

## **AGENDA ITEM 03**

### **Title of report:**

**DSG Budget 2019-20.**

### **Author of the paper: Sailesh Patel**

### **Officer to present the paper to School Forum:**

**Sailesh Patel**

### **Details on who has been consulted with on this paper to date:**

Neville Murton, Christine McInnes

### **Exec Summary:**

This report is to inform Schools Forum of the DSG allocation for the 2019/20 financial year. Updated allocations were supplied on the 17th December 2018.

Agreeing the formula itself – based on the 2019/20 schools block settlement.

### **Details of recommendations and timescales for decisions:**

Schools Forum is invited to note and comment on the contents of this report and to endorse the associated Proforma for the ESFA 2019/20 submission including approving the DSG budget 2019/20.

## 1. DSG Allocation 2019/20

1. Dedicated Schools Grant (DSG), which is ring-fenced to fund school budgets and services that directly support the education of pupils. The LA receives its DSG allocation gross (including allocations relating to academies and post 16 provision), and then the Education & Skills Funding Agency (ESFA) recoups the actual budget for these settings to pay them direct, leaving a net or LA allocation.
2. The methodology for allocating the DSG to local authorities changed significantly in 2018/19, with new national funding formula introduced for each of the schools, central school services, and high needs blocks. The early years block was funded by a new national formula from 2017/18.
3. The revenue funding for schools will continue to be made by via 4 blocks – Schools, Central, High Needs and Early Years. As in 2018/19 the allocations are to be calculated on the basis of the national school funding formula reforms but will be aggregated and allocated to each Local Authority. This arrangement is confirmed for 2019/20 and 2020/21, which means the primary legislation needed to fund schools directly will not be put before parliament for another year or two.
4. In July 2018, the EFSA issued the operational guidance on schools funding for 2019/20.
5. At the same time, the EFSA published provisional allocations for 2019/20 for the Schools Block, Central Services Block and the High Needs Block. No changes were announced about the Early Years Block arrangements for 2019/20.
6. Growth for 2019/20 will be distributed on the basis of a new methodology. The technical basis is that the DfE will count growing pupil numbers in Middle Super Output Areas between October 2017 and October 2018 and it will ignore reductions. If this approach had been used to calculate growth for 2018/19, Tower Hamlets like other London LA's would see a reduction in our growth fund, from £2.460m to £1.456m.
7. There are a number of continuing pressures, specifically in relation to the High Needs Block which is managed by the Council for those pupils with needs that cannot be fully met from schools' individual budgets. The Government has extended the scope of the High Needs funding to cover educational costs of children and young people up to the age of 25. This expansion of the age range, coupled by an increase in the number of children who are applying for Education, Health and Care plans is placing significant pressure on both the retained budget and schools' own budgets.

8. Schools can also, through the Schools Forum, agree to de-delegate some of their Schools Block resources for certain specific services such as to fund release time for trade union duties and allow the Local Authority to fund them centrally on behalf of all schools and contributions to support the Former Education Services Grant (ESG) General Duties which was removed by the government in 2017, these are LA statutory functions for schools, example; finance monitoring/compliance/Internal audit and other CFO S151 responsibilities.
9. A new Central Schools Services Block (CSSB) introduced in 2018-19 to fund LAs for their statutory duties relating to maintained schools and academies. The CSSB brings together funding previously allocated through the retained duties element of the Education Services Grant; funding for ongoing central functions e.g. admissions; and funding for historic commitments e.g. items previously agreed locally such as combined budgets.

## 2. Dedicated Schools Grant 2019/20

1. The DfE announced the DSG for 2019/20 on the 17th December 2018. The table below sets out the estimated DSG deployment over the funding blocks for 2019-20;

Schools Forum Summary		2019-20 £m
1.0 Schools Block		257,420
1.1 De-delegated items (Schools block )		3,226
1.2 High Needs Block		50,531
1.3 Early Years Block		29,471
1.4 Central Schools Service Block		4,811
<b>Total Schools Budget</b>	<b>Expenditure 2019-20</b>	<b>345,459</b>
Schools Forum Summary		2019-20 £m
1.7.1 DSG		-279,130
1.7.5 Academy Recoupment		-61,700
1.7.5 ESFA Recoupment High Needs		-4,629
<b>Total funding</b>	<b>Income 2019-20</b>	<b>-345,459</b>

2. Local authorities will be required to submit APTs by 19<sup>th</sup> January 2019 after obtaining Schools Forum approval of indicative budget at this meeting. The attached **Appendix 1** contains the Final APT.
3. **EFA Post 16 Grant.** Is additional funding for post 16 pupils, the final allocations will be confirmed in march 2019, for planning purposes EFA Post 16 income and expenditure has been set at the revised 2018/19 levels at £13.200m.

4. **Pupil Premium** The pupil premium is to be continued in 2019/20 and for planning purposes 2018-19 actual figures will be used and revised figures used once they are release later in 2019.
5. **High Needs** On 17<sup>th</sup> December the Secretary of State announced some additional funding for high needs totalling £350m: £100m capital and £250m revenue. Tower Hamlets will receive additional £724k revenue funding in 2018/19 and the same amount again in 2019/20.
6. The additional funding is welcomed however significantly short of what is required to support the current deficit in the High needs block (representing around a fifth of the likely shortfall).

### **Background Papers;**

ESFA - Dedicated schools grant (DSG): 2019 to 2020

<https://www.gov.uk/government/publications/dedicated-schools-grant-dsg-2018-to-2019>

EFSA – Authority Proforma Tool (APT) 2019 to 2020

<https://www.gov.uk/guidance/authority-proforma-tool-apt-information-for-local-authorities#apt-2018-to-2019>

Secretary of State's announcement on additional funding for SEND [Link](#)

# LB TOWER HAMLETS SCHOOLS' FORUM

<b>Date of Meeting</b>	5th December 2018
<b>Venue</b>	Bethnal Green Centre, 229 Bethnal Green Road, E2 6AB
<b>Chair</b>	Lorraine Flanagan
<b>Clerk</b>	Runa Basit; Head of Governance & Information
<b>GS Officer - Minutes</b>	Naomi Bell; Governor Support Officer

## MEMBERSHIP

TYPE	MEMBERSHIP
<b>GOVERNORS</b>	; Conor Magill*; Gwen Wright*; Alan Morton*; Bridget Jill Cochrane Cass*; Dave Lake*; Pip Pinhorn*
<b>HEADTEACHERS</b>	Lorraine Flanagan* (Chair); Esther Holland* (Vice-Chair); Sarah Helm* Matthew Rayner*; Jill Baker; Joanna Clensy*; Sheila Mouna*; Avril Newman*; Belinda King*; Martin Nirsimloo
<b>Non-School Members</b>	Alison Arnaud (Tower Hamlets College); Kim Arrowsmith (PVI EYs Providers)*; Alex Kenny (Trade Union Rep)*
<b>OBSERVERS</b>	; Ben Carter*; Tracy Smith Julie Crew*
<b>Officers in Attendance</b>	Debbie Jones (Director of Children's Services Partnership) Christine McInnes*; John O'Shea (Head of SEN); Steve Worth (Schools Finance Advisor)*; Sailesh Patel (Schools Finance Manager)*; Runa Basit (Clerk to the Schools Forum)*; Naomi Bell (Supporting Clerk)*

\*denotes attendance

[The meeting commenced at 08:30 hours]

### Agenda Item 1: Introductions and Apologies for Absence

Apologies were noted from Debbie Jones, Neville Murton, John Bradshaw, Monica Forty, Jemima Reilly and Jill Baker.

The Clerk offered apologies to those Members who had not received their meeting packs.

Introductions took place. The Chair welcomed 3 new governors to the Schools Forum.

## Agenda Item 2: Minutes of the Last Meeting (Circulated) and Matters Arising

Presenting: Chair/All

Discussion/ Challenge

2.1 The minutes of the previous meeting were **APPROVED** as a true and accurate reflection of the meeting, subject to the following amendments:

The following members were to be added to the list of attendees:

*Debbie Jones; Neville Murton and Sailesh Patel.*

The following member was to be deleted from the list of attendees:

*Bridget Cass*

2.2 **Matters Arising and Review of Actions:**

[Page 1] ERRATUM: The date of the last meeting should read 10<sup>th</sup> October 2018.

### [Item 3, Pages 1-2 Schools Surplus Balances]

The Chair queried when this item would be returned to the Forum's agenda? Steve Worth advised that a financial assessment would be completed at the end of the financial year.

The Forum **NOTED** a request for clarification on information on this issue to be circulated to the membership.

### [Item 3 Page 2 - LADN allocated funding decision to hold back]

The request for further information concerning the Forum's decision to hold back £270k of allocated funding for LADNs would be discussed under Item 5.

### [Item 4, Page 3 - DSG 2018-2019 and 2019-2020]

The Chair **NOTED** that the request for information on de-delegation to be circulated ahead of the meeting had been actioned.

**Q&A** - Conor Magill sought clarification of the term '*real growth*'? Christine clarified that the term related to the number of EHCPs. There was no centralised assessment system in place, which allowed LAs to assess on slightly different criteria, resulting in EHCPs being issued for children in one LA, but not in another. LBTH had amongst the highest number of EHCPs in the UK which meant that there was a requirement for the LA to review its current processes in order to ensure that judgments were accurate, rather than assume it was '*real growth*'. She confirmed that there had been some measure of real growth, which was evident in the LA's expansion of its special needs schools.

This item would be discussed further under Item 6 of this meeting's agenda.

Christine McInnes also clarified the financial impact for the Support for Learning Service (SLS). As recommended by the Advisory Group from the last review of the High Needs Funding Block (HNFB), the LA was considering taking a £1m reduction in the retained funding. The initial request to reduce the level of HNFB funding being retained by the LA had been initiated by the schools institutions.

The reduction would not be a saving, but would be reinvested to meet current needs. The LA had services set up to meet historic needs, which needed to be reviewed. It was about reinvestment and change.

The request for further information made at the last Forum on the HNFB would be discussed under Item 6.

**[Item 4, Page 4 - DSG 2018-2019 and 2019-2020]**

**Q&A** - Esther queried whether there was an outcome regarding the Forum request that the LA should consider possibilities to address the issue of inequalities in funding for schools. She suggested that the issue could be resolved by the Forum prompting the LA to submit a letter direct to the DfE regarding the request. The Chair clarified that the issue was linked to historical matters pertaining to secondary schools. Sailesh advised that the issue of inequalities within funding for schools was not specific to LBTH, because the National Funding Formula (NFF) was based on the premise that there were historical elements within funding, not just within the LA, but also the individual school institutions. The issue went back to 2014-15.

The DfE may not consider the issue because it was currently introducing the NFF which assumes that, at the end of the NFF implementation process, all schools would be funded on the same basis nationally. The Minimum Funding Guarantee (MFG) which protected those schools with historical inequalities would resolve itself once those MFGs had diminished, but it could take 7-8 years depending on the stage reached on the level of protection those schools received.

Esther advised that the LA may have made an error in allowing some schools to continue to receive excessive funding after the period of time in which a school was placed in difficulty. A school had subsequently been outstanding for 7-8 years, but it still received the same level of funding it was allocated when it was in difficulty. She believed that the allocation, at the point of being made, should have been allocated for a set period of time. The same level of generosity had not been afforded to other schools which had fallen into difficulty.

There were at least two schools in the borough which were continuing to receive the same level of funding which had been allocated at the point of difficulty, because their contracts contained the phrase '*these sums are fixed*'. The LA should have qualified the duration of the funding and those schools should now be in receipt of the same level of funding as other schools. An argument could be made on the basis of that error.

The Forum **AGREED** that the issue should be taken forward through colleagues in the secondary consultative to clarify with the LA prior to the next meeting of the Forum and the item would be added to agenda for the next Forum meeting.

**[Item 5, Page 5 - Schools Funding 2019/20 - NFF]**

The Forum had requested an expansion of Executive Summaries. Steve advised that he had tried to expand the summaries to put the issues into context.

**[Item 6, Page 6 - New Members Induction]**

The Chair advised that Steve had held an induction session which had been informative and reassuring. He had also addressed the Full Consultative on 28<sup>th</sup> November regarding the implementation of the NFF and the LA's recommendation. It was a complex subject which required further information.

The results of the consultations would be discussed under agenda item 3.

Steve would be hosting a short induction open session following the meeting for members who could not attend the original induction session.

**[Item 7, Page 6 - Teachers Pay Grant]**

Sailesh reported that the funding had been passported to schools. There was a small revision by the DfE which made no material impact on any school in LBTH.

**[Item 8, Page 6 - Any Other Business]**

**Q&A** - Alex queried whether there had been any further information regarding the extra funding for schools from the Budget? Sailesh advised that no information had been received possibly due to the forthcoming announcement of the December allocations for 2019-20. It was anticipated that within the funding announcement there would be a reference to the additional small amounts of extra funding.

**Q&A** - The Chair queried how the extra funding might be distributed? Sailesh confirmed that the headline figures based on pupil numbers, was limited to capital spending:

- approx. £10k for primary Schools
- approx.£40k for secondary schools

**Agenda Item 3: Schools Block Strategy 2019-20 (Circulated prior to the meeting)**

**Presenting: Steve Worth**

**Discussion/ Challenge**

The Forum **NOTED** the report entitled '*Schools Block Strategy 2019-20*'.

The LA provided advanced notice of its intention to seek the Forum's agreement of the following proposals at its next meeting on 16th January:

**Proposed Schools Funding Formula - 2019-20**

The LA had consulted with all mainstream schools and academies on its proposals. Option 3 had been the preferred recommendation, moving to the values of the NFF. LBTH was currently being allocated more funding than could be expected going forward under the NFF. The additional funding would be allocated to schools through the MFG.

There had been 10 responses received during the consultation period which supported the LA's Recommendation. The LA would therefore be recommending Option 3 to the Forum.

**One-Off Funding in 2019-20:**

£920k would become available as a result of the reduced need to provide national non-domestic rates. The LA would be recommending that £920k be transferred into the HNFB which is under significant pressure. Transfers from the Schools Services Block (SSB) required an annual decision.



The Chair advised the LA that there had been dissent from colleagues at the Headteachers consultative regarding transferring funds to the HNFB. It was a '*sticking plaster*' in an attempt to solve a much deeper rooted problem at national level.

### **Retained Growth Fund**

The only centrally retained items allowed within the Schools Block were contingencies for the Growth Fund, which stood at £2.47m in 2018-19 and the Falling Rolls Fund (FRF), designed to offer protection to schools rated good or outstanding which faced a temporary fall in pupil numbers. The Forum had not agreed a FRF in 2018-19 and the LA was not proposing to introduce a FRF in 2019-20.

