



NOTICE OF MEETING

SCHOOLS FORUM

WEDNESDAY, 18 JANUARY 2017 AT 4.30 PM

CONFERENCE ROOM B, SECOND FLOOR, THE CIVIC OFFICES

Telephone enquiries to Jane Di Dino 023 9283 4060

Email: jane.didino@portsmouthcc.gov.uk

Membership

Schools Members

One head teacher representative - nursery phase

Three head teacher representatives - primary phase

Two head teacher representatives - secondary phase

One head teacher representative - special phase

Five academy representatives

Five governors

Non School Members

Four Councillors (one from each political party)

One representative from the following organisations:

The Anglican Diocese

The Roman Catholic Diocese

The 16-19 Representative

The Early Years providers (from the private, voluntary and independent sector)

(NB This agenda should be retained for future reference with the minutes of this meeting).

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: www.portsmouth.gov.uk

AGENDA

- 1 Apologies
- 2 Declarations of Interest
- 3 Membership Changes.

- 4 **Minutes and matters arising from the previous meeting held on 7 December 2016.** (Pages 5 - 8)

- 5 **2017-18 School revenue funding arrangements and dedicated schools grant budget.** (Pages 9 - 38)

Purpose.

The purpose of this report is to:

- a. Seek endorsement for the final stage submission to the Education Funding Agency (EFA) by the 20 January, of the 2017-18 mainstream school revenue funding pro-forma for the Primary and Secondary phases.

- b. Inform Schools Forum of the initial determination of the schools budget (including the individual schools budgets) for 2017-18 and to seek the necessary approvals and endorsements required.

Recommendations

It is recommended that Schools Members:

- a. **Endorse the proposed changes to the mainstream schools revenue funding formula as set out in section 5.**

- b. **Agree (mainstream school members only) to the de-delegation of:**
 - i. **Funding for Behaviour Support Services for the period April to August 2017 (*primary only*).**
 - ii. **Funding to contribute to the costs of services provided to maintained schools previously funded from the ESG general funding rate.**

- c. **Endorse the de-delegated unit values for 2017-18 as shown at Appendix 4.**

- d. **Endorse the carry-forward of the final balance of the Schools Contingency Fund from 2016-17 into 2017-18 for use for the same purpose.**

- e. **Endorse the amount of the growth fund for 2017-18 at £275,300.**

- f. **Note the estimated pressures on the Growth Fund for 2018-19 and the proposals to consult with schools on changes to the growth fund criteria.**

- g. **Endorse the school revenue funding pro-forma at Appendix 7 for submission to the EFA on the 20 January 2017.**

- h. **Invite the views of Schools Forum and seek their agreement to adopt one of the following options in respect of the AP top-up funding rate for the Harbour School:**

- i. **Maintain the AP top-up funding rate at the current £6,000 per annum.**
- ii. **Increase the AP top-up funding rate from £6,000 to £8,000 per annum and a further reduction in the Basic Per Pupil Funding rate for mainstream schools by £4.63.**
- iii. **Increase the AP top-up funding rate from £6,000 to £7,000 per annum and a further reduction in the Basic Per Pupil Funding rate for mainstream schools by £2.32.**

It is recommended that Schools Forum:

- i. **Endorse the determination of the 2017-18 schools budget (including the individual schools budgets) shown at Appendix 1, together with the supporting explanations contained within this report and specifically agree the following budget lines:**
 - iv. **Admissions;**
 - v. **Schools Forum;**
 - vi. **ESG retained duties.**
- j. **Endorse the 2017-18 Element 3 Top-up rates for the Special Schools Resourced Units and Alternative Provision (Flying Bull only) settings as set out in Appendix 5.**
- k. **Endorse the decision that any carry-forward balances from 2016-17 be used to assist with the continued introduction of the funding reform changes and fund any potential financial pressures arising during 2017-18.**
- l. **Note that a report will be presented in February 2017 setting out:**
 - i. **The local funding arrangements in respect of the 2, 3 and 4 year old early years provision for 2017-18; which will comply with the requirements of both the regulations and the operational guide.**
 - ii. **The necessary amendments to the 2017-18 budget, in order to reflect the new Early Years allocation and the corresponding changes to the expenditure budgets; which must be affordable on an ongoing basis within the available funding allocation.**

6 Any other business.

Members of the public are now permitted to use both audio visual recording devices and social media during this meeting, on the understanding that it neither disrupts the meeting or records those stating explicitly that they do not wish to be recorded. Guidance on the use of devices at meetings open to the public is available on the Council's website and posters on the wall of the meeting's venue.

