1%. Where this has resulted from high needs pressures, information should include the changes in demand for special provision over the last three years, how the local authority has met that demand by commissioning places in different sectors (mainstream and special schools, further education and sixth form colleges, independent specialist provision and alternative provision), and if there have been any reductions in the provision for mainstream school pupils with high needs
- Where the deficit has resulted from high needs pressures, an assessment and understanding of the specific local factors that have caused an increase in high needs costs to a level that has exceeded the local authority's high needs funding allocations; and a plan to change the pattern of provision where this is necessary, as well as to achieve greater efficiency and better value for money in other ways; together with evidence of the extent to which the plan is supported by schools and other stakeholders
- A detailed recovery plan showing how the authority intends to bring its DSG reserve back into balance within three years, showing clearly how expenditure will be contained within future funding levels
- If the authority judges that it cannot recover the whole of its cumulative DSG deficit within three years, it must explain the reasons for this. If the authority wishes to defer recovery of some of the cumulative deficit, it must show in its recovery plan that it is able to at least contain its expected in year expenditure within its expected in year DSG income by the end of the three-year period
- Details of any previous movements between blocks, what pressures those movements covered, and why those transfers have not been adequate to counter the new cost pressures
- Assumptions on assumed future transfers between blocks of the DSG, if permitted in future years, and evidence of support from the schools forum and wider school community for these

Reporting DSG Deficits

Following discussion with MHCLG, we believe that there are currently inconsistencies in the way local authorities report their DSG reserves or deficits in the statistical returns that are submitted to MHCLG. We have agreed that DSG reserves or deficits should in future be reported as a separate ring-fenced reserve in RO returns, and MHCLG will be changing guidance to reflect this. What this means for local authorities is that DSG deficits will not need to be covered by an equivalent amount in local authorities' general reserves. Consequently, new lines will be added to the 2018/19 RO returns and local authorities will be expected to state what their cumulative DSG deficit is every year. This should reconcile to the s.251 returns that local authorities submit to DfE every year. These changes will ensure that the full extent of DSG deficits is reported consistently across the sector on an annual basis.

Next Steps

The consultation period regarding the DSG deficits will end on 7 December, after which we will finalise what needs to be included in recovery plans, setting a submission deadline for June 2019 in respect of deficits at the end of 2018 to 2019. We will be meeting local authority representatives this autumn to discuss the implementation plans and ensure that these changes are introduced as smoothly as possible. Please see the table below to understand how the addition of the DSG deficit recovery plans will fit into the current funding year's assurance schedule:

Action	Deadline
Launch of DSG deficit consultation	Early November
School block movement disapplication deadline	30 November
End of DSG deficit consultation	7 December
Section 251 2019 to 2020 Budget statements submitted	4 March - 30 April
Section 251 budget statement 2019 to 2020 checks to be completed	1 May - 26 June
Deadline for submission of DSG recovery plans	30 June
Review of recovery plans	July-September
Deadline for submission of CFO assurance statement on use of DSG in 2018 to 2019	Mid September

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If you have any comments on the proposals please respond to amsgfunding.comms@education.gov.uk by 7 December 2018.



Department
for Education

Early Outcomes Fund

Guidance

November 2018

Agenda Item 10

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1. Background

Social Mobility Action Plan

In July 2017, the Rt. Hon Damian Hinds, Secretary of State for Education, set an ambition to halve the proportion of children who do not achieve at least expected levels across all goals in the ‘communication and language’ and ‘literacy’ areas of learning at the end of reception year by 2028¹. This ambition built on the work announced in [Unlocking Talent, Fulfilling Potential: a plan for improving social mobility through education](#), published in December 2017, which set out plans to close the word gap in the early years.

Children with strong foundations will start school in a position to progress, but too many children still fall behind early, and it is hard to close the gaps that emerge. We need to tackle these development gaps at the earliest opportunity, particularly focussing on early language and literacy skills, so that all children can begin school ready to thrive.

The drivers of outcomes at age five are broad, and supporting children’s development involves a range of local services that go beyond early education and childcare; for example, early help, family support, public health and primary care. Local authorities sit at the heart of what a locality offers disadvantaged families and have an important role to play in coordinating the efforts of different support partners, such as public health, the NHS (including Clinical Commissioning Groups) and voluntary and community sector (VCS) organisations. High quality services are essential if we are going to make a positive impact for those children and families most in need of support. They are also an important component of prevention and managing demand for specialist and high threshold services.

Early Years Social Mobility Peer Review Programme

In April 2018, the DfE announced that it would be partnering with the Local Government Association (LGA) to design and deliver the [Early Years Social Mobility Peer Review programme](#), building on existing peer review models such as the Corporate Peer Challenge Programme. The programme was piloted successfully over the summer, and the full programme will start rolling out in December 2018.

The Early Intervention Foundation (EIF) have worked with the LGA to develop the [EIF maturity matrix: Speech, language and communication in the early years](#). The matrix

¹ Link to Damian Hinds speech of 31 July setting out his vision for boosting social mobility, <https://www.gov.uk/government/speeches/education-secretary-sets-vision-for-boosting-social-mobility>

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provides a framework for the reviews, including what good practice looks like. It has been co-produced and validated with local authorities and their delivery partners, and will continue to be developed over the life of the programme, as practice develops and further evidence of good practice emerges.

The 'Maturity Matrix' is a self assessment tool and guide to planning to make local early years systems more effective. It is based on other EIF Maturity Matrices, which have been developed for different domains (e.g. 0-19 services, early years, reducing parental conflict). The Speech, language and communication in the early years matrix allows an authority to assess how mature they are in creating a local system which identifies children at risk of delay, and supports them to thrive, with a particular focus on speech, language and communication skills.

DfE and Public Health England (PHE) early language partnership work

This work complements the wider work DfE and PHE are jointly leading to improve early identification and support for speech, language and communication needs in the early years, which has two main components. Firstly, a programme of work to maximise the opportunity presented by the universal 0-5 Healthy Child Programme to identify and support children at risk of language delay. This includes training and guidance for health visitors, targeted to areas of greatest need, and developing an 'early language assessment tool' to help health visitors identify children at risk of language delay so that the right support can be put in place. Secondly, PHE will publish guidance by March 2019 on how local areas can put in place an effective integrated speech language and communication pathway to encourage joined-up working of local services. This will draw on existing best practice and sector expertise, and sits alongside our wider work to improve local systems as part of the social mobility peer review programme, maturity matrix, and the early outcomes fund.

2. The Early Outcomes Fund

The DfE has established an Early Outcomes Fund worth approx. £6.5m. The overall ambition of the fund is to increase the number of local authorities starting a transformation journey to improve – and to build our knowledge of how to improve – the collective operation of local services in securing good early language outcomes for children.

The fund aims to achieve three key things:

- To increase leadership focus at local authority level on the key issue of early language.
- To enable LAs to undertake work to improve their services and how they are delivered.
- To resource evaluation and partnership working amongst LAs that will spread innovations around the wider system.

To do this, the fund will support activity which will help more local authorities to either:

- a) kick-off and/or progress system change that addresses leadership, funding, commissioning, workforces, data, accountability and/or evaluation, with the ultimate aim of improving good early language outcomes in a local area; or
- b) assess and codify existing approaches to improvement which are thought to be effective and might be shared more widely.

Strategic level transformation is likely to be limited where only a single type of activity or approach is employed. Those local areas that are successfully transforming their services are using a variety of complementary approaches all working together to achieve a collective aim. Therefore, we would expect bids, particularly larger bids, to the fund to include multiple approaches working together. The types of approaches that we might expect to see employed, include, but are not limited to:

- strengthening the local population needs assessment on speech, language and communication needs and developing a deeper analysis of current and future demographics to inform funding and delivery.
- development of an early language pathway (a map of services and how they interact) across partners;
- cross-workforce training and culture change programmes;
- work to improve data sharing across organisations.

Further detail on the types of activity we might expect are in section 3. The list in section 3 is not exhaustive but is designed to help local authorities understand the types of activity which this fund is intended to support.

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We do not propose to fund local authorities to implement discrete interventions on a short term basis, e.g. a home learning intervention, a one-off training package for EYs providers, through the fund. If local authorities wish to include any work of this type in their bids, it must be an integral part of a wider strategic level programme of transformation work, as set out above. At a high-level, to understand whether your idea is a good fit for the fund, it might be helpful to apply the following questions. If the answer to each is yes, it is likely that the core of your idea fits the fund:

- Is my idea ultimately focused on securing improved early language outcomes for 0-5s?
- Will my idea require engagement from more than one 'discipline' or workforce within my local area? (e.g. health, education, early help, family support, social work etc)
- Is my idea broader than a single intervention/type of intervention?
- Does my idea explore changing cultures, i.e. 'how' we do things, and how we think about them, in order to achieve improved outcomes, as well as 'what' we do, i.e. processes?

The DfE is making the Early Outcomes Fund available to LAs via a bid round. The following definitions will be used throughout this guidance:

- **Bid round** - This is the process through which LAs can bid for the Early Outcomes Fund.
- **Application form** – LAs can submit bids through the application form published alongside this guidance document.

We would like to encourage LAs to submit joint-bids working in partnership with each other. This will allow strong ideas to benefit multiple LAs and support innovation and the spread of learning and best practice. See section 3 for further details of partnership bids.

LAs are strongly advised to work closely with their local delivery partners, e.g. health, Troubled Families, and across disciplines with their authority to develop an understanding of the challenges in their local systems before submitting an application form. We will also advise LAs to consider the type of governance structure they would need to put in place to oversee the project ensure that any changes to local systems are sustainable over the longer term. We would encourage LAs to develop high quality application forms, which provide succinct and relevant evidence that they meet the priorities outlined in this guidance. For links to important underpinning evidence that we would encourage you to make use of, see the [EIF Maturity Matrix](#).