The Chair reminded the Forum that it had investigated this issue and had agreed the criteria for allocation, based on the fact that a large amount of funding earmarked for schools would have been held back as a consequence of only 1 school meeting the falling roll criteria.

**Q&A** - Matthew queried whether this issue should be reconsidered? It would be unfair to add undue pressure with regard to finances on those schools which were already facing the pressure of closure or amalgamation. Sailesh explained that if the Forum elected to support the introduction of a FRF it would need to be set up before the next Forum meeting in January.

**Q&A** - The Chair queried whether Christine could advise the Forum of the timetable involved? There was a 2-year statutory process to complete before any formal changes could be made. Initial proposals based on discussions with individual schools were expected in spring 2019, with any informal changes made through discussions with the admissions team. There would be an initial consultation, in which schools would advise their communities of potential changes, followed by a formal wider consultation.

Alan noted that there was the potential for more schools to be put in difficulty during the 2-year consultation process. Sailesh advised that there had been a 2-step process: the agreed formula worked on the principle that schools had a maximum in-take of 30 pupils, but in order to ensure that the process was equitable, the initial proposal offered support to schools which had falling

rolls of a baseline figure of 10 or more pupils. On review, there was only 1 school which met the criteria. There were schools which had lost 5/6 pupils, but that was insufficient to trigger the formula and tap into the Growth Fund.

The 2nd step required the agreement of all primary schools to contribute towards the FRF. Those schools which were not on the baseline figure would have an additional pressure of supporting both a Growth Fund and an FRF.

Bridget advised that the LA had made an assumption about the decision of the Forum with regard to the FRF. Steve confirmed that the decision had been taken last year and the LA had considered all options. The criteria allocation, as well as the decision for primary schools to contribute to the Growth Fund and potential FRF, required an annual decision.

The information would be reviewed in order that the Forum could develop an understanding, not only of the implications for the wider school budget if it agreed to set up a FRF, but also the options that would be available for the 18 schools currently in Scope to access a potential FRF.

The Forum **AGREED** that it could **NOT** make an informed decision before the next meeting of the Forum on 16th January. This issue would be taken back to the Consultative for consideration to gain an indication, particularly in relation to the issue pertaining to foundation schools, for which the diocese would have a role in supporting.

Steve apologised to members for the discrepancies in appendices submitted with his reports. The appendix relating to the NFF which summarised information regarding the Option 3 recommendation had been omitted, but was tabled at the meeting.

#### **De-Delegation of Delegated Funding - item 4**

The LA was seeking agreement to de-delegate delegated funding provided to mainstream maintained schools and Voluntary Aided (VA) schools in order to continue to provide centrally retained services for which the LA has a statutory duty to provide, as listed in 4.2 of the '*Schools Block Strategy*' report.

Only representatives from maintained primary and secondary schools could vote on this issue.

Table 3 set out the implications of those services in terms of the funding being retained in order to fund those services.

#### **De-delegation of Former Education Services (ES) Grant and General Duties- Item 5**

Steve advised that S5 of his report set out a separate stream of de-delegation, involving funding not originally allocated to schools, but which had funded some statutory services. The DfE had removed the funding source for those continuing services when the ES Grant was phased out in 2017-18. Part of the funding was transferred into the Central Schools Services Block (CSSB), but the DfE provided a route by which the LA could seek permission for a second point of de-delegation to offset the significant loss in funding.

In 2018-19 all of the de-delegation funding came from mainstream maintained schools. No request had been made in respect of special schools or PRUs, but the LA was seeking to extend the request to cover all schools.

**Q&A** - Conor queried why had special schools been exempt from the requirement to contribute? Sailesh advised that there had been an error. The original methodology was based on an amount per pupil through the ES Grant but nurseries and special schools did not work on the same principle.

Esther and Matthew advised that some schools had bought-in professional services from other agencies, e.g. HR due to the LA cutting back its services resulting in those schools paying double contributions. It would be appropriate for the LA to offer a slight reduction.

Alex reported that there had been discussion pertaining to the level of HR services that schools could access through the LA. A review was being undertaken that would clarify and potentially enhance the offer of HR.

**Q&A** - The Chair queried what were the implications if the Forum did not agree the de-delegation? Sailesh advised that the DfE proposal allowed LAs to seek to overturn the Forum's

decision through petitioning the Secretary of State. He reported that the DfE had ruled in favour of other LAs.

In its final year the ES Grant was reduced to £3.74m which failed to meet the cost of all the LA services and *Table 4* set out current budgets and proposed contributions the LA was seeking to recover through de-delegation or the CSSB.

The Chair clarified that the LA was not seeking pay per use; it was an item which historically the LA would have retained as part of the ES Grant and the money would be going back to maintained mainstream schools. Academies were not required to de-delegate to the LA because those responsibilities would be subsumed by the academies themselves. The decision was based on the collective rather than the individual school.

#### **School Improvement (SI)**

**Q&A** - Joanne advised that this item had been delegated to THEP, but THEP was not receiving that level of funding due to cuts. Steve advised that the funding was met from the General Fund for items that were deemed to be for SI which fell outside the scope of work undertaken by THEP e.g. the contribution to the PDC included £96k capital costs which were not necessarily a direct SI service.

**Q&A** - The Chair queried whether the Forum could challenge how the money would be allocated? Steve clarified that the cost of providing those duties amounted to £5.5m, the bulk of which would be met by the General Fund. The ES Grant had represented a significant amount funding to the overall costs. The LA was only seeking a contribution towards those costs.

The Forum **NOTED** Bridget's concern in the LA seeking the Forum's approval of this level of funding without a clear idea of the costs of services used particularly when schools were under pressure.

**Q&A** - Esther queried to what did the £366k relate? Steve clarified that s251 set out the LA spending both in the Schools budget and LA's own budget. The SI element sits within the General

Funding element of the LA budget and included items not specifically identified as SI e.g. £160k of the costs related to the PD Centre. That part of the funding did not come within the Forum's preview, although it was possible to de-delegate specifically to the SI element.

He also clarified that column 3 in Table 4 contained the proposals for which the LA was seeking approval at its January meeting.

**Q&A** - Esther queried if the Forum put forward a proposal to de-delegate funds to THEP at its next meeting would that have impact in 2019-20 financial year? Steve confirmed that it would impact if the proposal was agreed at the next meeting. THEP was a traded organisation which presumably charged all schools for its services, but that the contribution to the de-delegation would only come from maintained mainstream schools.

#### Agenda Item 4: Central Schools Services Block 2019-20

Presenting: Sailesh Patel

#### Discussion/ Challenge

The Forum **NOTED** the report entitled 'Central School Services Block' which included the additional information requested by the Forum at its last meeting.

Sailesh reported that the 2nd column in Table 1 the figure £630 in the DSG remained unchanged and Table 2 contained the components within the Ongoing Duties provided by the LA.

The CSSB was calculated based on the DfE formula and there was an expectation that the 'ongoing duties' would be funded in the same way. The DfE had not yet confirmed the rate of reduction on the CSSB which was currently reduced by a rate of 3% and which may accelerate going forward. There was an expectation that the historical commitments would cease by the end of NFF process and if the NFF was tapered by a potential 10% year-on-year reduction it may take approx. 10 years before it diminished.

He reported that there would be a review in 2021 of the sources of historical commitments. A key issue was the element around funding for combined services which inherently funds a number of

activities e.g. the clothing grant, in/outreach programmes etc. and those components would all diminish over time.

**Q&A** - Joanne queried what were Independent Schools without SEN? Sailesh confirmed that it related to children for whose remand was provided by the Social Services, including children in care from out of borough, but for which the LA had the duty to provide SEN.

The component came from the Welfare Services for which there was a charge. In 2017-18 approx. it received £460k funding, but the current spend was £375k, although it was expected to increase by year-end when further invoices were submitted.

**Q&A** - Alex queried to what did the amount relate in the redundancy/retirement category? Sailesh clarified that the amount related to pre-retirement costs from 2013 in which employees who had retired on early retirement for which there was an ongoing cost to the LA to support that activity. Those redundancies were funded historically by the ES Grant but that spend was now met by the General Fund. There was a growing pressure on the ES Grant that needed to be reviewed collectively to determine how that was to be resourced.

**Q&A** - The Chair queried what was the strategic plan from the LA with the complexity of the historical commitments moving forward to a tapering of less funding being allocated the LA? Sailesh advised that there was additional pressure on the in/outreach programmes which supported the 6 individual institutions and the LA needed to review its current processes on how those institutions were resourced through the HNFB.

He also advised that those processes pertaining to historical commitments, such as the clothing grant, needed to be reviewed strategically and consideration given to whether there was an option for the Mayor to continue to support it through an alternative mechanism.

**Q&A** - Matthew sought clarification as to the current spend on the in/outreach programmes and what was the pressure from the point of view of other services? Sailesh confirmed that the current spend for the outreach programme undertaken for the 6 independent institutions was

approx. £680k. The in/outreach programmes were mostly supported from the combined services element which was a contribution from the LA and combined activities.

## Agenda Item 5: Early Years Central Retained Funding

Presenting: Christine McInnes

### Discussion/ Challenge

The Forum **NOTED** the report submitted by Christine McInnes entitled '*Early Years Block Centrally Retained Funding 2018-19*' which provided an update on the outcome of the public consultation into the closure of the LADNs.

The Forum had agreed to continue the contribution to the LADN for the 1st 6 months of the 2018-19 financial year. The decision to close the LADNs had been agreed by the Cabinet on 26th September and ratified by the Mayor on 31st October after the proposal had been called-in and reviewed by the O&S committee.

Christine advised that there was a protracted process around the closure of the nurseries and it was anticipated that closure would be at end of 2018-19 academic year. The financial pressures remained and the LA would be seeking agreement from the Forum to release the remaining funding originally earmarked for LADNs.

**Q&A** - The Chair queried from which budget the remaining LADN funding came? Sailesh advised that the majority of the costs associated with the closure were held within the General Fund. Its budget which was a drawdown on the General Fund, but the amount of income generated was a component and not a contribution. However, he had only reviewed the retained element which contained £270k.

**Q&A** - Bridget queried what were the costs of the closures? The Forum had not received the breakdown of the budget or detailed plan that was requested by the Forum at its June meeting. The LA had provided the intention, but not the costed budget for the remaining funds.

Christine apologised to the Forum for not providing the information requested, but she would circulate the detailed breakdown of costs presented to O&S Committee.

The cost of closure was currently being scoped out. There was a protracted statutory process to follow in terms of the HR process. The LA's Organisational Change process needed to be enacted regarding restructure, which was due for consultation with staff and unions shortly and would be shared with the Forum in January. During the consultation processes costs would still be incurred. There was also a requirement to maintain the current nursery provision for those 18 children until end of this financial year. The LA had ceased intake in September and those families of the 18 children had been made aware that the provision was only for 1 academic year. The costs appeared disproportionately high due to the reduction in the number of children. In its Fees and Charges report the LA was seeking a decision from elected members to increase the charges. Previous proposals had been unsuccessful.

Christine further reported that the LA was currently undertaking a project on the costs of closure which would be circulated to the Membership on completion. She advised that one of the financial pressures related to the costs of leasing the buildings that still needed to be met regardless of the building being empty.

The Forum sought clarification from the LA that those funds would benefit EY education across the whole family of schools and the quote (reference 2.6.1) rather than supporting statutory services, such as ER/VR or costs relating to leasing buildings?

The Chair suggested that the Forum give consideration to proposing that the remaining funds be shared directly with the maintained nursery schools as the receiving institutions, which provide excellent value for money and a provide a higher qualitative service. It would also benefit the broader group of children and that the £270k funds should not be released to meet costs incurred from the closing the buildings and potential redundancies, which should be met from the General Fund.



Concern was expressed at the level of costs of £15k per child per year when alternative provision was available.

**Q&A** - Sailesh queried whether the decision not to release the funds would disadvantage those 18 children? He reminded the Forum that those salaries which support those individual children still required being met until those children transfer.

Esther Holland advised that the Forum took the decision to withhold the EY Retained funding and it needed to take responsibility for the consequences involved. The Forum had a responsibility to ensure that the process was followed through and that the remaining funding was appropriately spent.

The Forum needed to review the costs involved with the closure before it could make a decision.

The Forum **NOTED** Kim's comment whether the funds could be allocated to ensure that they follow the children regardless of whether they attended maintained nurseries or school nurseries? The £15k would benefit whatever setting chosen.

The Forum **AGREED** that it was not in a position to release the remaining funding without first determining the exact costs incurred from the closure, whether the closure process could be accelerated, rather than elongated into the summer term 2019-20, for which the extra running costs would be enormous. It needed to know from which funding block was the remaining funding was coming from and the implications of NOT releasing the £270k.

The Chair queried whether the Forum would be required to revisit the decision next year and whether the limit which could be centrally retained in the EYBCF was still available? Sailesh confirmed that the regulatory EY proposal of 5% was still available, but that the Forum was not required to make a decision at the January meeting. A decision could be made through a March paper.

The Chair proposed that the Forum move this issue to a constructive dialogue around addressing the wider issue of maintained nursery schools and take a more equitable decision for all children in Tower Hamlets.

Sailesh advised that the budget needed to be set before 28th February, so at the meeting in January the LA would discuss the 2019-20 EY's principal element and retained element as a clarity. The LA would provide a proposal how that would be fully used in the context releasing the funding for remainder of 2018-19.

## Agenda Item 6: High Needs Strategy Working Groups - Update

Presenting: John O'Shea

Discussion/ Challenge

John reported that as part of the request to review the work taking place in the light of the recent HNFB review the pressures identified on the HNFB meant that there would be a projected overspend of approx. £3m in the 2018-19 budget. The review produced the following recommendations:

1. The increase in special schools places had taken place; a thorough needs analysis and projection for those school places had taken place and it was anticipated that by 2021 there would be an additional 120 places within the special school system.
2. The review looked at top-up payments for special schools and resourced places. The underlying principle was to retain an economy of mixed provision in the locale. The LA was currently considering a resource-based provision, which could provide an opportunity to review the current provision and how best it could be supported. It also considered the gaps in the current resource and how the LA could increase the provisions by introducing resource-based provision into other areas to meet other needs.  
  
It was anticipated that the recommendations would be delivered in the summer term.
3. A further work stream needed to be developed with school representation to review the current Banding system for top-up payments. The LA was considering how to use the HNFB

budget more flexibly. The finance team would work in collaboration with representatives from schools on any decisions going forward.