This page is intentionally left blank

Agenda Item 4

SCHOOLS FORUM

MINUTES OF THE MEETING of the Schools Forum held on Wednesday, 7 December 2016 at 4.30pm at the Guildhall, Portsmouth

Present

Karen Stocks	Head Teacher	Nurseries
Jackie Collins	Head Teacher	Primary Schools
Sue Wilson	Head Teacher	Primary Schools
Gareth Hughes	Head Teacher	Secondary Schools
Ian Hunkin	Head Teacher	Special Schools
Steve Labeledz	Academy	Secondary
Alison Beane	Academy	Special
Ruth Nabholz-Duncan	Governor	Nurseries
Clive Good	Governor	Primary Schools
Steve Sheehan (acting Chair)	Governor	Primary Schools
Bruce Marr	Governor	Secondary Schools
Lynne Stagg	Councillor	Liberal Democrat Party
Carole Damper		Early Years Providers

41. Apologies

Apologies were received from Fiona Calderbank, Councillor Galloway Councillor Hockaday, David Jeapes, Lee Miller and Sarah Sadler.

42. Declarations of Interest

No interests were declared.

43. Membership Changes.

Richard Webb, Finance Manager informed members of the following membership changes:

- Abigail Eales, Anglican Diocese and Ursula Topp, Catholic Diocese have stepped down from their roles and so are no longer members of the forum.
- There are two other vacancies: Governor - special schools and the Labour Party Representative.

44. Minutes and matters arising from the previous meeting held on 19 October 2016.

DECISION: the Schools Forum agreed the minutes of the meeting held on 19 October 2016.

Matters Arising.

A letter had been sent to Chairs of governors for schools with decreasing budgets.

Richard Webb explained proposed that in future the Schools Forum receive notification when the following events occur:

- (a) A financial notice of concern is issued.
- (b) A forecast deficit is anticipated to arise which is expected to require funding from the Dedicated Schools Grant

The name of the school may not be reported to Schools Forum.

45. Apprenticeship Levy.

Roland Bryant, Learning & Development Business Partner introduced the report and in response to questions from the forum, he and Kate Brady, Apprenticeship & Work Placement Officer clarified the following points:

- This affects all maintained schools.
- The 0.5% levy will be applied from April 2017.
- Schools are encouraged to be represented on the Apprenticeship Working Group, of which Kate is the Chair.
- The council's Employment Committee has requested further plans on the levy implementation and the use of the fund be presented to the meeting in February 2017.
- The Department for Education's funding plan sets out the funding available for the different levels of qualifications ranging from £1,500 and £27,000. The council will only use approved training providers whose charges do not exceed these funding bands.
- The council is working with other Local Authorities to set up a dynamic purchasing system.
- Academies with payrolls less than £3m will pay only 10% of the training costs.
- Primary and secondary schools have been informed of these changes at recent meetings, but further communications will be issued as the implementation progresses.

Richard Webb added that the accounting treatment of the levy will be covered in the budget setting workshops in the new year. The levy charge will be processed via internal journal by central finance to schools and the charge will be coded to a specific "levy" account code.

DECISION: the Schools Forum noted the update.

46. Dedicated schools grant budget monitoring report for the second quarter 2016-17.

Alison Egerton, Group Accountant presented the report and in response to questions, she and Richard Webb explained that:

Officers are investigating the underlying reasons for the increase in the Element 3 funding provided to support children with high needs in mainstream schools.

DECISIONS

The Schools Forum:

- 1. Noted the forecast year-end budget position for the Dedicated Schools Grant as at the end 30 September 2016, together with the associated explanations contained within this report.**

2. **Endorsed the increase to the budget for 3 & 4 year olds in PVI settings and the DSG grant to reflect the increased numbers in the January 2016 Census, as detailed in paragraph 4.13**

47. Future school funding formula changes.

Richard Webb introduced the report asked the forum to note that there were 8 agreed commissioned places 2017-18 academic year for Devonshire School not 9 as written in the inclusion centres table on page 22.