We would expect all LAs applying to the fund to have already carried out their own analysis of their strengths, weaknesses and challenges in their early years systems. We expect LAs to demonstrate how this analysis has informed their application. If the LA has taken part in a peer review, the outcomes of this process could be used as a basis. In deciding whether to apply to the fund, LAs should play close attention to the areas of

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focus and examples of eligible projects outlined in section 3 of this guidance. Application forms will be assessed by a panel and they reserve the right to not allocate funding to LAs in their sole and absolute discretion.

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3. Funding and Eligibility

Available funding

The Early Outcomes Fund is worth around £6.5m. We expect that this funding will be distributed between five and 10 grants, but the exact number of projects will depend on the bids that we receive. We expect grants to be in the range of £500k to £1.5m for a partnership bid and £500k to £1m for single LAs bids.

The level of funding that is provided to LAs will be scalable depending on their individual proposals. This means that different size grants may be provided to different LAs. We expect an LA to clearly demonstrate in its application form why it needs the amount that it has requested and how the project will provide value for money. We reserve the right to work with LAs to refine their bids following the application process. We also reserve the right not to issue the full funding pot.

Eligibility

Although we will accept bids from individual LAs (single LA bids) our preference is for joint-bids. To facilitate joint-bids, we ask that a single LA be nominated as the lead authority and submit the proposed project of behalf of the group in their application form.

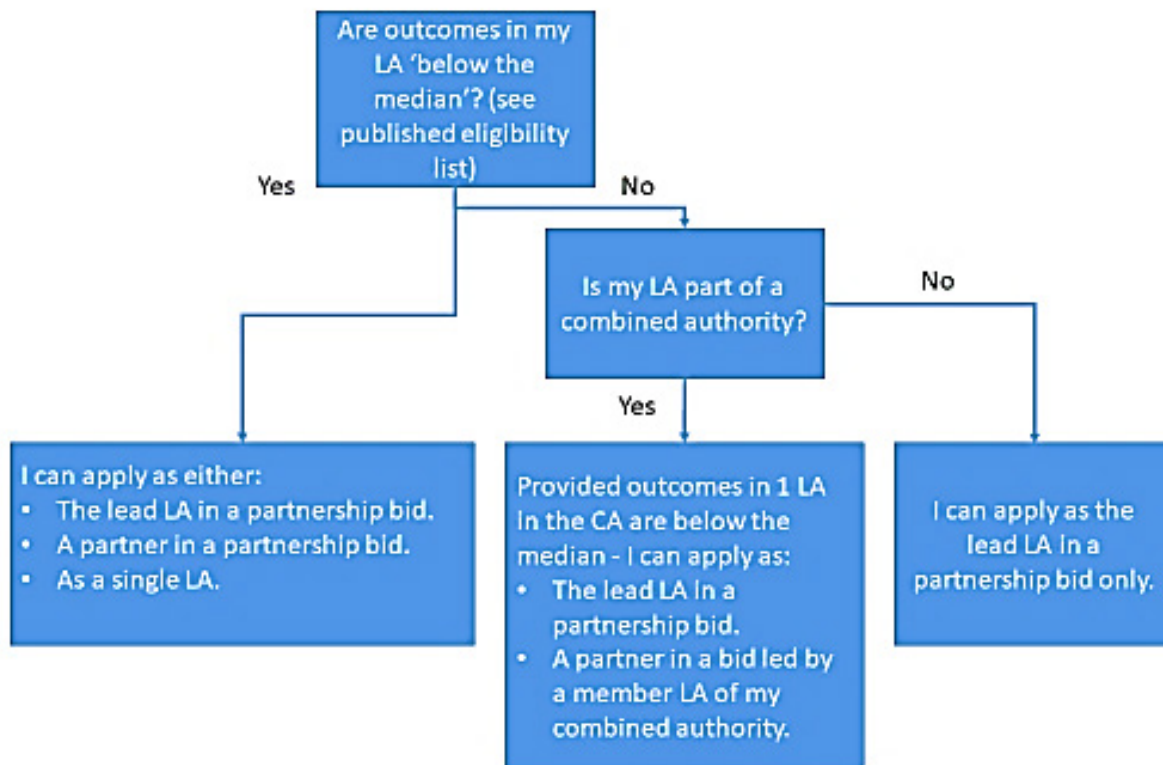
We do not expect LAs to form 'new relationships' for joint-bids. Instead we would encourage LAs to come together who are already part of combined authorities (CA), or have strong relationships as part of Regional Improvement Alliances or other existing co-operative structures or joint-work.

Joint-bids can either be from LAs who are already part of CAs or from those who have created informal partnerships. Bids from CAs may include all or some of the authorities within the CA, with one authority acting as the bid lead (provided outcomes in at least one of the authorities within the CA 'are below the median'). Bids from informal partnerships should consist of a lead LA and 2-3 partner LAs. Any LA is eligible to be a lead LA in a joint-bid. However, all of the partner LAs in bids from informal partnerships must be LAs where outcomes are 'below the median'. **Below the median** in this context is defined as below the median on the following measure: *The proportion of children achieving the expected level or above on the Communication and Language, and Literacy, areas of the Early Years Foundation Stage Profile.*

Single LA bids must be from LAs with outcomes that are below the median (as defined above). We would expect, but not limit, them to the range of £500k to £1m.

All bids should prioritise disadvantaged children in their actions, either by a clear focus on deprivation within the LA or because the LA as a whole has significant disadvantage.

To help you decide, an eligibility checklist is set out in the diagram below.



We will accept bids for **two types of project**:

Priority A: Projects that implement a new approach by kicking-off and/or progressing system change that addresses leadership, funding, commissioning, workforces, data, accountability and/or evaluation, with the ultimate aim of improving good early language outcomes in a local area; or

Priority B: Projects that assess and codify existing approaches to improvement currently being undertaken within the LA which are thought to be effective and might be shared more widely.

Assess in this context is defined as: *Working to evaluate or otherwise measure the impact of an approach to understand and agree what has or is likely to have worked.*

Codify in this context is defined as: *Creating sufficiently detailed guidance setting out what has happened, why and how, what impact it has had, and positioning it in the wider context so as to give other LAs the tools and theoretical and practical grounding needed to implement a similar approach.*

We would be open to joint-bids which included a mixture of priority A and B projects. For example, a lead LA could apply to assess and codify an existing approach (B) and to implement it in partner LAs (A).

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LAs must also provide a breakdown of the cost for each project. We will only provide funding for the proposals that the assessment panel decides will provide value for money. Each project will be considered, and we reserve the right not to fund all of the projects. Further details of assessment criteria are set out in section 5.

We expect all funding to be spent by LAs by 31st March 2020.

Potential Areas of Focus

Working with the EIF and mapped against the [EIF maturity matrix: Speech, language and communication in the early years](#), we have identified the following mechanisms as potential areas of focus for early outcomes projects. We would expect LAs to include more than one of the mechanisms detailed below in their bids, rather than just one:

Potential Transformation Mechanisms	Examples (<u>non-exhaustive</u>)
a) Strategy	<ul style="list-style-type: none">• A strategic review of how existing funding streams can be used most effectively to improve early language outcomes, informed by evidence and best practice in service design.• Strengthening the local population needs assessment on speech, language and communication needs and developing a deeper analysis of current and future demographics and needs relating to vulnerable communities and localities.• Developing a comprehensive map of current assessment points/practices and of existing interventions delivered by local agencies and services• Developing a Speech Language and Communication Needs (SLCN) pathway that engages education, health and other partners to set out a blueprint for how assessment and intervention services work coherently together for children and families with different types of needs. Where possible, this should draw on the pathway guidance which will be published by PHE by March 2019.

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Potential Transformation Mechanisms	Examples (<u>non-exhaustive</u>)
b) Commissioning	<ul style="list-style-type: none"> • Producing a market analysis and plan for development which spans all the key commissioned services which impact on speech, language and communication needs, included early years providers and health services. • Work to move to joint-commissioning of speech, language and communication services across education, health (inc. Clinical Commissioning Groups) and public health. • Producing an analysis of resources for maternity and early years services, including childcare places and community assets.
c) Workforce Planning and Culture	<ul style="list-style-type: none"> • Completing an analysis of workforce needs or skills audit across the different workforces which deliver maternity and early years services, and developing a strategy for building the capacity and capability of the maternity and early years workforce. • Delivering a programme of work (e.g. training and engagement) to deliver culture change across different EYs workforces and/or to improve capacity and capability.
d) Partnership	<ul style="list-style-type: none"> • Training members of the key strategic partnership group with responsibility for closing the word gap to understand and oversee the system for improving speech, language and communication in the early years. • Staff capacity for internal/external partnership building and advocacy.
e) Leadership	<ul style="list-style-type: none"> • Secure staff capacity to lead system transformation, driving delivery of the local strategy for closing the gap on speech, language and communication needs, and supporting the key strategic partnership group, and overseeing the arrangements for measuring results.

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Potential Transformation Mechanisms	Examples (<u>non-exhaustive</u>)
f) Community Ownership	<ul style="list-style-type: none"> • Investment in community capability to be active partners in the co-design of strategy, in commissioning and procurement processes, and in governance structures where decisions about early years priorities are made; and in the capacity for community peer support. • Securing community resources (e.g. volunteers) and harnessing the potential of peer support. • Working with the community to develop a strategy for communicating key messages about early language development to families
g) Services & Interventions	<ul style="list-style-type: none"> • Securing independent expert capacity to review service design and remodel delivery. • Review the delivery fidelity, reach and effectiveness of manualised programmes, and identify options to strengthen the use of evidence-based programmes
h) Information & Data	<ul style="list-style-type: none"> • Review or establish strategic and operational information sharing agreements and underpinning infrastructure/training. • Review how families experience access to information about services and use this to drive improvements.
i) Outcomes	<ul style="list-style-type: none"> • Review the local early years outcomes framework to secure explicit reference to key speech, language and communication indicators. • Conduct pathway analysis to better understand how families experience the relationship between different services, and how multi-agency approaches respond to this (i.e. user experience).

Potential Transformation Mechanisms	Examples (<u>non-exhaustive</u>)
j) Using & Generating Data	<ul style="list-style-type: none">• Working with an independent academic partner, to establish a robust evaluation process for an individual intervention or systemic approach; or to establish a wider common evaluation framework.• Identifying and deploying specific validated measurement tools for consistent use across early years services.