**Q&A** - The Chair queried whether the LA was suggesting that it was moving to a strategy in which the LA was reducing the availability of top-up because the offer of specialist resource-based provision would be improved? John clarified that the area of Top-up needed to be reviewed because the current structure does not allow for flexibility within the HNFB budget e.g. the decision to grant an EHCP was a binary decision. Colleagues in primary schools would be able to potentially identify those children who require additional need and may need to be supported in the short transitions process and may consider that an EHCP may not be the correct method.

**Q&A** - The Chair queried what had been the LA consultation with the wider family of primary schools because there was clarity around the thresholds for EHCP which were not applied for lightly? John clarified that there could be ways in which the LA could support a wider range of pupils by reviewing the HNF Bandings.

Christine confirmed that a consultation had not yet taken place, but that there was an intention to take it forward. The Forum needed to be kept informed of how that the schools funding was being spent. The SLS had been discussed as part of the HNFB review to ensure that any retained funding was aligned to need.

The majority of the funding was spent around top-up banding. The LA was seeking to create resources to target more intervention in the EY. There was an unmet need around pre-diagnosis around autism and the LA had insufficient funds to meet that need. The purpose of the review was to seek ways to free-up funding in order to reinvest in the system around the EYs intervention and would be reviewing the Top-up Banding in collaboration with the Forum. The fund was not being increased to reflect the increase in pupil numbers.

4. There had been a review of the SMEH provision and recommendations were due in January.

The group comprised representative from mainstream schools, the local area, LA and Health and had included presentations from special schools who deal with SMEH.

5. The LA was considering reducing the retained budget - that work focussed around the SLS and the review was expected to continue in to the next academic year and could have the potential to carry over into the autumn term 2019-20.

**Q&A** - Matthew proposed that the Forum support the LA and SEN panel in making those decisions about placements of children, particularly in special schools, to ensure that those children were placed in appropriate settings and that those settings were good value for money. He was concerned that some settings were deciding their own top-up level which was significantly greater and was not good value for money. The Forum **NOTED** the comment.

The Chair reminded the Forum that there were meetings with the Primary, Secondary and Special Consultatives on Wednesday 9th January and their views would be feedback through the Forum vote in January. The additional information which had been requested had been circulated. Clarification on the funding to be de-delegated for Behaviour, Anti-Bullying and SLS would be circulated the Membership.

## Agenda Item 7: Any Other Business

Presenting: All

Discussion/ Challenge

Esther advised that the Forum had not received a breakdown of the TU funding and that the collaborative work between the LA and the TUs in proposing better ways of working between schools and TUs had yet to be concluded. The funding for the TUs remained the same, but NEU combined a lot of the workstream of Unison so there should be a reduction in the funding.

**Q&A** - The Chair asked Christine to provide feedback from the recent Children's TU Forum meeting in which those issues were raised? Christine reported that there had been discussion with support staff unions around why schools should support de-delegation when there is no adherence to the agreed protocols around ways of working collaboratively when there was an issue of redundancy. As a response the LA had agreed to circulate the existing protocol around expectations of behaviour of unions in schools restructure processes. Apart from the teaching

unions there had not been a clear acceptance that there should be transparency and accountability around the funding.

The Chair advised that greater clarity was apparent on the papers which had been circulated in which each TU broke down the number of cases undertaken for each type of contact. There were different charges for Primary and secondary as well as for 1 form-entry Primary schools. There had also been discussion about reducing that charge further. Caroline Pullinger monitored finance to whom a request should be made before January that in light of an underspend that charge could be reduce even further. All the funds de-delegated last year should be exhausted. Any carry forward should be deducted from the proposed funding for 2019-20.

Christine reported that in terms of the working relationship and the contextual piece of work around the TUs, a new Head of Service (HR) came into post 3 weeks ago. She confirmed that piece of work had not been taken forward but it would be raised with HR a matter of concern.

The Chair thanked the members for their hard work and wished them a happy break.

#### Agenda Item 8: Date of Next Meeting

##### Discussion/ Challenge

The next meeting of the School's Forum was scheduled to take place on Wednesday 16th January 2019.

[The meeting concluded at 10:28 hours]

Chair's signature: \_\_\_\_\_ Date: \_\_\_\_\_



Education  
Funding  
Agency

1. Local authorities will be able to fund central services previously funded within the retained duties rate (for all schools), with the agreement of schools forum. They will be able to fund services previously funded within the general duties rate (for maintained schools only) from maintained school budgets shares with the agreement of maintained school members of the schools forum. The split of services between the two groups is shown at Table 6. References are to the schedules in the current [schools and early years finance \(England\) regulations](#).

Responsibilities local authorities hold for all schools (funding may be retained centrally from all schools with agreement of schools forum)	Responsibilities local authorities hold for maintained schools (funding may be retained centrally from <u>maintained schools only</u> with agreement of schools forum)
<b><u>Statutory and Regulatory duties</u></b>	<b><u>Statutory and Regulatory duties</u></b>
<p>Director of children’s services and personal staff for director (Sch 1, 20a)</p> <p>Planning for the education service as a whole (Sch 1, 20b)</p> <p>Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 1, 20d)</p> <p>Administration of grants (Sch 1, 20e)</p> <p>Authorisation and monitoring of expenditure not met from schools’ budget shares (Sch 1, 20fi)</p> <p>Formulation and review of local authority schools funding formula (Sch 1, 20g)</p> <p>Internal audit and other tasks related to the authority’s chief finance officer’s responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 1, 20i)</p>	<p>Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 1, 20c)</p> <p>Budgeting and accounting functions relating to maintained schools (Sch 1, 20d)</p> <p>Functions relating to the financing of maintained schools (Sch 1, 20e)</p> <p>Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 1, 20fii)</p> <p>Monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies (Sch 1, 20h)</p> <p>Internal audit and other tasks related to the authority’s chief finance officer’s responsibilities under Section 151 of LGA 1972 for maintained schools (Sch 1, 20i)</p> <p>Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 1, 20j)</p>

## ESG DUTIES

Responsibilities local authorities hold for all schools (funding may be retained centrally from all schools with agreement of schools forum)	Responsibilities local authorities hold for maintained schools (funding may be retained centrally from <u>maintained schools only</u> with agreement of schools forum)
<p>Consultation costs relating to non-staffing issues (Sch 1, 20r)</p> <p>Plans involving collaboration with other LA services or public/voluntary bodies (Sch 1, 20v)</p> <p>Standing Advisory Committees for Religious Education (SACREs) (Sch 1, 24)</p> <p>Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 1, 20w)</p>	<p>Investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body (Sch 1, 20L)</p> <p>Functions related to local government pensions and administration of teachers' pensions in relation to staff working at maintained schools under the direct management of the headteacher or governing body (Sch 1, 20m)</p> <p>Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 1, 20n)</p> <p>HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition/organisation of staff (Sch 1, 20o); determination of conditions of service for non-teaching staff (Sch 1, 20p); appointment or dismissal of employee functions (Sch 1, 20q)</p> <p>Consultation costs relating to staffing (Sch 1, 20r)</p> <p>Compliance with duties under Health and Safety at Work Act (Sch 1, 20s)</p> <p>Investigation and resolution of complaints relating to maintained schools (Sch 1, 20t)</p> <p>Provision of information to or at the request of the Crown relating to schools (Sch 1, 20w)</p> <p>School companies (Sch 1, 20x)</p> <p>Functions under the Equality Act 2010 (Sch 1, 20y)</p> <p>Establish and maintaining computer systems, including data storage (Sch 1, 22)</p>



## ESG DUTIES

ESG DUTIES	
Responsibilities local authorities hold for all schools (funding may be retained centrally from all schools with agreement of schools forum)	Responsibilities local authorities hold for maintained schools (funding may be retained centrally from <u>maintained schools only</u> with agreement of schools forum)
	Appointment of governors and payment of governor expenses (Sch 1, 26)
<p><b><u>Education Welfare</u></b></p> <p>Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 1, 10c)</p> <p>School attendance (Sch 1, 11)</p> <p>Responsibilities regarding the employment of children (Sch 1, 29)</p>	<p><b><u>Education Welfare</u></b></p> <p>Inspection of attendance registers (Sch1, 11)</p>
<p><b><u>Asset management</u></b></p> <p>Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 1, 10a)</p> <p>General landlord duties for all buildings owned by the local authority, including those leased to academies</p>	<p><b><u>Asset management</u></b></p> <p>General landlord duties for all maintained schools (Sch 1, 10a (section 542(2) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have:</p> <ul style="list-style-type: none"> <li>• appropriate facilities for pupils and staff (including medical and accommodation)</li> <li>• the ability to sustain appropriate loads</li> <li>• reasonable weather resistance</li> <li>• safe escape routes</li> <li>• appropriate acoustic levels</li> <li>• lighting, heating and ventilation which meets the required standards</li> <li>• adequate water supplies and drainage</li> <li>• playing fields of the appropriate standards</li> </ul> <p>General health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc Act 1974).</p>

## ESG DUTIES

Responsibilities local authorities hold for all schools (funding may be retained centrally from all schools with agreement of schools forum)

Responsibilities local authorities hold for maintained schools (funding may be retained centrally from maintained schools only with agreement of schools forum)

Management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012).

### **Central support services**

No functions

### **Central support services**

Clothing grants (Sch 1, 10e)

Provision of tuition in music, or on other music- related activities (Sch 1, 15)

Visual, creative and performing arts (Sch 1, 16)

Outdoor education centres (but not centres mainly for the provision of organised games, swimming or athletics) (Sch 1, 17)

### **Premature retirement and redundancy**

No functions

### **Premature retirement and redundancy**

Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 1, 25)

### **Monitoring national curriculum assessment**

No functions

### **Monitoring national curriculum assessment**

Monitoring of National Curriculum assessments (Sch 1, 23)

### **Therapies**

No functions

### **Therapies**

This will be covered in the high needs section of the regulations

### **Additional note**

Services set out in the table above will also include overheads relating to these services (regulation 8(11) already refers to this for schedule 2 services) for:

- Ensuring payments are made in respect of taxation, national insurance and superannuation contributions (sch 1, 20e).

- Recruitment, training, continuing professional development, performance management and personnel management of staff (Sch 1, 20k)

Responsibilities local authorities hold for all schools (funding may be retained centrally from all schools with agreement of schools forum)

Responsibilities local authorities hold for maintained schools (funding may be retained centrally from maintained schools only with agreement of schools forum)

- Investigations of employees or potential employees, with or without remuneration (Sch 1, 20l)
- Investigation and resolution of complaints (Sch 1, 20t)
- Legal services related to education functions (Sch 1, 20u)

**ESG duties may be funded from centrally retained schools block funding with agreement of schools forum**

## AGENDA ITEM 4 - APPENDIX 1

### De-delegation- business cases for schools forum

At budget setting time each year, Schools Forum will be asked to approve the de-delegation of funding for centrally provided support in the following areas.

1. School Specific Contingency
2. Free School Meal Eligibility Assessment
3. Licences and Subscriptions
4. Staff Supply Costs
5. Behaviour Support and Anti-bullying

De-delegation will be based on a per pupil formula which is considered to be a fair way of accounting for the size of the school and its budget. On this basis, for each item we have provided figures on the overall expenditure and the per pupil rate.

These figures are Final based on the number of maintained schools currently and the prevailing rates for 2019/20. **Schools Forum in January 2019 for a final decision** on each of the five services by primary school representatives and secondary school representatives on whether de-delegation should apply for 2019/20.

## 1. Schools Specific Contingency

- Amount requested: £436k expected to be sought as de-delegation.
- Per pupil amount: **£14.93**

The table below shows what is funded by this money

Item	Amount (£k)
<b>Schools Block Contingencies' Include:</b> i. Exceptional unforeseen costs which it would be unreasonable to expect governing bodies to meet; ii. Schools in financial difficulty; and, iii. Additional costs relating to new, reorganised or closing schools.	436

### ***What is provided?***

The contingency fund provides for unforeseen expenses in schools during the year. This can include, for example, significant unforeseen and urgent maintenance expenditure (eg asbestos removal; roof repair) and litigation including compensation claims. The contingency also allows funding for significant pupil growth within the year, but that element will be automatically retained, without de-delegation.

### ***Why de-delegate***

There are a range of possible scenarios that can give rise to unforeseen costs in schools. Without a central fund, individual schools facing an unforeseen significant cost may find themselves unable to operate within their delegated budgets. Individual schools may not by themselves be able to build up sufficient contingency to cover this.

## 2. Free school meals eligibility assessment

Amount requested: £113k

Per pupil rate: **£3.86**

The table below shows what is funded by this money:

Item	Amount (£k)
SLA with the Council's Housing Benefit Service	£113

***What does the service provide?***

The service assesses pupils' eligibility for free school meals, either as part of the Housing and Council Tax Benefit claim process or on referral from schools/ other agencies. The service notifies individual schools on a regular basis of their pupils' eligibility. The service also conducts take up campaigns on behalf of schools.

***Why de-delegate?***

Providing this service centrally, as part of a service that specialises in assessing benefit entitlement, means that efficiencies can be gained by direct access to DWP information about claimants' entitlement. In addition, the process is integrated with housing and council tax benefit claims, reducing the burden for claimants. Administration at individual school level would be burdensome as entitlement checking would have to be done manually (by paper copies of claimants' entitlement.) Resources can also be used to run effective campaigns resulting in increased take up.



### 3. Licences and Subscriptions

Amount requested: £24k

Per pupil rate: **£0.80**

The table below shows how this funding is used:

Item	Amount (£k)
ALPS (data analysis tool for secondary attainment) CLEAPS – To cover schools from nursery to sixth form – Health & Safety and curriculum support. British Path – provides schools with access to archive material which the British Path owns including footage of major 20th century events.	24

#### ***What does the service provide?***

A number of licenses/ subscriptions are purchased centrally on behalf of schools as set out in the table above.

The DfE have negotiated a national agreement for the following Licences:

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

This means that the authority will be able to hold funding for all maintained schools and academies and pay the DfE for that service. So, schools will no longer be required to maintain individual licenses and, £229k has been deducted from the overall total to arrive at the figures above.

#### ***Why de-delegate***

Purchasing and managing licenses and subscriptions centrally offers significant efficiency benefits from the Council administering the licenses centrally and discounts if buying on behalf of all schools. This also ensures that schools meet all legal requirements, particularly in relation to the use of recorded media as part of their curriculum.

#### 4. Trade Union

Amount requested: £175k

Per pupil rate: **£6.00**

The table below shows what is funded by this money:

Item	Amount (£k)
Backfill cover for Trade Union (TU) facilities time	175
Cost of non-teaching trades union facilities time	
<b>Total</b>	<b>175</b>

#### ***What does the service provide?***

The TU Facilities Agreement ensures that representatives are available to enable Schools to participate in collective bargaining and consultation processes. TU Reps also accompany staff to formal meetings in accordance with an employee's statutory right which enables Schools to progress formal actions under HR Procedures.