Examples

Many LAs are already taking forward exciting work that covers some of the areas set out above. Some illustrative examples are set out below:

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Greater Manchester The Greater Manchester Early Years New Delivery Model was undertaken as a new approach to improve the outcomes of the bottom 20% of children in performance for the Early Years Foundation Stage Profile. After reviewing the evidence, taking a Cost Benefit Analysis of interventions and taking a whole family (and whole system) approach, the Early Years New Delivery Model was developed to ultimately increase the effectiveness of universal early years services. There are eight key elements of the model:

1. A shared outcomes framework of population indicators and individual child measures.
2. A whole-family, eight-stage common assessment pathway (from pre-birth to the last term before the child's fifth birthday).
3. Evidence-based assessment tools to identify families reaching threshold for interventions.
4. Evidence-based interventions – interventions with the strongest evidence base to improve school readiness have been identified. Service specifications which detail the standards across GM are being developed.
5. Better use of day care – a specification is being developed to guide providers in helping drive parent engagement in education, employment, training and volunteering.
6. A new workforce approach enabling frontline professionals to work in a more integrated way.
7. Better data systems to allow professionals access to the relevant data.
8. Long-term evaluation to ensure families' needs continue to be addressed.

The model has support from various bodies including the Greater Manchester Health & Wellbeing Board and NHS England. Greater Manchester have established multi-agency implementation groups in each of the ten localities.

Launched in 2014, **Devon's Let's Talk More (LTM)** Speech Language and Communication Pathway is a structured pathway comprising a screening tool and support package for children aged 2 to 2.11 months with speech and language difficulties. The pathway intends to promote early identification of speech, language and communication needs and provide the support required. It also aims to reduce the need for referrals to specialist services and allow Speech and Language therapists (SLT) to support those with more complex difficulties more efficiently. Children receive an initial screen to identify the appropriate pathway to meet their needs through a menu of group-, home-, and setting-based interventions/support or referral to SLT. All children identified with a language delay are rescreened after 12 weeks – to see if early language skills have improved or if there is a need for specialist support.

A major factor in the successful development of the Let's Talk More strategy was a shared vision at a strategic level from; Speech & Language Therapy Managers; Public Health Nursing Leads, Children's Centre Local Authority Commissioner and Leads and the Babcock LDP Early Years Team Leads, which was fully supported by the Local Authority Early Years and Childcare Service. This has been instrumental in embedding the programme at an operation level with key workforces. A focus on outcomes in commissioning and delivery has created the basis for common interest across different partner organisations; and been supported by autonomy to design programmes collectively to meet those outcomes most effectively.

Small successes in the early stages ensured commitment of the multi-agency steering group and helped to drive change. The pathway is having an impact – data indicates improved accuracy of early identification, more appropriate referrals to Speech and Language therapy services and improved early language outcomes, narrowing disadvantage gaps. The data shows that the early language skills of on average 75% of the children who have received support for a communication and language delay through the pathway have improved on rescreening. Next steps include further developing data collection systems and reporting arrangements, improving the pathway for children with additional needs beyond language delay, and developing the role of early years settings in the pathway.

What type of work is not eligible?

We want to allocate funding to LAs that will have a positive impact on how they deliver their services over the longer term and which utilise one or more the mechanisms set out in section 3. The list of things that are not eligible for funding includes (but is not limited to):

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- Short-term discrete interventions, e.g. HLE programmes, small group interventions in early years settings, specific staff training packages, that are not an integral component of a wider transformation approach.
- Capital projects. The Early Outcomes Fund will only supply revenue funding.
- Subsidising core activities such as:
 - Proposals that duplicate existing initiatives or activities
 - Party political activities

Reporting

All successful applicants will need to capture and share evidence of the impact of the funding, e.g. learning and evidence of cultural change, with DfE on request.

We will ask you to work with an independent evaluator(s) commissioned by the DfE to evaluate project outcomes

We are also likely to ask you to:

- Contribute case studies to the Department for Education
- Attend local and national learning events to share updates and best practice.

4. Application process

How to apply

The bid round will be open from Thursday 15th November 2018 and will close at 23:59pm on Friday, 18 January 2019. Key dates and deadlines for the application process are set out in the table below.

Milestones	Dates
Bid round for the Early Outcomes Fund opens	15 th November 2018
Bid round for the Early Outcomes Fund Delivery Support Fund closes	18 January 2019
Assessment of applications	January/February 2019
Decisions on applications announced	February 2019
Funding distributed to LAs	March 2019
Funding spent by LAs	By 31 March 2020

Queries

We will issue guidance directly to LAs alongside an FAQs document. If the FAQs document does not answer your query about your application form, please feel free to contact us at EarlyYears.SocialMobility@education.gov.uk.

We will endeavour to respond to all queries within 3 working days.

Submitting your application

Please email a single Word or PDF version of your completed application form to EarlyYears.SocialMobility@education.gov.uk by 23:59pm on 18 January 2018.

Your LA name and the words 'Early Outcomes Fund Bid' should be included in the email "subject" field when submitting your application.

Once submitted, you will receive an automatic email response informing you that your application has been received.

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Application form

Application forms should be succinct and must be within the word limit provided for each section. You will be asked to provide the following information:

- Evidence from your self-assessment(s) and how this relates to the areas of focus covered in your bid (max 500 words per LA)
- Summary of your proposal (max 800 words per project)
- Delivery plan (max 800 words per project)
- Breakdown of costs and value for money rationale (max 400 words)
- Evaluation plan (max 1000 words)
- Additional information (max 250 words)

Note there will only be more than one project per proposal if you are submitting under Priority A and B.

5. Assessing the Application

How will we assess your application form?

Your application form must clearly demonstrate that all of the LAs involved in the bid have carried out self-assessments of the strengths, weaknesses and challenges in their local early years systems. See section 2 for a definition of what we mean by self-assessments.

It should clearly show the strengths, weaknesses, challenges that you have identified are linked to areas of focus set out in section 3 of this guidance, and make direct reference to the EIF maturity matrix.

It should be a costed and evidenced proposal with clear plans on how the grant funding will enable the LA/LAs to:

kick-off and/or progress system change that addresses leadership, funding, commissioning, workforces, data, accountability and/or evaluation, with the ultimate aim of improving good early language outcomes in a local area;

AND/OR

assess and codify existing approaches to improvement which are thought to be effective and might be shared more widely.

Your application must include a clear delivery plan on how you plan to put in place your proposals. The delivery plan should show the timings associated with your proposals and show how you plan to ensure your proposal is delivered successfully by March 2020. It must show the governance arrangements you will put in place to underpin successful delivery and sustainability.

Your application must include a clear evaluation plan to show how you plan to assess the impact of activity paid for by the Early Outcomes fund and capture learning so that it can be shared with a wider audience. For priority A projects this should include a high-level plan of how the LA would evaluate the project with support from an external evaluation partner, e.g. what types of methodology would be used, the type of research questions that would be asked, what learning from the project could be transferable/shared with other LAs. For priority B projects we would expect to see a more detailed evaluation plan showing a clear and robust methodology for how you propose to assess the impact of your approach and codify it so that it can be shared more widely.

The DfE intends to procure a central evaluation partner to work with LAs whose bids are successful. The role of the evaluation partner will include advising LAs on their evaluation plans, e.g. how to improve evaluation criteria and methodology. The evaluation partner may also wish to carry out its own qualitative research, e.g. interview people within the

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local authority involved in delivery of the project. The exact role of the central evaluation partner will be finalised during the grant making process.

The assessment panel

Funding recommendations for the Early Outcomes Fund will be made by an assessment panel. The membership of the panel has not been finalised yet, but it will include: DfE policy officials, DfE finance officials and representatives from the EIF and LGA. The panel may also include representatives from the Education Endowment Foundation (EEF), Ministry of Housing Communities and Local Government and Public Health England. Final decisions will be taken by DfE Ministers.

All applications will be assessed alongside DfE's latest national and local data on early years outcomes and other intelligence from LAs engagement with DfE directly or through other agencies such as Ofsted or PHE.

Scoring criteria

We will consider the following areas when assessing your application:

Stage 1: Pass or Fail Qualifying Tests

- **Joint-bids:** outcomes in partner LAs are 'below the median' or LAs are part of CAs (and outcomes in at least one LA in the CA is 'below the median')
- **Single bids:** outcomes in bidding LA is 'below the median'

'Below the median' is defined as below the median on the following measure:

- The proportion of children achieving the expected level or above on the Communication and Language, and Literacy, areas of the Early Years Foundation Stage Profile (EYFSP).

The department has published a list, available [\[here\]](#), of the LAs eligible under this definition using the latest (2017/18) EYFSP results.

Each bid will also need to provide a declaration where the bidding officer indicates that they have the consent of any partner LAs and any other agencies listed as key partners in the bid.

All bids must be signed-off by the Director of Children's Services (of the the lead LA in partnership bids).

Stage 2: Assessment Criteria

Bids that pass the 'pass/fail' qualifying tests will proceed to the assessment stage. Bids will be assessed against the following criteria.

Bids should identify which priority they are applying under, priority A (implementing a new approach), priority B (assessing and codifying an existing approach) or priority A and B (a mixture of both). LAs making a joint bid under priority A and B (for example, where one LA is assessing and codifying its existing approach while working to implement it in partner LAs) will need to ensure they address all of the relevant points under each criterion.

Assess in this context is defined as: *Working to evaluate or otherwise measure the impact of an approach to understand and agree what has or is likely to have worked.*

Codify in this context is defined as: *Creating sufficiently detailed guidance setting out what has happened, why and how, what impact it has had, and positioning it in the wider context so as to give other LAs the tools and theoretical and practical grounding needed to implement a similar approach.*

LA self-assessment

Priority A:

- The extent to which the LA (or LAs in a joint-bid) have set out a clear articulation (with direct reference to the EIF maturity matrix) of their current system's: context; maturity, including strengths and weaknesses; challenges and opportunities.