#### ***Why de-delegate?***

Holding these budgets centrally enables schools to share the costs of supply cover to support the Tu facilities time agreement, and ensures that individual schools who employ shop stewards are not disadvantaged.



## 5. Behaviour Support and Anti-Bullying

Amount requested: £98K

Per pupil rate: **£2.84 Primary**

**£4.44 Secondary**

The table below shows what is funded by this money- we have managed to keep the per pupil cost at the same cost as 17/18, salaries do not include on-costs but have risen to reflect a 2% rise in teachers' salaries and increased pension contributions from Sept 2018. Due to reducing service budgets, it is likely that we may need to include on-costs in the future.

Item	Amount (£k)
Staffing (Behaviour Support Team) 2fte for specialist teaching staff <ul style="list-style-type: none"><li>➤ 1 x post for Primary Behaviour Support and Anti-bullying</li><li>➤ 1 x post for Secondary Behaviour Support and Anti-bullying</li></ul>	86.5K
Stonewall fee and resources	£1.5K
Budget Holding Lead Professional Resources for SIP	£10K
<b>Total</b>	<b>£98K</b>
<b>Per pupil cost for Primary</b>	<b>£2.80</b>
<b>Per pupil cost for Secondary</b>	<b>£4.44</b>

***\* Please note this per pupil cost is for all pupils in the primary and secondary cohorts and, in order to deliver the service at this cost, all schools will need to agree to fund the core offer. Academies and Free Schools cannot choose to de-delegate so would be charged through a Service Level Agreement.***

### ***What does the service provide?***

De-delegated "Behaviour Support", in Tower Hamlets relates to work with a wide range of vulnerable pupils, the majority of which are overseen by the Social Inclusion Panel (SIP) and the Fair Access Panel (FAPP) and/or supported through the Behaviour Support Team. This cohort includes those at risk of exclusion from school, social isolation and emotional distress from bullying and poor outcomes due to multiple vulnerabilities. The Behaviour and Attendance Partnership, to which all Tower Hamlets Schools belong, has identified that they are committed to taking collective responsibility for this cohort and ensuring their outcomes improve.

### ***What does the De-delegated funding cover?***

#### **A) 2fte behaviour support and anti-bullying teacher posts, 1 primary and 1 secondary**

Interventions are focussed on:

##### Work with pupils with SEMH who do not have an EHCP includes:

- Targeted work with children and families where there is a high risk of permanent exclusion and targeted work with complex cases to prevent escalation to Tier 3 interventions.
- Behaviour Assessments and plans for children with emerging SEMH concerns. This includes advice, training and support for staff in implementing strategies and intervention programmes such as PSPs.
- Casework with complex admissions cases under the FAP/SIP
- Transition support from primary to secondary for vulnerable groups
- Restorative Justice conferencing to resolve conflicts between individuals or groups of students.
- Anti-bullying and cyber-safety intensive casework

*NB – without this resource the only behaviour support work with pupils on offer would be for those with a statutory EHCP.*

##### Whole School Work with schools on behaviour and exclusions has included:

- Systemic work with schools where local data or national inspections have identified Personal development, Behaviour and Welfare may be a cause for concern. This would include whole school work to identify areas for development, reduce exclusions and improve Behaviour for Learning and social inclusion.
- Whole school Inclusion reviews
- Anti-bullying support and cyber-safety for assemblies, lesson planning and staff training
- Preparation and support for Ofsted
- Immediate access to advice and guidance to Headteachers, SENCOs and Behaviour Leads on complex cases, reducing exclusions and providing reintegration planning following exclusion
- Annual exclusion reports and analysis for schools.
- Advice and guidance to Headteachers and Behaviour Leads on exclusions.
- Budget Holding Lead Professional resources to enable SIP to fund innovative solutions to intractable problems where no other budget exists. This includes emergency transport or guiding support for those otherwise unable to get to school and equipment costs where no other

budget exists. (£10K) \*Overhead costs incurred in service delivery are subsumed in all the staffing / SLA costs

### ***Why de-delegate?***

- Most funds for behaviour support work have already been delegated to schools so they can buy in behaviour expertise externally, as and when required. However, the funds above are targeted at the most critical cases, on the cusp of permanent exclusion or other Level 3 interventions such as YOT or Social Care. Such cases can be complex, require ongoing support and intervention and be very costly for an individual school. Providing this support centrally means that the most critical behaviour issues can be managed swiftly as they arise and without the additional costs falling on individual schools.
- Exclusions in both primary and secondary schools are rising, although from a very low base and schools have fewer internal resources to support children at risk of exclusion.
- The DfE and Ofsted have recently focused a lot of attention on the rates of exclusions in schools and there are strong indications that the rate of exclusion and a school's actions to reduce these will have a strong emphasis in the next Ofsted inspection framework.
- The team received 187 requests for interventions last year but only a very small number of schools were able to afford to buy-in at the daily/SLA rate. De-delegation allows for the family of schools to support each other and their community by spreading the cost and allowing for a swift response when needs arise.
- There has been a sharp rise of concerns are being reported to Ofsted and to the Local Authority/ Council members by parents concerned about peer on peer bullying in schools and what they consider to be the failure of the schools to address it. In a number of instances this has escalated into incidents between the parents of the children and also in some cases between the parents and school staff members. The anti-bullying work undertaken assists in addressing and resolving issues between children but also facilitates restorative work between parents and between parents and school staff.
- It also enables prompt deployment of support where Ofsted and/or schools themselves identify a cause for concern regarding behaviour, bullying or safeguarding, which requires systemic advice and in-depth training and guidance. The expertise in the team can provide strategic support to schools and the Behaviour and Attendance Partnership, the Fair Access Protocol, the Social Inclusion Panel as well as to the Local Authority.

## Further information on the Behaviour Support Team

<p><b>Individual Pupil Interventions:</b></p> <p>Most interventions completed by the Behaviour Support Team include a minimum of 10 contacts per case.</p> <p>In the previous year, we received 187 referrals for interventions which required a period of support and intervention. This figure does not include advice and support given over the phone or by email.</p> <p>All of these were allocated within 2 weeks.</p> <p>15 schools accessed individual case support for bullying concerns.</p> <p>An average of 5 contacts from parents per week were made to the Anti-bullying Lead to seek help with concerns.</p> <p>3 Ofsted complaints from parents were resolved and at least one members' enquiry per week.</p> <p>Behaviour Support Team interventions are consistently rated 4.7-4.8 out of 5 in the Annual Survey conducted with schools.</p> <p>Over 90% of pupils referred for intervention following a fixed term exclusion were not excluded again in the next 12 month period.</p>	<p><b>Behaviour Assessments:</b></p> <p>Specialist assessment of individual children to identify needs and provide strategies to meet these.</p>	<p>Schools/families provided with in-dep assessment and strategies to improve behaviour and reduce risk of exclusion</p>
	<p><b>Pastoral Support Plans:</b></p> <p>Advice and detailed guidance provided in implementing PSPs to reduce risk of exclusion</p>	<p>Training and support for process and guidance for individual cases received by schools</p>
	<p><b>Transition Support</b></p> <p>Support and case co-ordination for pupils vulnerable at the point of transition from primary to secondary schools</p>	<p>Pupils referred are supported through the transition in the Summer term and into the Autumn term at secondary.</p>
	<p><b>Exclusion Advice and guidance for individual cases</b></p> <p>Schools seeking information and guidance regarding pupils who are at risk of exclusion</p>	<p>Immediate, detailed advice and guidance given to schools about cases where pupils/groups of pupils are facing exclusion.</p>
	<p><b>Restorative Justice Conferencing</b></p> <p>Intervention to support the resolution of conflict between pupils/groups of pupils that has placed them at risk of exclusion</p>	<p>Schools can refer pupils/groups of pupils for mediation and the support of a Restorative Justice conference to resolve high level conflicts.</p>
	<p><b>Early intervention support for complex cases:</b></p> <p>Identified at point of entry to LBTH or transfer of school. Support for transition to reduce risks of failed place/exclusion. Identification of potential safeguarding risks. Parental support needs identified. Schools provided with advice/guidance and planning support</p>	<p>Individual pupils and families supported through home visits CAF/TAC process until identified action completed or new placement secure</p>
	<p><b>Ongoing co-ordination of FAP/SIP individual cases:</b></p> <p>Complex cases with multi-agency support plans that need co-ordinating during change of placements /integration/re-integration</p>	<p>Individual support through home visits</p> <p>EHA /TAC processes completion or review</p> <p>LP role , support / advice to families.</p> <p>Liaison with out-of-borough agencies/schools</p>

	<p><b>Response to bullying complaints raised by parents through Ofsted/governing bodies/Members' enquiries:</b></p> <p>Cases where concerns over bullying or school disciplinary processes have resulted in a breakdown of relationships and the need for external support for resolution</p>	<p>Casework and support. Liaison with parents and schools on the management of such cases in terms of education and attendance.</p>
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<p><b>Whole school work:</b></p> <ul style="list-style-type: none"> <li>• Policy review</li> <li>• Whole school/group training</li> <li>• Whole school Behaviour/Inclusion reviews/'Health' checks</li> <li>• Department reviews</li> <li>• SENCO support</li> <li>• Exclusion monitoring and analysis to support schools where exclusions are rising.</li> </ul>	<p>Schools supported to improve consistency of practice re promoting positive behaviour for learning practices within a school setting</p>
<p><b>Training:</b></p> <p>Bespoke training sessions on a range of topics from social skills to improving positive behaviour, cyber-safety and promoting inclusion.</p>	<p>Schools provided with training to suit identified development needs of staff and governors, improve Positive Behaviour for Learning and reduce the risk of exclusions.</p> <p>Anti-bullying training included: Cyber safety sessions to parents in six schools at their request; organised a conference for post-16 LGBTQ students and their allies; delivered training to governors and learning mentors in 10 schools.</p>



**AGENDA ITEM 05**

**Title of report: Central School Services Block**

**Author of the paper: Steve Worth / Sailesh Patel**

**Officer to present the paper to Schools Forum: Sailesh Patel**

**Details on who has been consulted on this paper to date:**

**Executive Summary.**

The report:

1. Sets out the background to the Central Schools Services Block and the allocation for 2019-20.
2. Recommends the funding of former Education Services Grant retained duties.
3. Recommends the funding of statutory ongoing duties.
4. Recommends the funding of historical commitments.

**Details of recommendations and timescales for decisions:**

**Schools Forum is asked to:**

1. **Agree the retention of the funding for the former Education Services Grant retained duties.**
2. **Agree the retention of funding for statutory ongoing duties.**
3. **Agree the retention of funding for the historical commitments set out in Section 4.**

## 1. Central School Services Block (CSSB).

1.1. The Central Schools Services Block of the Dedicated Schools Grant (DSG) was created in 2018-19. It brought together centrally retained budgets transferred from the Schools Block and funding for duties retained for both maintained schools and academies. The latter was previously funded from the Education Services Grant (ESG).

1.2. The funding the Authority receives is made up of two elements:

- Funding through a national formula for ongoing responsibilities such as admissions and former ESG services. For 2019-20 the allocation is £2.029m.
- A lump sum element of £2.782m for historical commitments. The Education and Skills Funding Agency (ESFA) expects this element to be reducing and the lump sum will fall in future years.

1.3. The CSSB in total is £4.811m for 2019-20, a reduction of £40k compared with 2018-19 and £69k compared with the 2017-18 baselines.

1.4. The aim of the CSSB is to improve transparency and recognise the continued need to use DSG funding (within laid out parameters) to fund centrally managed commitments which support front line and support service functions.

## 2. Former Education Services Grant (ESG) Services.

2.1. Various education services were funded through the ESG. In 2016-17 the ESG had been £3.739m but the grant was phased out in 2017-18. An element for retained duties, set out in **Appendix 1**, was transferred into the CSSB. The amount transferred was £0.63m and for 2018-19 Forum agreed that this could be retained centrally.

2.2. LAs are able to supplement this sum for services for maintained schools through de-delegation; this is dealt with in Section 5 of the Schools Block Strategy Report on this agenda.

2.3. Table 1 sets out the current total budget for former ESG funded services and the proposed contributions from the CSSB and de-delegation. Please note that the proposed contributions **only cover 40% of the former grant**.

2.4. At its meeting on 5<sup>th</sup> December 2018, Forum asked for clarification on what is included within the School Improvement Line in Table 1. The £366k is made up of:

- Learning and Achievement Management and Administration, £83k.

## Schools Forum.

- Primary Schools Development, £55k.
- Induction Training, £4k,
- Secondary Schools Development, £66k.
- Professional Development Centre, £157k.

These are net costs and include corporate overheads and capital charges. Members should note that these are funded from the General Fund and not the DSG and therefore fall outside the Forum's remit.

- 2.5. The Authority is seeking Forum's approval to continue to retain the £0.63m (in bold in Table 1) as a contribution towards its statutory duties.

**Table 1: Former ESG Budgets (2018-19) and Proposed CSSB and De-Delegated Contributions.**

Category	Total	CSSB	De-delegated	General Fund
	£000	<b>£000</b>	£000	£000
Statutory and regulatory Duties	1,553	<b>358</b>	291	904
School Improvement	366	<b>0</b>	0	366
Education Welfare	1,243	<b>229</b>	199	815
Asset Management	419	<b>43</b>	37	339
Central Support services	480	<b>0</b>	102	378
Redundancy & Early Retirement	1,481	<b>0</b>	235	1,246
<b>Total</b>	<b>5,542</b>	<b>630</b>	<b>864</b>	<b>4,048</b>

### 3. Ongoing Duties.

- 3.1. Table 2 sets out the other statutory duties the Authority must provide and the current budget allocations. The Authority is recommending the continued retention of this funding. Additional information is provided in **Appendix 2**.

**Table 2: CSSB Ongoing Duties.**

Section 251 Budgeted spend	£000
1.4.2 School admissions	699
1.4.3 Servicing of schools forums	30
1.4.8 Fees to independent schools without SEN	510
1.4.13 Other Items (copyright licenses)	229
<b>Ongoing Duties (non ESG)</b>	<b>£1,468</b>

#### 4. Historic Commitments.

4.1. Historic commitments are contributions agreed by Forum in the past. No new commitments could be entered into after 31 March 2013 and the ESFA expects these budgets to be reducing.

4.2. Historic commitments fall into two categories:

- Where DSG funding was combined with other income sources so as to contribute to services that benefitted the education of children in general. The requested contribution to this is **£1.596m**, as set out in Table 3. This allows for the funding reductions of £69k set out in Section 1.3.
- Where savings had been generated within the DSG but gave rise to costs outside of it, such as redundancy costs arising from rationalisation in school organisation, such costs could be charged to the DSG. The requested contribution to this is **£1.117m**.

**Table 3: Historic Contribution to Combined Budgets.**

<b>Item</b>	<b>£000</b>
Education Psychology	188
Children in Public Care	370
Enrichment	52
Legal	26
Clothing Grant	201
Weekend GCSE Classes	21
In-Reach/Out-Reach Work	738
<b>Total</b>	<b>1,596</b>

4.3. Forum is asked to approve the continued retention of these contributions.

#### 5. Summary.

5.1. The overall position for the 2019-20 CSSB is set out in Table 4.

**Table 4 Summary of CSSB proposals for 2019-20.**

<b>Description</b>	<b>£000</b>	<b>£000</b>
<b>Allocation</b>		<b>4,811</b>
Proposed Use:		

Schools Forum.

Former ESG Services	630	
Ongoing Duties	1,468	
Historic Commitments – Pension and redundancy from historic restructures pre 1st April 2013.	1,117	
Historic Commitments – Combined Budgets	1,596	
<b>Total Proposed</b>		<b>4,811</b>

## **Appendix 1: Retained Duties for Maintained Schools and Academies.**

*DfE guidance on central provision within the schools budget for former ESG retained duties is given below (line numbers refer to those in the statutory annual return).*

In 2018-19 that part of the ESG which related to retained duties (those that apply to both maintained schools and academies) has been added to the DSG. This provision will now fall within the Schools Budget, provided it is funded out of DSG.

### 1.5.1 Education welfare service

Include here the following expenditure:

- Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)
- School attendance (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)
- Responsibilities regarding the employment of children (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)

### 1.5.2 Asset management

Include here the following expenditure:

- Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)
- General landlord duties for all buildings owned by the local authority, including those leased to academies.

### 1.5.3 Statutory/ Regulatory duties

Include here the following expenditure:

- Director of children's services and personal staff for director (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)
- Planning for the education service as a whole (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)
- Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)
- Administration of grants (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)
- Authorisation and monitoring of expenditure not met from schools' budget shares (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)
- Formulation and review of local authority schools funding formula (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)
- Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)
- Consultation costs relating to non-staffing issues (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)
- Plans involving collaboration with other LA services or public/voluntary bodies (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)
- Standing Advisory Committees for Religious Education (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017)

## Schools Forum.

- Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Schedule 1 to the Schools and Early Years Finance (England) Regulations 2017).

**Appendix 2: Ongoing Duties.**

**1. Admissions.**

The Admissions Service discharges the local authority's statutory duties in respect of school admissions and school place planning, adhering to legalisation and statutory guidance laid by central government. The Service works to ensure that every child in the borough has access to a school place. Statutory duties include:

- a. To be responsible for securing that sufficient education is available to meet the needs of the population in their area.
- b. To be responsible for securing sufficient primary and secondary schools in their area.
- c. To comply with the legislative Code on Admissions in exercise and discharge of local authority functions in relation to admissions under the School Standards and Framework Act (SSFA) 1998. The SSFA and relevant regulations confers a number of duties which require the LA to carry out different functions at different times of the admissions cycle.
- d. A local authority shall make arrangements for enabling the parent of a child to appeal against admissions decisions.
- e. To provide advice and assistance to parents when deciding on a school place and allow parents to express a preference.
- f. Reports by local authority to the adjudicator about matters relevant to schools admissions as may be required by the School Admissions Code.
- g. For each school year, the local authority must publish the prescribed information about the admission arrangements for each of the maintained schools in their area, and if regulations so provide, such maintained schools outside their area.

**2. Servicing of Schools Forums.**

A local authority is required to establish a schools forum in its area and is allowed to retain costs relating to the establishment and maintenance of the forum as well as costs of consultations. The retained budget covers the cost of arranging and clerking meetings and officer support to the Forum.

**3. Fees to Independent Schools for Pupils without SEN.**

Fees or expenses payable in respect of pupils without SEN at a specialist and non-maintained institution. This relates to pupils on remand and other social care.

**4. Licence Fees.**

These are licence fees negotiated nationally by the Secretary of State for Education. This is a consultation item as the charge is automatically deducted from the DSG and Forum's permission to retain this item is not required.



## TRADE UNION FACILITY TIME FOR TEACHER UNIONS

### 1. BACKGROUND

- 1.1 A local Trade Union Facility Agreement, consistent with the national agreement set out in Appendix 3 of the Burgundy Book means that, as the employer, LBTH meet their legal obligations in respect of providing facilities and time to enable local trade union representatives to fulfil their roles.

(Note: see <http://www.acas.org.uk/?articleid=2816> for further information on legal entitlement to paid release).

- 1.2 As part of the agreement trade union officers of each teacher union have been allocated an amount of time in which local officers are released from their normal duties to take part in trade union work.
- 1.3 This is called Facility Time and funding is allocated to this to reimburse the schools where local officers are employed, on the principle that schools should not suffer any financial loss as a result of staff members being released for these purposes.
- 1.5 Until 2014 funding for this was held as part of the central budget by the Local Authority.
- 1.6 Changes made in 2014 mean that this money is first given to schools, who can then make a decision to give it back the Local Authority through the process known as de-delegation.
- 1.7 Where schools become academies, unions seek a formal recognition agreement, a key part of which is seeking agreement for each academy to “buy-in” to local arrangements for facility time – currently all academies in Tower Hamlets have agreed to do this.

### 2. BENEFITS OF POOLED FACILITY TIME

- 2.1 We believe that the benefits of pooling facility time have been well rehearsed and are understood and can best summed up by various documents produced by trade unions including the NAHT motion to the TUC in 2016 (attached). These include:
- a) Joint working between trade union representatives and school leaders who understand the provision for staff in the school.
  - b) Access to informal advice and support on employment issues from local representatives who understand school issues because they work in schools themselves.
  - c) Prompt response to all requests for contact or support from trades union, or professional association, representatives who work in local schools.
  - d) Sharing of good practice and ideas between establishments.
  - e) Schools and their staff are kept abreast of issues on the national trade union agenda and pertaining to collective agreements.
  - f) Availability of a pool of specialist trades union representatives able to consult meaningfully with the Local Authority on proposed changes to HR and pay policies on behalf of all maintained schools and academies. This saves individual schools having to consult with the trades unions independently.
  - g) Information provided by schools to enable meaningful consultation with the trades unions is treated sensitively.

- h) Employees' concerns and grievances are addressed 'behind the scenes' wherever possible, in a way which prevents sensitive issues escalating into confrontation involving formal procedures which can be extremely costly in both senior leadership time and money.

### **3. TIME ALLOCATED TO TEACHER UNIONS**

3.1 The time allocated to teacher unions has historically amounted to 2.4 fte

3.2 This has been divided between the unions on a proportionate basis of:

NEU	1.8 fte
NASUWT	0.4 fte
NAHT	0.1 fte
ASCL	0.1 fe

Each union then allocates the time in the best way to represent its members individually and collectively in Tower Hamlets and this represents a fair and proportionate distribution of facility time.

### **4. HOW IS FACILITY TIME USED?**

4.1 Facility time is used by local officers to:

- take part in consultation and negotiation on collective issues with the Local Authority and schools
- seek, and represent, the views of union members on a range of issues
- provide, advice, support and representation to individual members who are subject to procedures or facing difficulties
- receive training so that they are fully informed about latest developments in education, employment law and matters relating to teachers
- provide information, advice, support and training to school Reps
- offer advice on Health & Safety and other matters relating to conditions at work
- attend meetings at national and regional level for their union

4.2 It should be noted that advising, supporting and representing members may not always involve attending meetings in a school, but could involve meetings or conversations with members which prepare them for a meeting or advise them on their rights, responsibilities and entitlements.

### **5. SUPPORT FOR MEMBERS AND SCHOOLS**

5.1 Since September 2017 the NEU can identify 60 primary schools, 19 secondary schools, 2 nursery schools and 4 special schools in which we have been involved to support members either on an individual basis or collectively.

5.2 A look at recent call and email logs show that we receive between 10-15 queries a day which require an answer.

5.3 Some of the issues we have dealt with through this engagement are:

- Difficulties with NQT induction
- Leave of absence/flexible working
- Pay appeals
- Capability

- Disciplinary
- Grievance
- Sickness Procedures
- Termination of contract
- Maternity leave
- Restructuring/redundancy consultation
- Consultation on school policies
- Child protection/suspensions
- Academy conversions
- Changes to school day
- Settlement Agreements
- DBS queries and problems
- Conflict resolution between staff who may be members of the same union

## **6. BREAKDOWN OF CASES REQUIRING INVOLVEMENT OF NEU OFFICERS**

6.1 Below is a breakdown by various categories of how the time of NUT officers has been used in advising or representing members in local schools:

- Academy conversions/TUPE 4
- Capability 19
- Changes to school day 2
- Child protection/DBS queries 12
- Contracts/working time 16
- Disability equality 7
- Discipline 27
- Discrimination/Harassment 9
- Flexible working/Leave of Absence 12
- Grievance 6
- Health & Safety 8
- Mediation 5
- NQT induction 4
- Parental complaints 3
- Pay queries/appeals 31
- Policy consultation 6
- Restructure 11
- Settlement Agreements 13
- Sickness/return to work 20
- Staffing reductions 8
- Workload/Directed Time 31

**TOTAL 254**

# SUPPORT FOR MEMBERS AND SCHOOLS

## UNISON

We can identify the direct involvement of rep in 60 schools in the last year. This doesn't include all phone consultations with members where these do not lead on to any formal process – we deal with more than 50 calls per week from schools based staff.

50 Primary Schools

11 Secondary schools

4 Nursery schools

7 Special schools

As well as direct involvement there is significant time spent on advising and supporting local reps.

The issues dealt with include:

- Capabilities
- Changing school working hours
- Child protection/ safeguarding issues
- Conflict Issues
- Consultations on procedures
- Consultation on NJC pay
- Contracts
- DBS queries
- Disciplinarys
- Equalities and disability – access to reasonable adjustments
- Equalities and discrimination issues
- Flexible working arrangements
- Grievances
- Health and Safety
- Investigation Meetings
- Job evaluations
- Leave and special leave entitlement
- Maternity issues
- Pay/Grading Issue
- Pensions
- Qualification requirements
- Redundancy Issues
- Restructures
- Schools converting to Academies
- Settlement Agreements
- Sickness procedures
- Suspensions
- Termination of Employment
- Training
- TUPE
- Workload queries
- Whistleblowing

We have around 1592 members in schools.

We have two officers dealing predominantly with schools whose combined time is 37.5 hours per week, term time only.

However other branch officers also get directly involved in a range of situations such as major issues (eg restructures, academy conversion etc.); advice and support for complex cases; and consultative mechanisms and other joint processes such as job evaluation.

**NASUWT** can identify that we have direct involvement with members in just over 55 schools in the borough: primary, secondary and pupil referral units. Since September 18 I have represented members with issues such as:

Data Breach

Workload

Pay increase

Flexible Working

Pay and Conditions

Health and Safety

- Capabilities
- Disciplinarys
- Sickness procedures
- Suspensions
- Settlement Agreements
- Grievances
- Conflict Issues
- Schools converting to Academies
- Restructures
- Capabilities
- Disciplinarys
- Sickness procedures
- Settlement Agreements
- Grievances
- Conflict Issues
- Schools converting to Academies
- Restructures
- Flexible working arrangements
- Changing school working hours
- Job evaluations
- Leave and special leave entitlement
- Equalities and discrimination issues
- Equalities and disability – access to reasonable adjustments
- Training
- Workload queries

This represents a small amount of what we do as Local Officers. Many hours are spent on phone calls, meeting members to discuss issues, casework prep attending various meetings in the borough.

## **GMB Activity and Membership levels in schools**

### **SUPPORT PROVIDED FOR MEMBERS AND SCHOOLS**

Since September 2017 the GMB can identify 56 primary schools, 14 secondary schools and 5 special schools in which we have supported members.

GMB has seen an increase of membership within schools since the last report we have gone from 1,035 members to **1,100** members.

Below is a breakdown by categories of how the time of GMB representatives have used facility time in advising or representing members in local schools.

Disciplinary	12
Meeting pertaining to Disciplinary	55
Grievance	14
Meeting pertaining to Grievance	41
Contracts/Working Time Enquires	16
Sickness	37
Informal Meeting to resolve issues	20
Health & Safety	5
Academy Conversations/TUPE	1
Discrimination/Harassment	7
Flexible Working	8
Capability/ Pre Meeting associated	10
Suspension Meeting	2
Re-Structure	6
Meeting pertaining to Restructure	36
Policy Meeting	3
Settlement Agreement	3
Pay Queries	13
Job Evaluation	40
General Enquires average per week	30
<b>Total</b>	<b>359</b>
<b>GMB Membership across Schools</b>	<b>1,100</b>

## Some number crunching to inform discussion on TU facility time

### STAFF

Teachers	3,251
Support staff	4,727
<b>TOTAL</b>	<b>7,978</b>

### PUPILS

Primary	19,794
Secondary	8,486
Special	583
Academies	8,725
<b>TOTAL</b>	<b>38,588</b>

### TEACHER UNION MEMBERSHIP

NEU	2,479 (76%)
NASUWT	approx. 500
NAHT	206 (6%)
ASCL	60 (2%)

*Note: teacher union density is approximately 92% nationally*

## **NAHT motion to TUC Congress 2016**

Congress notes the crucial role that facilities time plays in schools in allowing representatives of all teacher, management and support staff trade unions to assist and represent their members in schools on issues of conditions of service.

Congress further notes that trade union facility time enables union representatives to carry out demanding and complex roles, to advise and formally represent members in grievance and disciplinary hearings and negotiate terms and conditions with employers.

This provides support to employees but also a route to working with employers to achieve the best outcomes on issues of conflict and resolve local issues as swiftly as possible, thereby reducing the risk of relationship breakdown and/or litigation.

Congress calls on the government to:

- i) guarantee facilities time throughout education, in both local authority maintained and academy schools
- ii) ensure that the ability for schools to 'de-delegate' funding to a local authority is maintained in any reforms to education funding
- iii) note that facilities time saves money in the public sector by dealing with issues in a way that avoids conflict, litigation and industrial action.

Congress calls on the General Council to:

- a) lobby the government to retain facilities time within all schools
- b) work with all unions to protect facilities time across the public sector.