Priority B:

- The extent to which the LA (or LA in a joint-bid) have set out a clear articulation (with direct reference to the EIF maturity matrix) of their previous and current system's: context; maturity, including strengths and weaknesses; challenges and opportunities, and how and to what extent their approach has allowed them to make progress towards a more mature system.

Summary of the proposal, theory of change and underpinning evidence

Priority A:

- The extent to which the LA (or LAs in a joint-bid) has demonstrated how their proposed approach will meet priority A: to kick-off and/or progress a process of system change with the ultimate aim of improving good early language outcomes in the local area(s).

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- The extent to which they have set out a clear theory of change for how they will make progress from their current system to a more mature system, and why the changes being made should deliver benefits to early language outcomes. This should make reference to the EIF maturity matrix.
- Where relevant, the extent to which they make reference to the evidence base for any specific interventions that are part of the proposed approach.
- The extent to which the approach will benefit disadvantaged children in particular, due to targeting of actions or high levels of disadvantage in the LA(s) as a whole.

Priority B:

- The extent to which the LA (or LAs in a joint-bid) has demonstrated how their proposed approach will address priority B: to assess and codify existing approaches to system change that have successfully improved early language outcomes, and which have wider applicability.
- The extent to which they have set out a clear theory of change for how their approach has allowed them to make progress from their previous system to a more mature system, and why the changes have/should deliver benefits to early language outcomes. This should make reference to the EIF maturity matrix.
- Evidence of how the approach has been delivered and any impact it has been seen to have in the LA (if relevant)
- The extent to which they articulate how their approach will align with the emerging model of best practice set out in the EIF maturity matrix, and how it will expand (i.e. fill a gap) in the emerging evidence base/best practice model.
- Where relevant, the extent to which, they make reference to the evidence base for any specific interventions that are part of the proposed approach.
- The extent to which the approach will benefit disadvantaged children in particular, due to targeting of actions or high levels of disadvantage in the LA(s) as a whole.

Delivery plan and governance

All proposals:

- How well the LA (or LAs in a joint-bid) has articulated their plans to achieve the steps set out in their proposal.
- The extent to which they have demonstrated that their proposed project is well costed, and that they will have the necessary skills and resources in place required to successfully deliver their proposals by March 2020.
- The extent to which they have demonstrated that they have, or will put in place, a strong governance structure capable of a) overseeing the project and implementing across local partners b) supporting sharing and learning and c) facilitating the sustainability of the changes to local systems. In joint bids, governance will need to span the partnership, and in all bids it should be proportionate and make use, where appropriate, of existing structures.

Value for Money

All proposals:

- Bids will be assessed on the degree to which they provide value for money. Value for money is the demonstration of an appropriately costed project to deliver project objectives, including:
 - details of the proposed staffing to deliver the outcomes including key roles identified to lead the activity as well as other roles to support delivery;
 - a clear breakdown of the costs LAs expect to incur in meeting their stated objectives.
 - expenditure that LAs expect to incur in relation to proposed activities; a clear rationale for how they have devised the costing and an explanation of the assumptions underpinning the costing and why they think these are realistic;
 - how LAs demonstrate their value for money case within the proposed costings (for example, have they benchmarked costs against similar activities; demonstrated how the project will contribute value in other ways).
 - That the costs of the activities proposed are proportionate to the expected benefits.

Evaluation plan

All proposals:

- The extent to which the LA (or LAs in a joint-bid) has set out a clear plan for how it will assess the impact of any activity funded by the early outcomes grant and capture learning that it can be shared with a wider audience, e.g. a high-level plan for how the LA would work with an external evaluation partner, potential methodology and research questions they would use and proposals for transferable learning that could be shared more widely.

Priority B only (in addition):

- The strength of the methodology the LA proposes to use to evaluate or otherwise measure the impact of an approach, e.g. standard measurements, experimental design, surveys of staff, families and others, validation by peers/experts or other methods.
- How the LA proposes to codify its approach in sufficient detail, e.g. guidance, case studies, toolkits, so as to give other LAs the theoretical and practical grounding needed to implement a similar approach. This could include dissemination/ learning events.

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6. Next steps

What happens if your application is successful?

We will inform you via email if your application is successful or not after the assessment panel. We expect this to be done in January/February 2019.

If your application is successful an award letter will be sent directly to the LA, together with an acceptance form. At this time, we will also send a Memorandum of Understanding (MoU) setting out the expectations for spending the funding.

The acceptance form and the MoU must be signed by the Director of Children's Services or equivalent in the organisation. This will demonstrate that they agree to the requirements of the funding.

Drawing of funding

We will make payments to LAs through a Section 31 grant.

All revenue grants will be subject to standard Section 31 Grant Determination Letters.

We expect funding decisions to be made by the assessment panel in January/February, with the first instalment of the grant distributed in February 2019. This is to enable local authorities to bring together different local agencies and set projects up quickly.

The first instalment of the grant must be distributed to LAs by 31st March 2019.



Department
for Education

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Department
for Education

Early Outcomes Fund

Application Form

November 2018

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Fund Guidance

The Early Outcomes Fund bidding guidance published alongside this application form includes details of the background, aims and objectives, funding and eligibility criteria for the Early Outcomes Fund.

Please read this bidding guidance before completing the application form.

Application Process

Funding available and timelines

The fund is worth approx. £6.5m. The level of funding that is provided to LAs will be scalable depending on their individual proposals. This means that different size grants may be provided to different LAs. We expect, an LA to clearly demonstrated in its application form why it needs the amount that it has requested and how the project will provide value for money. We reserve the right to work with LAs to refine their bids following the application process.

We expect funding decisions to be made by the assessment panel in January/February, with the first instalment of the grant distributed in February 2019. This is to enable local authorities to bring together different local agencies and set projects up quickly.

The first instalment of the grant must be distributed to LAs by 31st March 2019.

The bid round will be open from Thursday 15th November 2018 and will close on Friday 18 January 2019. We will accept applications up until 23:59 on this date.

Key dates and deadlines for the application process are set out in the table below.

Milestones	Dates
Bid round for Early Outcomes Fund opens	15 th November 2018
Bid round for Early Outcomes Fund closes	18 th January 2018
Assessment of applications	January/February 2018
Decisions on applications announced	February 2019
Funding distributed to LAs	March 2019
Funding spent by LAs	By 31st March 2020

Completing your application

A limit on the number of words is stated for each section in the text box provided, any text that exceeds the stated limit will not be assessed. Please include the total number of words for each section at the bottom of each text box.

Further information on what is expected in each section of the form has been provided to support you in completing your application. Please make sure you refer to these prompts throughout to ensure you have addressed the questions fully.

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LAs making a joint bid under priority A and B (for example, where one LA is assessing and codifying its existing approach while working to implement it in partner LAs) will need to ensure they address all of the relevant points under each criterion.

Sections marked with * are mandatory and must be completed in order for your application to be accepted.

A maximum of one application form per LA can be submitted.

LAs are able to submit a maximum of two annexes to support applications (e.g. diagrams or data spreadsheets) – each annex must be a maximum of 2 A4 pages. We will use the content included in the application form as the basis for your assessment, with any additional documents acting as supplementary information.

All applications should be countersigned by the Director of Children’s Services (of the lead LA in partnership bids).

Submitting your application

Please email a single **Word or PDF** version of your completed application to EarlyYears.SocialMobility@education.gov.uk.

Your LA name and the words 'Early Outcomes Fund Bid' should be included in the email “subject” field when submitting your application.

When you have sent the department your application form, you will receive an automatic email response letting you know that your application has been received.

Deadline

The Department for Education must receive all completed applications by email by **23:59 on 18 January 2019**.

The Department will not be able to consider applications that miss this deadline as to do so would be to unfairly discriminate against those applicants who submitted their application within the allowed timescale.

The Early Outcomes Fund Application form

Name of (Lead) Local Authority*	
--	--

1. Joint-Bids

Confirm lead LA	
List partner LAs	

2. Priority Area

Please indicate which priority areas are covered in this application

Priority Area *		Yes/No
A	Implement new approach	
B	Assess and codify existing approach	

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3. Evidence of local self assessment*

(for joint-bids the lead LA should include the self-assessments of partner LAs)

Please provide evidence of your self assessment(s) of the strengths, weaknesses and challenges in your early years systems.

Total word count: (Max 500 words per participating LA)

As part of section 3, include any key facts on:

1. Evidence from your self-assessment(s) on the strengths, weaknesses and challenges in your early years systems.
2. How the strengths, weaknesses and challenges you have identified relate to areas of focus set out in the EIF 'Maturity Matrix' (see section 3 of the bidding guidance).

Assessment criteria for LA self-assessments:

For all proposals we will consider:

The extent to which a proposal is meeting a locally identified need and how well it covers the potential areas of focus set out in section 3. This section will be triangulated with national and local data on early years outcomes and other intelligence from LA's engagement with DfE directly or through its delivery partners.

For Priority A projects we will consider:

The extent to which the LA (or LAs in a joint-bid) have set out a clear articulation (with direct reference to the EIF maturity matrix) of their current system's: context; maturity, including strengths and weaknesses; challenges and opportunities.

For Priority B projects we will consider:

The extent to which the LA (or LA in a joint-bids) have set out a clear articulation (with direct reference to the EIF maturity matrix) of their previous and current system's: context; maturity, including strengths and weaknesses; challenges and opportunities, and how and to what extent their approach has allowed them to make progress to a more mature system.

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4. Summary of your proposal, theory of change and underpinning evidence*

(where a bid includes a mixture of Priority A and Priority B projects the lead bidder should summarise both projects below)

Please provide a summary of the project(s) you wish to secure funding for below

Total word count: (Max 800 words per project)

As part of section 4, please clearly set out:

1. If the project is a Priority A or Priority B project, or is a mixture.
2. How the project aims to address one or more of the potential areas of focus in section 3 of the guidance including the theory of change and any underpinning evidence.
3. How the grant funding you have requested will either enable you to:
 - implement a programme of service transformation that will address the challenges you have identified; and/or
 - assess and codify a service transformation approach that has already proved successful so that it can be shared more widely.
4. The total cost of your proposal – split by each workstrand if more than one is included.

Assessment criteria for summary of proposal, theory of change and underpinning evidence

For Priority A projects we will consider:

- The extent to which the LA (or LAs in a joint-bid) has demonstrated how their proposed approach will meet priority A: to kick-off and/or progress a process of system change with the ultimate aim of improving good early language outcomes in the local area(s).
- The extent to which they have set out a clear theory of change for how they will make progress from their current system to a more mature system, and why the changes being made should deliver benefits to early language outcomes. This should make reference to the EIF maturity matrix.
- Where relevant, the extent to which they make reference to the evidence base for any specific interventions that are part of the proposed approach.
- The extent to which the approach will benefit disadvantaged children in particular, due to targeting of actions or high levels of disadvantage in the LA(s) as a whole.

For Priority B projects we will consider:

- The extent to which the LA (or LAs in a joint-bid) has demonstrated how their proposed approach will address priority B: to assess and codify existing approaches to system change that have successfully improved early language outcomes, and which have wider applicability.
- The extent to which they have set out a clear theory of change for how their approach has allowed them to make progress from their previous system to a more mature system, and why the changes have/should deliver benefits to early language outcomes. This should make reference to the EIF maturity matrix.
- Evidence of how the approach has been delivered and any impact it has been seen to have in the LA (if relevant)
- The extent to which they articulate how their approach will align with the emerging model of best practice set out in the EIF maturity matrix, and how it will expand (i.e. fill a gap) in the emerging evidence base/best practice model.
- Where relevant, the extent to which, they make reference to the evidence base for any specific interventions that are part of the proposed approach.
- The extent to which the approach will benefit disadvantaged children in particular, due to targeting of actions or high levels of disadvantage in the LA(s) as a whole.

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5. **Delivery plan***

(where a bid includes a mixture of Priority A and Priority B projects the lead bidder should summarise both projects below)

Please provide detail on how you plan to deliver the proposal(s) outlined in section 1.

Total word count: (Max 800 words per project)

As part of section 5, please clearly provide detail on:

- 1) How you plan to put in place your proposals.
- 2) An estimate of the resources required.
- 3) Timings associated with your proposal.
- 4) The governance structure that will support the project.

Assessment criteria for delivery plan

For All proposals we will consider:

- How well the LA (or LAs in a joint-bid) has articulated their plans to achieve the steps set out in their proposal.
- The extent to which they have demonstrated that their proposed project is well costed, and that they will have the necessary skills and resources in place required to successfully deliver their proposals by March 2020.
- The extent to which they have demonstrated that they have, or will put in place, a strong governance structure capable of a) overseeing the project and implementing across local partners b) supporting sharing and learning and c) facilitating the sustainability of the changes to local systems. In joint bids, governance will need to span the partnership, and in all bids it should be proportionate and make use, where appropriate, of existing structures.

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6. Breakdown of costs*

Please clearly set out the amount you are requesting as part of this application, please breakdown staff costs, evaluation and monitoring costs, other costs, (NB capital items are not eligible)

Activity	Description	Cost
		Total:

Please explain how your proposal offers value for money? (Max 400 words)

Assessment criteria for value for money

For All proposals we will consider

- Bids will be assessed on the degree to which they provide value for money. Value for money is the demonstration of an appropriately costed project to deliver project objectives, including:
 - details of the proposed staffing to deliver the outcomes including key roles identified to lead the activity as well as other roles to support delivery;
 - a clear breakdown of the costs LAs expect to incur in meeting their stated objectives.
 - expenditure that LAs expect to incur in relation to proposed activities; a clear rationale for how they have devised the costing and an explanation of the assumptions underpinning the costing and why they think these are realistic;
 - how LAs demonstrate their value for money case within the proposed costings (for example, have they benchmarked costs against similar activities; demonstrated how the project will contribute value in other ways).
 - That the costs of the activities proposed are proportionate to the expected benefits.

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7. Evaluation plan*

(where a bid includes a mixture of Priority A and Priority B projects the lead bidder should summarise evaluation plans for both projects below)

Please provide detail on how you propose to evaluate the project(s) outlined in section 4.

Total word count: (Max 1000 words)

As part of section 7, please clearly provide detail on:

- a) How you plan to assess the impact of activities paid for by the Early Outcomes Fund.
- b) How you plan to capture learning from activities paid for by the the Early Outcomes Fund so that it can be shared with a wider audience.

Assessment criteria for Evaluation Plans

For All proposals we will consider:

The extent to which the LA (or LAs in a joint-bid) has set out a clear plan for how it will assess the impact of any activity funded by the early outcomes grant and capture learning that it can be shared with a wider audience, e.g. a high-level plan for how the LA would work with an external evaluation partner, potential methodology and research questions they would use and proposals for transferable learning that could be shared more widely.

For Priority B projects we will also consider:

The strength of the methodology the LA proposes to use to evaluate or otherwise measure the impact of an approach, e.g. standard measurements, experimental design, surveys of staff, families and others, validation by peers/experts or other methods.

How the LA proposes to codify its approach in sufficient detail, e.g. guidance, case studies, toolkits, so as to give other LAs the theoretical and practical grounding needed to implement a similar approach. This could include dissemination/ learning events.

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8. Additional information

Please provide any additional information that you feel will support the assessment of your application form

Total word count: (Max 250 words)

Please list any attachments here

DECLARATION* (Please complete in block capitals)	
<p>I confirm that the information given in this application is true and complete; that the lead LA has the consent of any partner LAs and any other agencies listed as key partners in the bid; and that, if successful, the local authority will administer any grant in accordance with the letter supplied by the Department for Education.</p>	
Full name:	
Position (Job Title):	
Date:	
Contact details including email address:	
Signature:	
Countersigned (by the DCS):	

Please note - signatures must be either an E-signature or a real signature (scanned document).

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Department
for Education

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EARLY OUTCOMES FUND: FREQUENTLY ASKED QUESTIONS (FAQs)

Q: What is the Early Outcomes Fund?

- The Early Outcomes Fund, launched today, is worth around £6.5m. It will support bids from LAs undertaking transformation work to improve how their local services are designed and deployed to improve language outcomes for 0-5s, and to assess and codify existing good practice of this type.
- The fund aims to: a) increase leadership focus at local authority level on the key issue of early language; b) enable LAs to undertake work to improve their services and how they are delivered; and c) resource evaluation and partnership working amongst LAs that will spread innovations around the wider system.

Q: Who is eligible to bid to the Early Outcomes fund?

- We are seeking bids from partnerships of 3-4 LAs (with one LA in the lead.)
- We will accept bids from individual LAs who have outcomes 'below the median' (i.e. in the bottom half of LAs in terms of early communication language and literacy outcomes). But, our preference would be for joint bids from Combined Authorities or LAs working in informal partnerships.
- In joint bids from Combined Authorities at least one LA must have outcomes below the median. In joint bids from informal partnerships, the lead LA does not need to have outcomes below the median, but partner LAs do.
- Further guidance on checking whether your eligibility is in the bidding guidance, including an explanative diagram.

Q: Can a partnership bid include more than 4 LAs?

- Yes. We have set this out as a guide/expectation only.

Q: What types of projects are eligible for funding?

- We will accept bids for **two types of project**:
 - **Priority A:** Projects that implement a new approach by kicking-off and/or progressing system change that addresses leadership, funding, commissioning, workforces, data, accountability and/or evaluation (non-exhaustive list - see section 3c of the guidance), with the ultimate aim of improving good early language outcomes in a local area; or
 - **Priority B:** Projects that 'assess' and 'codify' existing approaches to improvement currently being undertaken within the LA which are thought to be effective and might be shared more widely.
 - **Assess** in this context is defined as: *Working to evaluate or otherwise measure the impact of an approach to understand and agree what has or is likely to have worked.*
 - **Codify** in this context is defined as: *Creating sufficiently detailed guidance setting out what has happened, why and how, what impact it has had, and positioning it in the wider context so as to give other LAs the tools and theoretical and practical grounding needed to implement a similar approach.*

- We would be open to joint-bids which included a mixture of priority A and B projects. For example, a lead LA could apply to assess and codify an existing approach (B) and to implement it in partner LAs (A).

Q: How would I know if a project that I have in mind is really suitable for the Early Outcomes Fund?

- At a high-level, to understand whether your idea is a good fit for the fund, it might be helpful to apply the following questions. If the answer to each is yes, it is likely that the core of your idea fits the fund:
 - Is my idea ultimately focused on securing improved early language outcomes for 0-5s?
 - Will my idea require engagement from more than one 'discipline' or workforce within my local area? (e.g. health, education, early help, family support, social work etc)
 - Is my idea broader than a single intervention/type of intervention?
 - Does my idea explore changing cultures, i.e. 'how' we do things, and how we think about them, in order to achieve improved outcomes, as well as 'what' we do, i.e. processes?
- Please look at the bidding guidance for further details of the types of activity we might expect to see in bids. The above is a guide only, not an exhaustive test.

Q: How much money is available per project?

- We would prefer to fund a small number (5-10) substantial and impactful projects. We would expect joint bids in the range of £500k to £1.5m and any individual LA bids in the range of £500k to £1m.

Q: Is it possible to bid for more than this?

Yes. We have set out our expectations in the guidance but LAs can bid for higher sums. However, the ambition, reach, quality and vfm of the project must be proportionate to the funding quantum for it to be competitive.