**AGENDA ITEM 07**

**Title of report:** School Meals Service Update to Schools Forum

**Author of the paper:** Jenny Pittam, Interim Head of Contract Services

**Officer to present the paper to Schools Forum:** Sailesh Patel

**Details on who has been consulted with on this paper to date:**

John Biggs – Executive Mayor

Debbie Jones, Corporate Director of Children’s Services

Ronke Martins Taylor – Divisional Director Youth and Commissioning

Neville Murton, Sailesh Patel and Sandra Smith, Finance

Angela Birch and Somen Banerjee, Public Health

Jonathon Fox, Legal Services

**Executive Summary**

This report provides Schools Forum with an update on a change to the way the Mayor’s Free School Meals Programme will be funded and the introduction of a legal Memorandum of Understanding (MOU) between primary schools and the local authority from 22 April 2019.

**Actions required:**

1. Schools Forum is invited to **comment on** the proposed changes raised in the report.

## Background

1. Since 2014 it has been the Mayor's priority to provide free schools meals to all primary school children in key stage 2. In 2017/18 £3,556,761 was spent and approximately £1,000,000 per annum of the programme's budget comes from the Public Health.

## Main report

2. It has been highlighted that schools can generate a surplus from the Mayor's programme and as this was not the intended outcome of the programme's funding, various approaches to addressing this issue have been discussed. Following a meeting with colleagues from Contract Services, Finance, Public Health and Legal Services, the following action has been agreed and will be introduced in April 2019:

- 2.1. **Introduction of Terms and Conditions for the Mayor's Free Schools Meal Programme:** A legal Memorandum of understanding (MOU) between Primary Schools and the Local Authority regarding the Mayor's Free School Meal programme will be introduced. Legal Services have drafted this document and it is attached at Appendix 1. A summary of the key terms and conditions are set out below:

- 2.1.1. **Payments for actual meals provided:** Currently, schools are reimbursed by the Mayor's programme on the basis of the average number of school meals identified from the school census data. The MOU states that schools are to be reimbursed only for the actual number of meals served paid monthly in arrears. The financial saving will be the difference between census data and actual number of meals taken.

- 2.1.2. **Refund Primary Schools that are no longer receiving school meal provision from Contract Services only for the value of the actual contracted price subject to that price not exceeding £2.30.** For Primary Schools that are out of contract (i.e. the school manages their catering provision in-house; or have an external provider), the school will have to confirm and provide evidence to the Finance Team of their contracted meal price. For example, if the meal price is £2.10 then only £2.10 per meal would be refunded to the school to a maximum limit of £2.30 per meal. This recommendation will negate the opportunity for schools to profit from having a cheaper meal price offering.

- 2.1.3. **Expectation of high quality school meal provision:** the Mayor's programme terms and conditions states clearly that a high quality and healthy school meal provision should be delivered and maintained by all schools being reimbursed by the programme. All schools must meet as a minimum the School Food Standards set by the Government – School Food Standards Checklist (see Appendix 2) which became mandatory in January 2015.

- 2.1.4. **Tower Hamlets Public Health and the Healthy Schools Team are working towards enhanced Food Standards** that will exceed those set by

the Government's School food standard referred to above. The new Food Standard, which will be ready and will come into effect at the start of the new academic year in 2019, will focus on supporting pupils to make better, healthier choices and to live longer, healthier lives free from avoidable, diet related conditions by reducing the sugar content and, improving the nutritional content of school food and drink. All Primary Schools will be expected to meet these standards as a requirement for the Mayors FSM programme.

**2.1.5. All schools will be required to complete a monthly Mayors Free School Meal Returns form on a monthly basis:** This details the actual number of meals taken each month. Finance will verify and reimburse the meal cost to the schools. The Mayors FSM Returns Form is attached as **(Appendix 3)**.

### **Conclusion**

3. The introduction for the first time of an MOU for the Mayor's Free School Meal programme is intended to ensure that programme funds are utilised more effectively, delivering best value; and to ensure the delivery of high quality primary school meals that are provided as part of the Mayor's programme.

Report written by:  
Jenny Pittam  
**Interim Head of Contract Services**

**Date:** 21<sup>st</sup> November 2018

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## **AGENDA ITEM 06**

**Title of report: Early Years Block Funding 2019-20**

**Author of the paper: Sailesh Patel**

**Officer to present the paper to School Forum:  
Sailesh Patel**

**Details on who has been consulted with on this paper to date:**  
Pauline Hoare, Christine McInnes, Abdul Quddus.

**Exec Summary:**

This report sets out the proposed plan for the development of the early years funding formula for 2, 3 and 4 year olds in 2019-20.

Approving our agreed reduction in the centrally retained budgets to 5% in 2019-20 and meeting the minimum criteria required by the ESFA.

**Action required:**

Schools Forum is invited to **discuss and comment on** any of the issues raised in the report.

To note the contents of the report

To note the proposed changes in funding rates for 19/20

To approve the Central retained Budget within the Early Years Block under Section 4

## 1. PURPOSE OF REPORT

2. This report sets out the previously agreed allocation of the Early Years funding for 2019-20 and the associated funding formula for providers, as 2018-19 was the final year for the local funding formula for early years.

## 2. Background Context

1. Tower Hamlets council was required to fund all early education providers using a new National Formula set out within guidance by the Department for Education in 2016/17
2. Work was undertaken during 2016/17 in partnership with sector representatives and Schools Forum to develop the Early Years block budget and rates for Early Education in line with DfE guidance and local priorities.
3. The funding rates were modelled over three years in line with the information available on transitional protection arrangements.
4. There is a requirement by the DfE that all settings are funded at the **same rate in 2019/20**, with continued additional specific protection provided to maintained nursery schools (MNS).
5. There are a number of additional requirements for LAs which are intended to ensure that funding is fairly distributed to providers. These are:-
  - A minimum amount of funding that must be passed through to providers (**95% from 18/19**).
  - A universal base rate for all types of provider to be set by LAs by 2019/20 at the latest.
  - Supplementary funding for Maintained Nursery Schools (MNS).
  - Reforms to mandatory and discretionary supplements LAs are able to use with a maximum 10% cap on the amount of funding that can be used.
  - The introduction of a Disability Access Fund linked to children that access Disability Living Allowance.
  - A requirement for LAs to establish a SEND inclusion fund for children birth to five(part of the hourly rate now )
6. This paper outlines the annual review undertaken and recommendations for the allocation of the Early Years funding block for 2019-20

## 3. Tower Hamlets overall 2019-20 Early Years block allocation

The Council has now received its initial 2019-20 Early Years block allocation announced on the 17th December 2018 alongside a 'Technical Note' and the 'DSG Conditions of Grant'. The key elements of the operational and technical guidance issued is summarised below:

**Table 1;** shows the Allocation announced for 2019-20 against the 2018-19.

**Note:** the place funding in the first three rows (universal 3 and 4yo; additional 15 hours, 2yo entitlement) must be passed in full to settings. The role of the council is to ensure that these funds are passed direct to settings in full. EYPP, DAF and the nursery school supplementary funding are passed direct and in full to participating settings.

The retained funding contributes to the fulfilment of statutory duties (QA of early learning funding streams, validation of EYFSP data through moderation, early identification of inclusion and SEND needs birth to three, childcare quality) of the council. The full costs of these services are much greater than the retained budget below. The retained budget supports the school aspects of the statutory duties.

Early Years Block	2018-19	2019-20
initial funding allocation for universal entitlement for 3 and 4 year olds (£)	22.111	22.057
Initial funding allocation for additional 15 hours entitlement for eligible working parents of 3 and 4 year olds (£)	3.252	3.244
initial funding allocation for 2 year old entitlement (£)	3.212	3.212
Initial funding allocation for Early Years Pupil Premium (£)	0.298	0.298
Initial funding allocation for Disability Access Fund (£)	0.095	0.095
Initial allocation for maintained nursery school supplementary funding (£)	0.559	0.566
2019-20 total early years block (£)	29.528	29.471
<b>Retained Budget 2019-20 (5% MAX) (£)</b>		<b>1.265</b>

1. The funding rates for 2019-20 is now **£8.06**, this has reduced from 2018-19 figure of £8.08 per hour for all the 3/ 4 year old pupils.
2. The allocation for the Maintained Nursery School (MNS) supplementary funding is **£0.566m**

#### **Funding for Two year olds (2YO).**

3. The 2018/19 rate has now been confirmed by the DfE, at **£6.50** per hour, with an estimated 867 Part time equivalent (PTE) 3 and 4 year old child numbers for universal entitlement funding for 2018/19.

#### **Early Years Pupil Premium. (EYPP)**

4. The EYPP remains a separate funding stream. It continues to be paid into the DSG and there are no funding changes from 2018-19. The allocation of funding for the EYPP for 2019-20 is **£0.298m**. This equates to 53p hour.

#### **Disability Access Fund (DAF)**

5. The national rate for DAF is £615 per eligible child per year. The funding allocation for 2019-20 will be an illustrative allocation based on an estimate of the number of three and four year olds who are not in Reception that are claiming the Disability Living Allowance (DLA). For each local authority, their total February 2018 DLA claimant count of three and four year old children, using data from the Department for Work and Pensions (DWP), will be adjusted to remove an estimated number of children in reception. This will give an estimate of the number of three and four year olds eligible to take up DAF in the local authority area.

#### **SEND Inclusion Fund**

6. Outside of the limits on central retention, the DFE will require all local authorities to hold a centrally managed SEN Inclusion Fund to provide additional funding to providers to improve outcomes for 3 and 4 year old children with special educational needs and disabilities using funding from Early Years block.
7. The methodology for the inclusion fund is based on an hour rate of **£0.20 per hour**, using the 3 and 4 years old pupil data this would equate to around **£595k** for the SEN inclusion fund

#### **4. 2019-20 Early Years' Formula and Central retained budget.**

1. Last year schools forum were required to approve the central retained budgets in appendix A, maximum limit in 2019-20 is 5%.
2. Approval is required for the central retained funding level of **5%**, which equates to **£1.265m**.
3. **Appendix A** below shows the detail of its use.

The following teams within the Integrated Early Years' Service are **part funded** by the EY DSG. (In 2017-18, this proportion was generally 20%). For 2019-20 it is as follows:

- Strategic quality team (20/80) split
- Inclusion team (20/80) split
- Workforce development (50/50) split
- Parenting education (20/80) split

The teams work closely with all ECEC settings, schools in particular benefit from an unusually high level of additional support. Teachers and head teachers from other

LAs regularly remark on this. The retained funding contributes to the fulfilment of the following statutory duties:

- QA of early learning funding streams;
- Validation of EYFSP data through moderation – where eligible children attend, this extends to childcare provision;
- Workforce development - EYFSCo and PVI joint termly meetings; highly subsidised training for all ECEC settings;
- Improvement of quality in early childhood education and care settings through planning, provision and brokerage of training, in response to needs identified by the school during moderation and in response to LA and locality level analysis of EY data.

Please note that the functions listed above are those specifically relevant to schools. They are by no means an exhaustive description of the statutory early years' functions themselves.

### **LA Day Care Nurseries**

The Council must follow specific organisational change procedures to implement the staffing changes contingent on the phased closure of the three LA run day care settings. Ofsted has closed both Mary Sambrook Day Care (01.09.18) and John Smith Day Care (21.12.18). Overland Day Care remains in operation until the end of July 2019. There are 25 childcare workers employed by the Council, two admin staff and 18 children. Staff are being offered employment experiences in other areas of IEYS to develop their skills, knowledge and understanding. The employment costs will continue until the completion of the organisational change process by the Council. This situation is likely to continue until at least until July 2019.

### **Background Papers;**

<https://www.gov.uk/government/publications/early-years-national-funding-formula-allocations-and-guidance>



**Appendix 1:**

Early Years Retained Allocation	2018-19	2019-20
	£000	£000
Total Centre Retained Amount DSG	1,238	1,265
Head of Integrated Early Years Service (X0.7)	44	41
Early Intervention Manager (X0.3)	18	17
<b>Business Support and Child Sufficiency Team</b>		
Team Manager	41	39
Business support and Cohesion Manager	37	35
Child Sufficiency Monitoring officer	32	30
Child Sufficiency and Business Support Officer (X4)	96	91
<b>Early Help Area Inclusion Coordinators: support for early years settings</b>		
Early Help Manager and Senior Inclusion Coordinators:	54	51
Early Help Area Inclusion Coordinators (X3)	144	136
Early help: Quality Assurance Teachers (X2)	96	91
4. Quality Assurance PVI's		
Strategic Quality Manager	41	39
Early Years Advisors (X4)	138	130
<b>Workforce Development</b>		
Community and Workforce Development Manager	31	29
Workforce development Worker	26	25
Total	799	755

**Appendix 2:**

<b>LA day nurseries</b>		
Day-care Nursery Manager	40	0
John Smith (Staffing + Running Costs)	165	0
Mary Sambrook (Staffing + Running Costs)	148	0
Overland (Staffing + Running Costs)	187	0
Total	540	0

Unallocated Funding		510
Balance to be found from additional in-year savings	-100	0

### **Background Papers and Contact Officer Details**

List of background papers held by Sailesh Patel on Schools Forum File:

1. Schools revenue funding 2019 to 2020 Operational guide, September 2018
2. DSG allocations by Local Authority for 2019-20

This Agreement is dated

9 January 2019

Between

Mayor and Burgesses of the London Borough of Tower Hamlets Town Hall Mulberry Place 5 Clove Crescent London E14 2BG		[insert the name of school and address]
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The details of each of the officers appointed to exercise the rights and powers of the respective parties to this Agreement are:

Authorised Officer: [insert name, position and contact details]		Accounts Manager: [insert name, position and contact details]
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Any change in the identity of the Authorised Officer or Accounts Manager will be notified to the other party to the Agreement in writing within five working days.

### Preamble

- 1 It is the Mayor's priority to provide free schools meals to all primary school children in the borough of Tower Hamlets and his programme supports all pupils in KS2, who are not otherwise eligible for a free school meal. The Mayor's Free School Meals programme has been motivated by the fact that Tower Hamlets has one of the highest levels of child poverty in the country and the provision of a free, nutritious, school meals has a real impact on children's health and their ability to learn. The programme also aims to reduce levels of childhood obesity.

This Agreement amends the way primary schools are funded for the Mayor's Free School Meals programme which now incorporates Tower Hamlets' good practice standards for the delivery of school meals which are set out in the following terms and conditions.

### Period of Agreement

- 2 Notwithstanding the date of this Agreement, this Agreement takes effect from 22 April 2019 and will continue unless and until terminated by the Council in accordance with paragraph 16.