Early Years Foundation Stage Profile (EYFSP) results in Communication & Language and Literacy areas of learning 2018

LA Code	LA new code	LA name	% achieving the expected level of development in Communication & Language and Literacy	Above/Below median	Defined as LAs where outcomes are 'below the median' for purposes of Early Outcomes Fund
	E92000001	England		72.4	
806	E06000002	Middlesbrough	64.4	Below	Yes
353	E08000004	Oldham	64.8	Below	Yes
876	E06000006	Halton	65.2	Below	Yes
357	E08000008	Tameside	66.3	Below	Yes
810	E06000010	Kingston Upon Hull, City of	66.3	Below	Yes
861	E06000021	Stoke-on-Trent	66.3	Below	Yes
354	E08000005	Rochdale	66.5	Below	Yes
383	E08000035	Leeds	66.5	Below	Yes
333	E08000028	Sandwell	66.7	Below	Yes
341	E08000012	Liverpool	66.8	Below	Yes
856	E06000016	Leicester	67	Below	Yes
874	E06000031	Peterborough	67	Below	Yes
380	E08000032	Bradford	67.2	Below	Yes
332	E08000027	Dudley	67.6	Below	Yes
889	E06000008	Blackburn with Darwen	67.8	Below	Yes
352	E08000003	Manchester	67.8	Below	Yes
892	E06000018	Nottingham	67.8	Below	Yes
350	E08000001	Bolton	68	Below	Yes
330	E08000025	Birmingham	68.5	Below	Yes
331	E08000026	Coventry	68.5	Below	Yes
340	E08000011	Knowsley	68.6	Below	Yes
355	E08000006	Salford	68.6	Below	Yes

890	E06000009	Blackpool	68.7	Below	Yes
335	E08000030	Walsall	68.7	Below	Yes
359	E08000010	Wigan	69	Below	Yes
336	E08000031	Wolverhampton	69.2	Below	Yes
384	E08000036	Wakefield	69.5	Below	Yes
821	E06000032	Luton	69.6	Below	Yes
801	E06000023	Bristol, City of	69.6	Below	Yes
879	E06000026	Plymouth	69.6	Below	Yes
342	E08000013	St. Helens	69.8	Below	Yes
925	E10000019	Lincolnshire	70	Below	Yes
308	E09000010	Enfield	70	Below	Yes
831	E06000015	Derby	70.1	Below	Yes
822	E06000055	Bedford Borough	70.1	Below	Yes
908	E06000052	Cornwall	70.1	Below	Yes
370	E08000016	Barnsley	70.2	Below	Yes
382	E08000034	Kirklees	70.2	Below	Yes
891	E10000024	Nottinghamshire	70.2	Below	Yes
812	E06000012	North East Lincolnshire	70.3	Below	Yes
211	E09000030	Tower Hamlets	70.4	Below	Yes
916	E10000013	Gloucestershire	70.5	Below	Yes
805	E06000001	Hartlepool	70.6	Below	Yes
381	E08000033	Calderdale	70.6	Below	Yes
304	E09000005	Brent	70.7	Below	Yes
888	E10000017	Lancashire	70.8	Below	Yes
356	E08000007	Stockport	70.8	Below	Yes
851	E06000044	Portsmouth	70.8	Below	Yes
808	E06000004	Stockton-on-Tees	70.9	Below	Yes
880	E06000027	Torbay	70.9	Below	Yes
390	E08000037	Gateshead	71	Below	Yes
909	E10000006	Cumbria	71	Below	Yes
373	E08000019	Sheffield	71	Below	Yes
371	E08000017	Doncaster	71.1	Below	Yes
344	E08000015	Wirral	71.3	Below	Yes

204	E09000012	Hackney	71.4	Below	Yes
343	E08000014	Sefton	71.5	Below	Yes
893	E06000051	Shropshire	71.5	Below	Yes
894	E06000020	Telford and Wrekin	71.5	Below	Yes
207	E09000020	Kensington and Chelsea	71.5	Below	Yes
835	E10000009	Dorset	71.5	Below	Yes
866	E06000030	Swindon	71.7	Below	Yes
391	E08000021	Newcastle upon Tyne	71.8	Below	Yes
813	E06000013	North Lincolnshire	71.8	Below	Yes
301	E09000002	Barking and Dagenham	71.8	Below	Yes
870	E06000038	Reading	71.8	Below	Yes
830	E10000007	Derbyshire	71.9	Below	Yes
852	E06000045	Southampton	71.9	Below	Yes
855	E10000018	Leicestershire	72	Below	Yes
873	E10000003	Cambridgeshire	72	Below	Yes
394	E08000024	Sunderland	72.1	Below	Yes
351	E08000002	Bury	72.2	Below	Yes
928	E10000021	Northamptonshire	72.2	Below	Yes
807	E06000003	Redcar and Cleveland	72.3	Below	Yes
885	E10000034	Worcestershire	72.3	Below	Yes
935	E10000029	Suffolk	72.4	At the median	No
206	E09000019	Islington	72.4	At the median	No
311	E09000016	Havering	72.4	At the median	No
938	E10000032	West Sussex	72.4	At the median	No
202	E09000007	Camden	72.5	Above	No
313	E09000018	Hounslow	72.5	Above	No
896	E06000050	Cheshire West and Chester	72.6	Above	No
926	E10000020	Norfolk	72.6	Above	No
878	E10000008	Devon	72.6	Above	No
208	E09000022	Lambeth	72.7	Above	No
213	E09000033	Westminster	72.9	Above	No
307	E09000009	Ealing	72.9	Above	No
933	E10000027	Somerset	72.9	Above	No

841	E06000005	Darlington	73.3	Above	No
877	E06000007	Warrington	73.3	Above	No
937	E10000031	Warwickshire	73.3	Above	No
865	E06000054	Wiltshire	73.3	Above	No
815	E10000023	North Yorkshire	73.4	Above	No
887	E06000035	Medway	73.4	Above	No
840	E06000047	Durham	73.5	Above	No
919	E10000015	Hertfordshire	73.5	Above	No
393	E08000023	South Tyneside	73.6	Above	No
372	E08000018	Rotherham	73.6	Above	No
846	E06000043	Brighton and Hove	73.7	Above	No
895	E06000049	Cheshire East	73.8	Above	No
921	E06000046	Isle of Wight	73.8	Above	No
800	E06000022	Bath and North East Somerset	73.8	Above	No
392	E08000022	North Tyneside	74	Above	No
826	E06000042	Milton Keynes	74.1	Above	No
334	E08000029	Solihull	74.3	Above	No
319	E09000029	Sutton	74.3	Above	No
871	E06000039	Slough	74.3	Above	No
823	E06000056	Central Bedfordshire	74.4	Above	No
811	E06000011	East Riding of Yorkshire	74.5	Above	No
857	E06000017	Rutland	74.5	Above	No
306	E09000008	Croydon	74.5	Above	No
312	E09000017	Hillingdon	74.6	Above	No
931	E10000025	Oxfordshire	74.6	Above	No
881	E10000012	Essex	74.7	Above	No
882	E06000033	Southend-on-Sea	74.9	Above	No
302	E09000003	Barnet	74.9	Above	No
310	E09000015	Harrow	74.9	Above	No
315	E09000024	Merton	74.9	Above	No
825	E10000002	Buckinghamshire	74.9	Above	No
836	E06000029	Poole	74.9	Above	No
869	E06000037	West Berkshire	75	Above	No

884	E06000019	Herefordshire	75.3	Above	No
883	E06000034	Thurrock	75.3	Above	No
816	E06000014	York	75.7	Above	No
860	E10000028	Staffordshire	75.7	Above	No
317	E09000026	Redbridge	75.7	Above	No
929	E06000057	Northumberland	75.8	Above	No
210	E09000028	Southwark	75.8	Above	No
320	E09000031	Waltham Forest	75.8	Above	No
205	E09000013	Hammersmith and Fulham	75.9	Above	No
867	E06000036	Bracknell Forest	75.9	Above	No
868	E06000040	Windsor and Maidenhead	75.9	Above	No
309	E09000014	Haringey	76.2	Above	No
886	E10000016	Kent	76.2	Above	No
316	E09000025	Newham	76.3	Above	No
358	E08000009	Trafford	76.4	Above	No
802	E06000024	North Somerset	76.5	Above	No
872	E06000041	Wokingham	76.7	Above	No
837	E06000028	Bournemouth	76.9	Above	No
845	E10000011	East Sussex	77.2	Above	No
303	E09000004	Bexley	77.4	Above	No
850	E10000014	Hampshire	77.6	Above	No
212	E09000032	Wandsworth	77.8	Above	No
314	E09000021	Kingston upon Thames	77.8	Above	No
203	E09000011	Greenwich	78.1	Above	No
305	E09000006	Bromley	78.2	Above	No
803	E06000025	South Gloucestershire	78.2	Above	No
209	E09000023	Lewisham	78.6	Above	No
936	E10000030	Surrey	79.5	Above	No
201	E09000001	City of London	81.3	Above	No
318	E09000027	Richmond upon Thames	81.5	Above	No
420	E06000053	Isles of Scilly	91.7	Above	No

Source: Early Years Foundation State Profile (EYFSP) results 2017/18, Main Tables, Table 5b

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/748830/EYFSP_2018_Main_tables.xlsx

Cabinet Member for Regulatory, Compliance and Corporate Services / Cabinet Member Children, Schools and Safeguarding

Cabinet Member Briefing

Briefing Note: Guidance on Sponsorship in Schools

Report of: Head of Corporate Resources

Purpose of the Report

To update the Cabinet Members on the following:

Several Headteachers have contacted the Local Authority for advice and guidance concerning schools being sponsored by private companies as a way of generating additional income. Currently there is no national guidance for schools to support any sponsorship arrangements with private firms. The DfE has stated that it is up to individual schools and Local Authorities to develop their own guidance.

Recommendation:

To provide Sefton maintained schools with a framework and guidance to use when exploring potential sponsorship arrangements

To approve the adoption of the attached sponsorship guidance by the Local Authority and endorse this guidance to the Sefton Schools Forum for use by all maintained schools in Sefton

Progress Update:

Many Headteachers and Governing Bodies are exploring ways in which they can generate additional income to support the costs of running schools as budgets get tighter and school spending power erodes on an annual basis.

Several schools are exploring the potential of getting private companies to sponsor school activities or help with certain running costs. There is currently no consolidated guidance, nationally, for schools relating to sponsorship arrangements and so the Sefton Association of Primary Headteachers (SAPH) has asked if the Local Authority could provide some policy guidance that schools could use.

The attached guidelines provide a framework for schools to help them to decide whether or not to accept commercial sponsorship and provides advice on how to manage that relationship if they decide to go ahead with any sponsoring arrangements.

Guidance on sponsorship in Schools

These guidelines provide a framework for schools to help them to decide whether or not to accept commercial sponsorship and provides advice on how to manage that relationship.

Sponsorship in schools could cause concern to parents, as it might lead to marketing directly to children. Schools must ensure that commercial sponsorship does not lead to inappropriate marketing to children and young people.

The International Chamber of Commerce defines sponsorship as:

Any communication by which a sponsor, for the mutual benefit of sponsor and sponsored party, contractually provides financing or other support in order to establish a positive association between the sponsor's image, brands, products or services and a sponsored event, activity, organization or individual.

Article 6 of the ICC International Code of Sponsorship states:

Sponsorship addressed to or likely to influence children and young people should not be framed so as to take advantage of their youth or lack of experience. Furthermore, such sponsorship should not be framed so as to harm children or young people mentally, morally or physically, nor to strain their sense of loyalty for their parents or guardians.

What Forms Can Commercial Sponsorship Take?

Commercial sponsorship may take on the form of; financial sponsorship, in-kind sponsorship or promotions.

Financial sponsorship is the clearest sponsorship arrangement. In this case, sponsors will provide the school with cash resources to meet a stated aim.

In-kind sponsorship can vary significantly. An example of in-kind sponsorship would be where a company has provided prizes for an event where the company has been allowed to advertise their product.

Promotions between schools and the private sector can work in two directions:

- Voucher schemes: Consumers collect vouchers by purchasing a company's product. Schools can then redeem these vouchers for items such as books, computers or other resources.

- Loyalty/reward schemes: Consumers collect points; in some cases schools provide points for choosing healthy lunch options. Pupils and young people can then exchange them for goods and products that are part of the scheme.

Costs and Benefits of Commercial Sponsorship

These guidelines start from the premise that commercial sponsorship can be a positive opportunity for schools. Well managed, it can introduce new resources or approaches. However, it also comes with risks which need to be understood and minimised from the outset. Some of the potential benefits and costs are set out in Table 1. The table is not meant to be comprehensive and schools may be able to identify others. Careful management of sponsorship opportunities can eliminate many of the potential costs.

Consideration should be given to who is responsible within the school organisation to do this. This will require dedicated time and skill set to manage any contracts, manage the relationship with the sponsor, communication both positive and negative messages to governors/parents etc. Emphasis should be placed on this being an important role.

	Potential Benefits	Potential Costs
Pupils and Parents	<ul style="list-style-type: none"> • Improved resources in schools • Improved understanding of the private sector • Better links with local businesses and employers 	<ul style="list-style-type: none"> • Undue influence on consumer behaviour • Impact on vulnerable consumers • Receiving conflicting messages (i.e. on healthy eating) • Pester powers
Schools	<ul style="list-style-type: none"> • Improved resources • Providing added value • Improved understanding of the private sector • Better links with local businesses and employers 	<ul style="list-style-type: none"> • Giving conflicting messages to pupils (i.e. healthy eating) • Negative media coverage • Hidden costs • No choice of resources • Felling indebted to the company • Businesses and employers
Sponsors	<ul style="list-style-type: none"> • Increased sales and customer loyalty • Ability to access pupils directly • Enhanced image and reputation 	<ul style="list-style-type: none"> • Negative media coverage • Success is often dependent on the performance of the school (i.e. event management)

Six Principles of Commercial Sponsorship in Schools

Principle 1: The benefits to pupils should outweigh the costs

Commercial sponsorship should only be entered into if the benefits to the pupils outweigh the costs. Schools need to consider the following potential costs;

- impact on staff time or ongoing maintenance costs for equipment,
- accepting sponsorship from companies which do not support the general school ethos or any specific aims and values of the school, for example health-promoting schools, eco-schools, faith schools and so on,
- accepting sponsorship from companies that have, or associate with those that have, extreme political, racial or religious views or who are known to have unethical production practices.

Principle 2: Commercial sponsorship must not undermine health promotion

Commercial sponsorship should only be entered if it does not undermine the work the school and wider partners across Sefton are doing to ensure that every school is a healthy school, promoting the health and well-being of all pupils and staff. This work includes the GULP (give up loving pop) campaign and other interventions delivered by Active Sefton, the draft Sefton Healthy Food and Drink Guidelines and the core principles of Sefton's Healthy Weight Declaration.

There are specific rules surrounding marketing food and drink to children and young people. Under the British Code of Advertising, Sales Promotion and Direct Marketing, commercial sponsorship;

- must not lead to the advertising or promotion of alcohol to under 18s; and
- must not lead to the advertising or promotion of products to under 16s that are high in fat, saturated fat, salt or sugar.

The Tobacco Advertising and Promotion Act 2002 prohibits the advertising, promotion and sponsorship of tobacco products. This comprehensive ban means it is illegal to enter into any agreement with a tobacco company or any other company which would promote a tobacco product.

Principle 3: Extra care should be taken because sponsorship leads to marketing to children and young people

There is substantial concern about the extent to which children and young people are exposed to marketing messages. There are specific rules covering advertising to children. Commercial sponsorship must not include a direct exhortation to under-16s to buy advertised products or to persuade their parents or other adults to buy advertised products for them ('pester power').

Principle 4: Marketing activity should be proportionate

Schools should consider the following issues in relation to proportionate marketing;

- marketing must not directly state that the school endorses the company or product;
- sponsor logos should be small and should not be larger or more prominent than the school logo or name;
- explicit sales messages such as 'Company X: Number one in our field' should be avoided;
- companies should not be allowed to make claims that their product is superior to others;
- information should not suggest that the sponsor is the only supplier of that type of product or service.

Principle 5: Commercial sponsorship should be used for additions or improvements, not for funding core services

While public opinion supports some commercial sponsorship of public services (in this case schools), most people do not think it is acceptable to use sponsorship to fund core services. The public are more positive when sponsorship is used to fund improvements or additions to core services.

Principle 6: Sponsorship must support the curriculum and provide added value to children's learning

Where commercial sponsors are providing educational materials, schools should take care to ensure that they support the curriculum and provide added value to children's learning.

The Three Procedures for Commercial Sponsorship in Schools

Procedure 1: Schools should have a policy and procedure on commercial sponsorship

These guidelines are generic. They cannot provide details or answer all questions staff will have about managing commercial sponsorship agreements.

Sefton Council has endorsed the following category approval list in support of the Council's website advertising project. The list provides guidance to schools on the types of businesses the Council will allow to advertise on the Council's website.



Web Ads Cat
Approval List_Seftona

Schools should develop their own policies and procedures on commercial sponsorship based on the principles presented in these guidelines and any guidelines or procedures set out by the education authority.

The procedure should describe:

- how commercial sponsorship is to be coordinated within the school and what involvement the education authority should have;
- how the organisation will share and learn from previous commercial sponsorship opportunities;
- how records of commercial sponsorship contracts are to be kept to assist in monitoring or responding to Freedom of Information requests;
- how the school will involve parents and pupils in decisions about commercial sponsorship opportunities; and

In the interests of openness and transparency, and to ensure that their views are taken into account, parents and pupils should be consulted on this policy.

Procedure 2: Commercial sponsorship must be based on a written agreement

It is vital that schools have a written agreement with the commercial sponsor spelling out the expectations of both parties. This ensures that both sides are clear about the extent and limitations of the sponsorship relationship and provides an opportunity to clarify what the commercial sponsor seeks to gain from the arrangement. The written agreement should be drawn up by the school; they should not rely on standard contracts provided by commercial companies.

The written agreement should be proportionate; for small commercial sponsorship arrangements an exchange of letters may be enough.

Key issues to be covered by the written agreement include:

- a description of the resources to be provided by the commercial sponsor;
- a description of the marketing or other benefits that the sponsor will receive;
- clarification as to which party is responsible for the costs associated with producing marketing materials;
- whether or not there are co-sponsors;
- a description of the licensing and intellectual property rights owned by the parties;
- a clause noting the Freedom of Information responsibilities of the public sector organisation;
- a statement that the sponsor will not receive preferential treatment during tendering processes for commercial contracts;
- details on how, and in what circumstances, either party can terminate the agreement.

Procedure 3: Commercial sponsorship must be evaluated

Schools should evaluate the commercial sponsorship. It is good practice to consider evaluation from the outset of a project and ensure that evidence is gathered to support the evaluation. It is important to record whether or not the sponsorship met the aims, as laid out in the written agreement. This provides a useful opportunity to consider whether similar opportunities should be sought in the future and to make sure that any difficulties can be addressed in future commercial sponsorship arrangements.

This evaluation could include:

- Did pupils or parents benefit from the sponsorship?
- Were there any unforeseen costs to the school?
- Did the sponsorship meet the aims and expectations of the sponsoring organisation?
- What did parents and pupils think of the sponsorship?
- Were there any comments or complaints about the sponsorship from them?
- Was the sponsorship mentioned in the media? If so, was this positive or negative?

Final Note

Schools must be diligent and undertake research to establish what other forms of marketing and messaging a sponsor currently does, particularly across social media. This will give a 'real' good understanding of how the organisation works and what it is trying to achieve. Does this conflict with aims and values of the school? How do they engage with their audience? Do they respond appropriately? Do they get lots of negative comments? Do they have / share political views? The evaluation process in Procedure 3 above highlights some of these issues but we shouldn't underestimate how important this is, and social media is integral.

It is also worth emphasising just how much people / communities etc will associate the sponsor with the school once an arrangement is in place. Ultimately the school is endorsing the sponsor and vice versa, simple as that. It's therefore not just about a way to generate income or receive prizes for events, it is about the reputation of the school and the impact a sponsorship arrangement could have on their audience, pupils & parents and communities

Six-Point Checklist

Schools should be able to answer YES to each of the following questions before committing to the commercial sponsorship by setting up a written agreement.

	Yes	Unsure	No
Overall, do the benefits to pupils outweigh the costs?			
Does the sponsorship support health promotion?			
Does the commercial sponsorship conform to the legal regulations and industry codes of practice in relation to advertising and promotion of products to under 16s? ***			
Is the level of marketing activity proportionate?			
Is the sponsorship for additional improvements, not to fund core public services?			
Does the sponsorship support the curriculum and provide added value to children's learning?			