### Your obligations

- 3 You recognise that the Council will rely on any information you are required to provide to the Council under this Agreement and that you must supply such information in a timely manner to enable the Council to fulfil its obligation to you and your pupils under this Agreement. Accordingly you will:
  - provide, by yourself or via your contractor, school meals that meet the Government's new school food standards which became mandatory in January 2015 and maintain (as a minimum) such standard throughout the period of this Agreement. A copy of the 2015 school food standards checklist is annexed here in Appendix 2;
  - put in place a strategy aimed at achieving the Healthy Schools Team "HST Food Standard" within 6 months of it coming into effect. The Council will give you notice in writing stating the date on which the HST Food Standard will come into effect;
  - observe and comply with your obligations under all statutes, codes and guidance relevant to the provision of school meals and immediately inform the Council of any investigation by any statutory authority in relation to any breach or alleged breach of such statutes, codes or guidance;

- compile, maintain and supply to the Council information on the actual number of meals served each day and the price charged for each meal (the “Pre-Payment Information”) and to do so by no later than 7 days from the end of the relevant month.
- supply any other information relevant to this Agreement as set out in Appendix 1 or as the Council may reasonably require from time to time, which would enable the monitoring of the performance of your obligations under this Agreement and to do so in the time and manner as the Council may reasonably require; and
- co-operate with the Council in its drive to achieve and maintain the objectives behind the subject matter of this Agreement.

Your supply of the Pre-Payment Information in accordance with this paragraph 3 is a condition precedent to the Council making any payment to you under paragraph 4.

### **Our obligations**

- 4 You will at the end of each month submit a payment request to the Council in a form to be agreed with the Authorised Officer, stating the amount due to you for that month, calculated as a product of the actual number of meals served during the relevant month and the actual price per meal (the “Grant Fund”); subject to a maximum price of £2.30 per meal (the “Maximum Grant Rate”). Each payment request must be accompanied by relevant Pre-Payment Information together with any other information reasonably requested by the Authorised Officer for the purposes of verifying the accounts.
- 5 For the avoidance of doubt, you will only be entitled to be paid a sum that is calculated on the basis of the actual number of meals served, multiplied by the actual price per meal charged by your catering contractor where such price is less than the Maximum Grant Rate.
- 6 The Council is not obliged and will not be required to pay at a rate more than the Maximum Grant Rate.
- 7 Provided you have submitted to the Council a payment request in the form agreed with the Authorised Officer and have supplied the relevant Pre-Payment Information together with any other information reasonably requested by the Authorised Officer in accordance with paragraph 4, the Council will pay you, monthly in arrears, the Grant Fund due for each month and shall do so within 28 days from receipt of your payment application.
- 8 Your payment request must be sent as an email attachment, marked for the attention of the Authorised Officer, to this email address: [ChildrensServices.Finance@towerhamlets.gov.uk](mailto:ChildrensServices.Finance@towerhamlets.gov.uk)

### **Mutual obligations**

- 9 We both recognise the need for close and effective collaboration to ensure that our children receive free school meals that are healthy and meet the standards set out in Appendix 2 to this Agreement.

### **Fraud**

- 10 You will use reasonable endeavours to safeguard the Grant Fund against fraud and misapplication generally, and in particular, fraud and misapplication on the part of your employees, agents or anyone authorised to act on your behalf and you will immediately notify the Council of any instance of suspected fraud or financial irregularity in connection with the Grant and/or the pre-payment information supplied to the Council on basis of which the Grant is calculated.

### **Default**

- 11 If you fail to provide the Council with the required information on actual number of meals or proof of the actual cost of the meals or any other information reasonably required by the Council in relation to this Agreement, the Council may:
  - write to your Nominated Officer specifying the failure and what should be done to rectify it and within what period;

- write to your Nominated Officer specifying the failure and, if it cannot be rectified, how the Council suggests we should proceed;
- require a meeting to be held between the your Nominated Officer and a Council representative to resolve any persistent or major difficulty; or
- withhold or suspend any further payment of the Grant until the failure is rectified to the reasonable satisfaction of the Council.

### **Standards and Review**

- 12 The Council requires reasonably high quality and healthy school meals to be delivered, and for standards to be maintained, by all schools being reimbursed by the Mayor's Free School Meals Programme. From the Commencement date or from such other date as the Council may, at its sole discretion allow, you must meet as a minimum the new school food standard set by the Government - School Food Standards Checklist (see Appendix 2) which became mandatory in January 2015.
- 13 Tower Hamlets Public Health and the Healthy Schools Team are working towards enhanced Food Standards (the "**HST Food Standard**") that will exceed those set by the Government's School Food Standard referred to above. The HST Food Standard, which will be ready and will come into effect at the start of the new academic year in 2019, will focus on supporting pupils to make better, healthier choices and to live longer, healthier lives free from avoidable, diet related conditions by reducing the sugar content and, improving the nutritional content of school food and drink.
- 14 The Council will annually review the operation of this Agreement generally, including the number and/or quality standard of the meals actually served over the preceding year, and the availability of funds to continue with and/or extend the Grant programme. The Council will in particular:
- on a date in June 2019, to be notified to you by the Council, review your compliance with the Government's School Food Standard; and
  - annually thereafter review your compliance with the HST Food Standard.

You will fully cooperate with and assist the Council in carrying out such reviews.

### **Disputes**

- 15 Any dispute arising out of the interpretation or implementation of this Agreement will be resolved wherever possible by your Nominated Officer and the Council's Representative or failing resolution, by your Head Teacher and the Council's Divisional Director for Youth & Children's Commissioning or their respective nominees.

### **Termination**

- 16 The Council may terminate this Agreement by giving you at least 24 calendar weeks' written notice, to take effect at the end of the third school term in the academic session, if:
- Council allocated funding for the Mayor's Programme is stopped, suspended or otherwise no longer available for any reason whatsoever; or

Either party may terminate this Agreement by giving to the other a written notice no later than two weeks prior to the end of any school term, which notice shall take effect after the end of the following school term.

### **Variation, Law and Jurisdiction**

- 17 The terms of this Agreement and its Appendices may only be varied by agreement in writing.

The law of this Agreement is English law and the English courts have exclusive jurisdiction on any dispute whatsoever arising from this Agreement.

Signed: \_\_\_\_\_  
for and on behalf of the Mayor and  
Burgesses of the London Borough of Tower  
Hamlets

\_\_\_\_\_

for and on behalf of *[insert the name of the  
school]*

Title: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_

APPENDIX 1

Mayor's Primary Free School Meals Programme – Pre-Payment Monthly Data for Completion by School

School Name	XXXXXX					
DfE number	XXXXXX					
Financial Year	2019/2020					
School Pupil Data	Total on Roll for 3,4,5 and 6 year Groups	Meals taken by Non FSM pupils in year groups 3,4,5 and 6	% Non FSM	Meals taken by FSM eligible pupils in year groups 3,4,5 and 6	% Eligible FSM	Total Meals up %
Example	200	140	70%	40	20%	
Apr			#DIV/0!		#DIV/0!	#D
May			#DIV/0!		#DIV/0!	#D
June			#DIV/0!		#DIV/0!	#D
July			#DIV/0!		#DIV/0!	#D
Sept			#DIV/0!		#DIV/0!	#D
Oct			#DIV/0!		#DIV/0!	#D
Nov			#DIV/0!		#DIV/0!	#D
Dec			#DIV/0!		#DIV/0!	#D
Jan			#DIV/0!		#DIV/0!	#D
Feb			#DIV/0!		#DIV/0!	#D
Mar			#DIV/0!		#DIV/0!	#D

**NB: Before the first payment is made evidence of Contract Price for non THCS schools must be provided**

Schools **must** complete all columns highlighted in **Green**

Forms to be returned by email only, to the following email address: **ChildrensServices.Finance@towerhamlets.gov.uk**

Forms **must** thereafter be returned by the **7th day of each month** in order to meet the schools monthly payrun deadline.

**Contacts for queries:**

Schools **within** Tower Hamlets Contract Services - Jenny Pittam@towerhamlets.gov.uk

Schools **outside** of Tower Hamlets Contract Services - Cuthbert.Joseph@towerhamlets.gov.uk

# Checklist for school lunches

NAME OF SCHOOL:		DATE OF MENU:		
		Standard met (Y/N)		
Food group	Food-based standards for school lunches	Week 1	Week 2	Week 3
<b>STARCHY FOOD</b>	One or more portions of food from this group every day			
	Three or more different starchy foods each week			
	One or more wholegrain varieties of starchy food each week			
	Starchy food cooked in fat or oil no more than two days each week <i>(applies to food served across the whole school day)</i>			
	Bread - with no added fat or oil - must be available every day			
<b>FRUIT AND VEGETABLES</b>	One or more portions of vegetables or salad as an accompaniment every day			
	One or more portions of fruit every day			
	A dessert containing at least 50% fruit two or more times each week			
	At least three different fruits, and three different vegetables each week			
<b>MEAT, FISH, EGGS, BEANS AND OTHER NON-DAIRY SOURCES OF PROTEIN</b>	A portion of food from this group every day			
	A portion of meat or poultry on three or more days each week			
	Oily fish once or more every three weeks			
	For vegetarians, a portion of non-dairy protein three or more days a week			
	A meat or poultry product (manufactured or homemade and meeting the legal requirements) no more than once a week in primary schools and twice each week in secondary schools, <i>(applies across the whole school day)</i>			
<b>MILK AND DAIRY</b>	A portion of food from this group every day			
	Lower fat milk and lactose reduced milk must be available for drinking at least once a day during school hours			
<b>FOODS HIGH IN FAT, SUGAR AND SALT</b>	No more than two portions a week of food that has been deep-fried, batter-coated or breadcrumb-coated <i>(applies across the whole school day)</i>			
	No more than two portions of food which include pastry each week <i>(applies across the whole school day)</i>			
	No snacks, except nuts, seeds, vegetables and fruit with no added salt, sugar or fat <i>(applies across the whole school day)</i>			
	Savoury crackers or breadsticks can be served at lunch with fruit or vegetables or dairy food			
	No confectionery, chocolate and chocolate-coated products, <i>(applies across the whole school day)</i>			
	Desserts, cakes and biscuits are allowed at lunchtime. They must not contain any confectionery			
	Salt must not be available to add to food after it has been cooked			
	Any condiments limited to sachets or portions of no more than 10 grams or one teaspoonful.			
<b>HEALTHIER DRINKS</b> <i>applies across the whole school day</i>	Free, fresh drinking water at all times			
	<p><b>The only drinks permitted are:</b></p> <ul style="list-style-type: none"> <li>• Plain water (still or carbonated)</li> <li>• Lower fat milk or lactose reduced milk</li> <li>• Fruit or vegetable juice (max 150mls)</li> <li>• Plain soya, rice or oat drinks enriched with calcium; plain fermented milk (e.g. yoghurt) drinks</li> <li>• Unsweetened combinations of fruit or vegetable juice with plain water (still or carbonated)</li> <li>• Combinations of fruit juice and lower fat milk or plain yoghurt, plain soya, rice or oat drinks enriched with calcium; cocoa and lower fat milk; flavoured lower fat milk</li> <li>• Tea, coffee, hot chocolate</li> </ul> <p>Combination drinks are limited to a portion size of 330mls. They may contain added vitamins or minerals, but no more than 5% added sugars or honey or 150mls fruit juice. Fruit juice combination drinks must be at least 45% fruit juice</p>			

**It is expected that schools will use these checklists in combination with the nutrition criteria of the Government Buying Standards for Food and Catering Services.**



**AGENDA ITEM 04**

**Title of report: Schools Block Strategy 2019-20**

**Author of the paper: Steve Worth / Sailesh Patel**

**Officer to present the paper to Schools Forum: Steve Worth**

**Details on who has been consulted with on this paper to date:**

**Executive Summary.**

The report sets out the recommended use of the Schools Block of the Dedicated Schools Grant for 2019-20 and covers:

1. The schools funding formula for 2019-20.
2. The transfer of £0.92m from the Schools Block to the High Needs Block for 2019-20 only. The report also covers the outcome of the consultation with schools on this proposal.
3. The Growth and Falling Roll Funds for 2019-20.
4. The de-delegation of:
  - a. Delegated funding.
  - b. Former Education Services Grant (ESG) general duties elements.

**Recommendations.**

Forum is asked to:

1. Endorse the proposed schools funding formula for 2019-20 (Option 3) (Non-school members, other than PVI representatives, cannot vote on this item).
2. Agree the transfer of £0.92m to the High Needs Block for 2019-20 only.
3. Consider whether it wishes to create a Falling Rolls Fund for 2019-20.
4. Agree Growth Fund and distribution methodology for 2019-20.
5. School representatives are asked to agree the de-delegation of former ESG funded services set out in Section 6.
6. Primary school representatives are asked to agree the de-delegation of services, rates and values set out in columns a, b and d of Table 3.
7. Secondary school representatives are asked to agree the de-delegation rates and values set out in columns a, c and e of Table 3.

## Report.

### 1. Tower Hamlets Schools Funding Formula 2019-20.

- 1.1. The report 'School Funding Formula' presented to Forum at its meeting of 18<sup>th</sup> October 2018 set out the background to the National schools Funding Formula (NFF) and options for the local funding formula for 2019-20. Following that meeting schools were consulted on the options with Option 3 being the one recommended by the Authority.
- 1.2. The recommended option, Option 3, implemented the factors and values of the NFF. As the funding available to Tower Hamlets in 2019-20 will be significantly higher than the NFF the balance was allocated to schools through the Minimum Funding Guarantee (MFG), which in the model had a positive value of 0.42%, allowing all schools to gain compared with 2018-19. The final figure for the 2019-20 Schools Block was received on 17 December and the updated position is attached as **Appendix 1**.
- 1.3. The consultation with schools ran from 19 October to 12 November. A total of 10 schools responded all supporting Option 3. No comments other than in support of the option were received.
- 1.4. Forum is asked to endorse the recommended Option 3.

### 2. Transfers from the Schools Block.

- 2.1. The report to the last Forum also sets out the background to a £0.92m reduction in charges in National Non-Domestic Rates (NNDR) in 2019-20 that will feed through to a reduction in the DSG in 2020-21. Because of the one-off nature of this saving the 'School Funding Formula' report proposed that it was transferred to the High Needs Block (HNB) to help relieve the pressure faced by that block.
- 2.2. A transfer of £0.92m represents 0.35% of the Schools Block; this is within the 0.5% transfer tolerance allowed by the School and Early Years Finance Regulations.
- 2.3. Regulations<sup>1</sup> require that before Forum makes a final decision on this the Authority must consult with schools. The consultation took place between 18<sup>th</sup> December 2018 and 14<sup>th</sup> January 2019. At the time of writing 18 schools had responded in favour of the transfer and none against; the comments received are shown in **Appendix 5**. The final position will be reported at the meeting.
- 2.4. Schools Forum is asked to agree this proposal for 2019-20 only.