- In the UK, the two principal pieces of legislation regulating advertising are the Consumer Protection from Unfair Trading Regulations 2008 (SI 2008/1277) (CPUTs) and the Business Protection from Misleading Marketing Regulations 2008 (SI 2008/1276) (BPRs). Both pieces of legislation are derived from EU law and much of the CPUTs and BPRs is also covered in the industry codes
- The Committee of Advertising Practice (CAP) is a self-regulatory body that is responsible for issuing new advertising rules. These rules are then enforced by the Advertising Standards Authority (ASA), its sister body. If an advertiser repeatedly breaches advertising rules or the breach is particularly serious, the ASA may refer the case on to Trading Standards or the Office of Communications (Ofcom). These bodies act as the ASA's 'legal backstop'.

Trading Standards is primarily responsible for breaches of the CPUTs and BPRs. In addition, Ofcom has a statutory duty to control radio and television advertising. The UK Competition and Markets Authority (CMA) may also play a part in enforcing the CPUTs where there is evidence of market-wide practices.

There are a number of industry-specific bodies that regulate the advertising of specific products, for example, the Financial Conduct Authority (FCA) (financial services), the Medicines and Healthcare Products Regulatory

Agency (medicines), the Proprietary Association of Great Britain (over-the-counter medicines) and the Association of British Healthcare Industries (advertising of medical devices). The Information Commissioner's Office is responsible for data protection breaches including in relation to direct marketing.

Below is the House of Commons Briefing Paper on advertising to children that also provides further background information to support schools with this topic.



House of Commons
Briefing Paper - Adver

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Sefton Schools Forum Report

Date of Meeting:	14 January 2019
Title of Report:	Early Years 2018/19 Forecast Spending further details and 2019/20 Funding
Presenting Officer:	Kevin McBlain
Reason for Submission to Forum:	(4) ITEM FOR INFORMATION
Executive Summary:	To provide members with additional detailed information on the Early Years forecast spending position for 2018/19 and to report on the DfE's announcements on Early Years formula funding for 2019/20.
Budget/Risk Implications:	None
Recommendations:	<p>Forum is asked to:</p> <ol style="list-style-type: none"> 1. Note the 2018/19 Early Years forecast outturn position and the commitments against the DSG Early Years Reserves; 2. The Early Years formula funding for 2019/20 and intention to maintain the current hourly rates to providers into 2019/20 for both 2; 3 and 4 Year olds. 3. The intention to use £200k from Early Years formula floor funding towards High Needs cost pressures, similar to 2018/19.
Appendices <small>(to be attached)</small>	None
Background Papers <small>(available on request)</small>	Forecast budget/outturn working paper (Dec 2018)
Report Originator and Contact Details	<p>Name: Kevin McBlain Tele: 01519344049 E-mail: Kevin.mcblain@sefton.gov.uk</p>

SCHOOLS' FORUM POWERS & RESPONSIBILITIES	
1	ITEMS FOR APPROVAL (DfE can adjudicate where Forum does not agree LA proposal)
2	ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but LA decides)
3	ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but DfE decides)
4	ITEMS FOR INFORMATION (No formal view of the Forum is sought)

1. **Background**

- 1.1 Following the Early Years budget monitoring report to Schools Forum on 19 November 2018, further detailed information was requested to be brought to the next meeting to enable spending variations to be more clearly identified. This report is to provide that additional information, and to inform Forum of the Financial settlement for Early Years for 2019/20.

2. **Budget Forecast for Early Years 2018/19**

- 2.1 Appendix 1, attached to this report analyses the 2018/19 Early Years budget forecast between the 2-Year-Old Offer and the 3-4-Year-old childcare provision.
- 2.2. Since 2017/18, all Providers of the 2-Year-Old Offer have been paid an hourly rate of £4.90 p hour with the balance of funding £0.32p per hour being applied towards Central Local Authority support for Providers.
- 2.3 Funding in respect of 3-4-Year-Old provision includes a Universal Hourly rate payable to all Providers at £4 per hour; £0.10p p hour for deprivation funding; £0.02p p hour to cover SEN Inclusion support to High Needs; £0.10 p hour towards Central Local Authority support and £0.08p p hour set aside as contingency from transitional 'floor' funding used towards High Needs budget pressures in 2018/19. These elements make up the total funding received by the Local Authority at £4.30 p hour. This allocation rate has remained the same since 2017/18 and continues into 2019/20.
- 2.4 In addition to the allocated funding, the DfE have provided transitional funding towards the Maintained Nursery Schools for three years, in recognition of their additional operational costs as schools. This is from 2017/18 to 2019/20. No further announcements have been made as to any additional ongoing funding beyond 2019/20.
- 2.5 Other funding includes Early Years Pupil Premium, which can give 3-4-Year-Old Childcare Providers an additional £302 pa per child for those from low income families, assuming the Provider can obtain some basic details from parents for checking. In addition, there is also funding available for Providers for children who claim Disability Living Allowance. This provides additional funding of £615 per child pa subject to checks.

3. **Forecast Variations**

- 3.1 Based on a revised forecast as at end of November, Early Years is forecast to underspend by £0.694m (See Appendix 1). Key variations include :

	<u>Budget</u>	<u>Forecast</u>	<u>Variation</u>
<u>2 Year Old Offer</u>			

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Schools Forum 14.1.19

Agenda Item 12

2-Year-Old Provision	£2,584,866	£2,546,924	-£37,942
2 Year Old support	£168,808	£109,880	-£58,928
Forecast underspending on 2-Year-Old Offer			-£96,870
3-4 Year Old Provision			
PVI s	£7,362,401	£7,038,623	-£323,778
Schools - Nursery Class	£5,127,386	£4,984,012	-£143,374
Maintained Nursey Schools	£657,357	£646,974	-£10,383
Early Years Pupil Premium	£118,185	£164,557	£46,372
Early Years Inclusion Grant	£55,450	£0	-£55,450
Business Support / checking / corporate support / Admin	£321,743	£211,068	-£110,675
Forecast underspending on 3-4 Year-Old Provision			-£597,288
Net forecast underspending			-£694,158

Early Years DSG Centrally retained Reserves

	<u>2018/19 Budget</u> £	<u>Forecast Outturn</u> £
<u>EARLY YEARS DSG RESERVES</u>		
Opening balance of Early Years central DSG reserves 1.4.2018	291,156	291,156
<u>Approved by Schools Forum:</u>	<u>Agreed</u>	<u>Forecast</u>
Maintained Nursery School Project	40,000	40,000
Up to 40 Discretionary places for ineligible 2 year olds with SEND	111,720	47,312
Training	63,000	0
Reserve allocated and Estimated expenditure in 2018/19	214,720	87,312

Early Years uncommitted DSG reserves original and based on forecast spending 2018/19	76,436	203,844
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- 3.2 The forecast net underspending for 2018/19 is currently £0.694m, with £0.536m of this being in respect of the hours of provision, which include an estimate for the Spring 2018 Term. If numbers of children fall and hours drop at the time of the Early Years census headcount in January 2019, there could be a clawback of this underspending in 2019/20. Funding in 18/19 includes for the increase between the numbers of children receiving the additional 15 hours childcare in 2017/18, between the DfE's estimated take up of the extra hours in September 2017 (when the extra hours provision commenced nationally), and the recorded actual headcount at January 2018, back-funded for 7 months to March 2018
- 3.3 It is highly likely that any underspending will be the first call against the forecast overspending on High Needs (£2.3m) in 2018/19.
- 3.4 Based on the uncertain nature of the outturn and the need to offset a High Needs funding deficit this year, it is not possible to consider any adjustment to the basic Hourly rate payable to Providers in 2019/20. The contribution of Early Years to High Needs (£200k) will also continue in 2019/20 but this has no effect on the rates paid to Providers.
- 3.5 The 2019/20 Early Years Funding allocations to Local Authorities have recently been announced, in early December, and for Sefton, this rate remains the same as 2017/18 and 2018/19 at £4.30 p hour. This leaves little scope for adjusting the rates to Providers going forward. This position may change in 2020/21 with the Spending Review. The rate for 2-Year-old funding has not yet been announced as at December 2018. This is currently £5.22 p hour.

4. Recommendation

Forum is asked to:

- 4.1 Note the 2018/19 Early Years forecast outturn position and the commitments against the DSG Early Years Reserves;
- 4.2 The Early Years formula funding for 2019/20 and intention to maintain the current hourly rates to providers into 2019/20 for both 2; 3 and 4 Year olds.
- 4.3 The intention to use £200k from Early Years formula floor funding towards High Needs cost pressures, similar to 2018/19.

Balanced to 21.11.2018

Early Years 2018-19					
	<i>Budget</i>	<i>Actual to date</i>	<i>Commit to year end</i>	<i>Forecast out-turn</i>	<i>over/under spend</i>
2 yr old offer - EA02	2,753,673	1,927,436	773,202	2,700,638	-137,289
3/4 Free Entitlement - EA01	14,129,744	9,499,209	4,042,326	13,541,536	-588,209
EYPP - EA03	118,185	109,717	56,732	166,449	48,264
DAF - EA04	70,725	28,905	41,820	70,725	0
Agreed funding contribution to high needs	200,000		0	200,000	0
Early Years Inclusion Funding - EA06	55,450		0	55,450	0
TOTALS	17,327,777	11,565,267	4,914,081	16,734,798	-677,234

With discretionary places (£43661) and Nursery Project (£40k) taken from reserves
This funding may be adjusted as it is based on projected Nursery numbers which may be reduced by Jan 19 census data

USE OF EARLY YEARS RESERVES

£

Early Years Reserves

£291,156

Committed from Reserves

Actual

Nursery Schools - project

£40,000

£40,000

Training

£63,000

40 Discretionary places - agreed by school Forum (date?)

£111,720

£47,312

Committed use of Reserves

£214,720

£87,312

Uncommitted reserves

£76,436

Remaining reserves

£203,844

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