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<sup>1</sup> School and Early Years Finance Regulations.

### 3. Retained Growth Fund.

- 3.1. The only centrally retained (top-sliced) items allowed within the Schools Block are the contingencies for the Growth Fund and Falling Rolls Fund.
- 3.2. The Growth Fund in 2018-19 was £2.47m. The criteria for allocation have been agreed by Forum and are set out in **Appendix 2**. It is projected that £1.590m will be allocated in 2018-19.
- 3.3. For 2019-20 the DfE will introduce a nationally determined growth fund based on lagged pupil number growth. The allocation within the NFF was announced in mid-December and will be £1.496m. This is £0.974m less than the 2018-18 Growth Fund allocation and £0.094m less than the projected allocation in 2018-19.
- 3.4. It is recommended that the NFF sum of £1.496m is set aside for the 2019-20 Growth Fund. Proposals will be brought to the Forum in the summer term on the use of the 2018-19 underspend, which may include additions to the Fund.

### 4. Falling Rolls Fund.

- 4.1. The Falling Rolls Fund is to protect schools rated outstanding or good that face a temporary fall in pupil numbers. Tower Hamlets did not have a Falling Rolls Fund in 2018-19 and Forum is asked to consider whether it wishes to create one for 2019-20.
- 4.2. The Fund would be top-sliced from the Schools Block before the funding formula is run and would therefore reduce the budget shares for all mainstream schools and academies. The Fund would then be available to mainstream schools and academies rated good or outstanding.
- 4.3. The proposed methodology, if Forum proceeds with the Fund, is to measure current intake in the first year of entry to a school against the intake in 2016 (before numbers changed materially in the Borough). If the current intake falls below a threshold of 90% compared with 2016 then additional funding for the fall in pupil numbers in the intake year will be generated. The allocation will be 90% of the intake year Age Weighted Pupil Unit (AWPU). A worked example is shown below:

a. Autumn 2018 Reception Intake	52
b. Autumn 2016 Reception Intake	60
c. a/b%	87%
d. Fall in intake b-a	8
e. Funding per place (£3,246*90%)	£2,921
f. Total funding for school	£23,371

- 4.4. Funding would be time-limited to three years.
- 4.5. It is estimated that allocations under the proposed methodology would require £600k.

**4.6.** Members are asked to consider whether they wish to create a Falling Rolls Fund.

## **5. De-Delegation of Delegated Funding.**

**5.1.** Regulations require the delegation to schools and academies of specified DSG funded services formerly retained by Local Authorities (LAs). A LA wishing to continue to provide one of these services centrally can request Forum to de-delegate the funding for that service. De-delegation is restricted to maintained primary and secondary schools and representatives of each phase vote separately on the issue each year.

**5.2.** The services Tower Hamlets wishes to retain are (additional information can be found in **Appendix 4**):

5.2.1. Contingency for Schools in financial difficulty. This covers changes in formula allocation, or changes in other costs covering, rents, NNDR and legal. In 2018-19 the projected call upon contingencies is £185k. Although the projection is lower than the contingency it is expected that calls upon it will rise in 2019-20 and no reduction in de-delegation is proposed.

5.2.2. FSM Eligibility. This is a checking service provided by the welfare and benefit teams.

5.2.3. Licences that are not covered by the national ESFA Scheme, such as British Pathé.

5.2.4. Trade Union Facilities. This funds the salaries of officials of the various unions representing staff in maintained schools.

5.2.5. Behaviour Support and Anti-Bullying. This funds the high incidence support team's work with maintained schools.

**5.3.** The amounts de-delegated in 2018/19 totalled £0.886m. It is proposed that the same amounts per pupil are retained for 2019-20 (see Table 3) but as the number of pupils in maintained schools is lower the amount de-delegated will reduce to £0.846m. De- delegation is not an option for Nursery Schools, Special Schools, PRUs or Academies.

**Table 3: Proposed De-Delegation of Delegated Funding.**

Component	£/Pupil Pri	£/Pupil Sec	Pri	Sec	Total
a	b	c	d	e	f
Pupil Numbers – October 2018			19,658	9,567	29,225
			£000	£000	£000
Contingencies (not growth).	14.93	14.93	293	143	436
Free school meal eligibility	3.86	3.86	76	37	113
Licences/subscriptions	0.80	0.80	16	8	24
Trade Union Facilities	6.00	6.00	118	57	175
Behaviour Support /anti-bullying.	2.84	4.44	56	42	98
<b>Total</b>	<b>28.43</b>	<b>30.03</b>	<b>559</b>	<b>287</b>	<b>846</b>

**5.4.** The representatives of primary schools are asked to agree the de-delegation of the services, rates and values set out in columns a, b and d of Table 3.

**5.5.** The representatives of secondary schools are asked to agree the de-delegation of the services, rates and values set out in columns a, c and e of Table 3

## **6. De-Delegation of Former Education Services Grant (ESG) General Duties.**

**6.1.** Various education services that were not directly pupil related were funded through the ESG. In 2016-17 the ESG had been £3.739m but the grant was phased out in 2017-18. Some of it, for duties that cover both maintained schools and academies, was transferred into the Central School Services Block (CSSB) of the DSG. The amount transferred was £0.63m and for 2018-19 Forum agreed that it could be retained centrally. A request to do so again is dealt with in the separate report on the CSSB.

**6.2.** This still left a funding gap of £3.1m and LAs were allowed to seek forums' permission for further de-delegation from maintained schools for services the LA provided for them. These services are set out in **Appendix 3** with a more specific break down for Tower Hamlets in **Appendix 3a**.

**6.3.** The Regulations expect contributions to come from all maintained schools, except nursery schools, and allow for differentials between mainstream schools, special schools and PRUs.

**6.4.** For 2018-19, Forum agreed the Authority's request to de-delegate £0.841m from mainstream schools but no request was made in respect of special

schools and the PRU. Given the considerable loss in funding entailed in the ending of the ESG the Authority is seeking to retain the same amount per-pupil from mainstream schools (the overall sum will fall due to fewer pupils in maintained schools) but also to de-delegate from special school and PRU budgets.

- 6.5.** The proposed de-delegation in mainstream schools is £27.50 per-pupil, as in 2018-19. Special schools and PRUs are funded differently to mainstream schools and Guidance<sup>2</sup> sets out differentials of up to 4.25. The Authority is proposing a lower differential of 3.0 for special schools and the PRU giving a deduction of £80, deductible from the £10,000 place funding.
- 6.6.** The proposed de-delegated and centrally retained contributions still cover only 40% of the former grant. The current budgets for former ESG services and the proposed contributions are set out in Table 4.

**Table 4: Former ESG Budgets and Proposed CSSB and De-Delegated Contributions.**

Category	Total	CSSB	De-delegated	General Fund
	£000	£000	£000	£000
Statutory and regulatory Duties	1,553	358	291	904
School Improvement	366	0		366
Education Welfare	1,243	229	199	815
Asset Management	419	43	37	339
Central Support services	480		102	378
Redundancy & Early Retirement	1,481	0	235	1,246
<b>Total</b>	<b>5,542</b>	<b>630</b>	<b>864</b>	<b>4,048</b>

- 6.7.** Maintained school representatives are asked to agree the de-delegation of £27.50 per pupil in mainstream schools and £80 per special school and PRU place.

**Background Papers;**

<https://www.gov.uk/government/publications/dedicated-schools-grant-dsg-2019-to-2020>

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/767607/Operational\\_guide\\_2019\\_to\\_2020.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/767607/Operational_guide_2019_to_2020.pdf)

<sup>2</sup> Schools revenue funding 2019 to 2020  
Operational guide

Schools Forum.

Schools Forum.

**Appendix 1. Schools Block Funding Allocations 2019-20 and 2018-19.**

Element	2019-20			2018-19			Funding Difference £m
	Per Pupil	Pupil Numbers	Funding £m	Per Pupil	Pupil Numbers	Funding £m	
<b>Primary</b>	£5,922.81	23,447	138.869	£5,893.04	23,425	138.044	0.825
<b>Secondary</b>	£7,861.06	14,424	113.388	£7,806.48	14,236	111.133	2.255
<b>Property &amp; Mobility</b>			6.892			7.206	-0.314
<b>Growth</b>			1.496			2.792	-1.296
<b>Total</b>			<b>260.646</b>			<b>259.176</b>	<b>1.470</b>



## **Appendix 2: Criteria for Schools Accessing Pupil Growth Contingency**

The criteria that will be used and applied to allocate funding to schools under Tower Hamlets Council, Education, Social Care & Wellbeing Growth Policy.

In particular funding will be allocated on four criteria.

a) Where there are planned permanent expansions (i.e. the school's admission and the building capacity has been permanently increased specifically to meet additional pupil number growth) the contingency fund will meet the cost of any additional pupils on the October or January census date, compared to the previous admission number for that year group. For instance, a school that already started to move from 2 forms of entry (60 places) to 3 forms of entry (90 places), may have actual pupil numbers in Year 2 of 85, in the first year that the expansion affects Year 2. If there were 85 pupils on the October census, the school would get  $((85-60) \times \text{AWPU} \times 7/12)$  or  $3/12$  for a January start. A minimum 20 pupils per class (or 10 for  $\frac{1}{2}$  a form entry) is calculated to ensure both staffing and teaching resources are covered for this provision i.e. a class of 30 pupils that has only 19 pupils at the October or January census date would be entitled to  $20 \times 7/12\text{ths} \times \text{AWPU}$  rate. These arrangements apply for only the first year that any new admission places for a year-group are offered.

b) Where there is only a temporary one-off expansion in a single year group (bulge class), the maintained school or Academy will receive an extra £200 per pupil towards the cost of additional resources over and above the AWPU. These arrangements apply for only the year of opening of the class.

c) Where planned expansion of the maintained school or Academy is by at least 2 forms of entry, the Local Authority will provide additional Leadership and Management funding worth £40,000 per year over the first three financial years in recognition of the increase in management costs associated with significant expansion. (Year 1 of this funding is the school year before opening if that is agreed by the school and LA – i.e. to reflect the planning ahead requirement for the change).

d) Permanent expansions are generally implemented over time by admitting the additional pupils at Reception or Year 7 only until the additional capacity fills. Where a school has specific facilities management or ICT contract arrangements which provide services as though an expanding school were full, the contingency fund will provide proportionate support for individual schools on the basis of the year groups which are operating below full capacity. For instance, a four form of entry school offering 5 year groups is expanding to a five form of entry school. Before the expansion, there were 600 places available in total and, after the expansion there will be 750 places in total. In the first year after the expansion, however, there will be  $(150 \times 4 + 30) = 630$  places with 120 unfilled places. The contingency fund would pay for  $120/750\text{ths}$  of the annual cost of those contracts.

**Appendix 3a. Proposed De-delegation of Former ESG Services.**

<b>ESG Category</b>	<b>Area</b>	<b>£</b>
Asset Management	Property & Asset Management	37,248
Central Support Services	Education Clothing Grants	42,562
	Gorsefield Centre	33,355
	Music	17,724
	Education Arts Grants	8,138
Education Welfare	Education Welfare	198,570
Redundancy and Early Retirement	Redundancy and Early Retirement	235,463
Statutory and Regulatory duties	SACRE	885
	CSF-Equalities Tracking & Dev	13,258
	Family Information Services	27,531
	Information and Management Systems	153,508
	Equalities Training and Cover.	14,428
	Corporate Director of ESCW and Support Services	81,330
<b>Total</b>		<b>864,000</b>

**Appendix 5. Consultation Comments.**

1. Look also at reducing funding for children receiving ABA –this is an ineffective and costly model. We need to have an excellent alternative, and effective tribunal representation.  
If you are looking at savings by increasing special school places out of borough –look at what THs offer is and why parents don't want it. Look at what the current provision is like at Cherry Trees and Ian Mikado and the provision for girls? Money can't be taken from special schools, but provision can be improved.  
Look at properly funding inclusive schools with significantly high numbers of SEN and EHCP and those with potential to expand.  
Ensure the LA budget is managed and no further deficit is allowed.
2. I agree with pooling the windfall rather than giving a small top up to individual schools, as it will have greatest impact, as long as this is used to support planning to reduce the long-term overspend, as opposed to simply 'plugging a gap' in 2019-20.
3. However, I feel it is important to look how this large sum is distributed within the High Needs Block itself. Mainstream schools with, particularly those with no specialised units, that have high numbers of high needs children are really stretched. The funding they receive per pupil does not meet the children's needs. It would be great if, as a one off payment, these schools (and of course I am thinking of my own with 24 EHCPs now and a possible 29 by the end of the year), would really appreciate a large injection of money to help support those children with EHCPs and also those children who we cannot reach!
4. Additional top-up funding should be provided to mainstream schools where pupils are deemed appropriate to access the special school system in LBTH but are denied access due to limited places.
5. I am aware of the drastic step another authority has made to balance their HNB and this seems to be a very clear solution that has a low impact on school budgets in this financial year and next.
6. The LA and specifically its SEMH schools will need time to adjust to any potential reduction in funding. This suggestion will support for the HNB during 2019-20 and give time for the working party which is currently looking at potential savings, within the Block, to report.  
I will also be interested to see the recommendations from the SEMH Review.
7. This is an area of significant cost pressure within the borough.
8. It is worrying that this is likely to be a continuing trend and that funding will never match the real needs of children in schools.

Schools Forum.

## MEETING OF THE SCHOOLS FORUM

Wednesday 16<sup>th</sup> January 2019 at 8:30am

**BETHNAL GREEN CENTRE, 229 Bethnal GREEN ROAD, E2 6AB**

### AGENDA

1.	Apologies for absence	Chair
2.	Minutes of the meeting on 5th December 2018 and matters arising	Chair
3.	DSG Budget Allocation 2019-20.	Sailesh Patel
4.	School Block Strategy 2019-20	Steve Worth
5.	Central Schools Services Block 2019-20	Sailesh Patel
6.	Early Years Funding Block 19-20	Sailesh Patel
7.	Mayors Free School Meals Service	Sailesh Patel
8.	High Needs Strategy Working Groups–verbal update	John O’Shea
9.	Any other Business	
10.	<ul style="list-style-type: none"><li>Next meeting 8:30am, 6th March 2019 at the PDC, Bethnal Green</li></ul>	