The maintained primary school phase representatives reported that the feedback received from the other primary schools, was that they were not in favour of the de-delegation of the Behaviour support budget for 2017-18. A summary of the responses was provided by school type (i.e. infant, primary and junior).

In respect of the proposed change to the de-delegation of union duties, Richard Webb confirmed that discussions had been held with the union representatives from Teachers' Liaison Panel.

The Mary Rose Inclusion Centre is included in the first table shown in section 5.2.

DECISIONS the Schools Forum:

- a) **Did not agree by phase to the de-delegation of the following budgets for central administration in 2017-18 and note the proposed rates for de-delegation (as shown at paragraph 4.2), which will be finally agreed in January:**
 - i) **Behaviour Support - Primary Only.**
(Votes: 1 for; 2 against and 1 abstention)
- b) **Agreed the proposed changes to the de-delegation of union duties, with de-delegation for the period April 17 to August 17 and the introduction to a traded service arrangement from 1 September 2017; and note the proposed transfer arrangements.**
(Votes: 7 yes; 1 against and 0 abstentions).
- c) **Noted the potential impact on the funding arrangements for Secondary Schools of the opening of the University Technical College (due to open in September 2017).**
- d) **Endorsed the high needs place numbers for maintained and academy special schools, resource units and alternative provision (AP) settings for the academic year 2017-18 as set out in the report.**
(Agreed unanimously).

48. Any other business

There was no other business.

The meeting concluded at 5:15pm.

Chair



Title of meeting:	Schools Forum
Date of meeting:	18 January 2017
Subject:	2017-18 School Revenue Funding Arrangements and Dedicated Schools Grant Budget
Report from:	Alison Jeffery, Director of Children's Services
Report by:	Richard Webb, Finance Manager
Wards affected:	All Wards
Key decision:	No
Full Council decision:	No

1. Purpose of report

1.1. The purpose of this report is to:

- a. seek endorsement for the final stage submission to the Education Funding Agency (EFA) by the 20 January, of the 2017-18 mainstream school revenue funding pro-forma for the Primary and Secondary phases.
- b. inform Schools Forum of the initial determination of the schools budget (including the individual schools budgets) for 2017-18 and to seek the necessary approvals and endorsements required.

2. Recommendations

It is recommended that Schools Members:

- a. **Endorse the proposed changes to the mainstream schools revenue funding formula as set out in section 5.**
- b. **Agree (mainstream school members only) to the de-delegation of:**
 - i. **funding for Behaviour Support Services for the period April to August 2017 (*primary only*).**
 - ii. **funding to contribute to the costs of services provided to maintained schools previously funded from the ESG general funding rate.**



- c. Endorse the de-delegated unit values for 2017-18 as shown at Appendix 4.
- d. Endorse the carry-forward of the final balance of the Schools Contingency Fund from 2016-17 into 2017-18 for use for the same purpose.
- e. Endorse the amount of the growth fund for 2017-18 at £275,300.
- f. Note the estimated pressures on the Growth Fund for 2018-19 and the proposals to consult with schools on changes to the growth fund criteria.
- g. Endorse the school revenue funding pro-forma at Appendix 7 for submission to the EFA on the 20 January 2017.
- h. Invite the views of Schools Forum and seek their agreement to adopt one of the following options in respect of the AP top-up funding rate for the Harbour School:
 - i. Maintain the AP top-up funding rate at the current £6,000 per annum.
 - ii. Increase the AP top-up funding rate from £6,000 to £8,000 per annum and a further reduction in the Basic Per Pupil Funding rate for mainstream schools by £4.63.
 - iii. Increase the AP top-up funding rate from £6,000 to £7,000 per annum and a further reduction in the Basic Per Pupil Funding rate for mainstream schools by £2.32.

It is recommended that Schools Forum:

- i. Endorse the determination of the 2017-18 schools budget (including the individual schools budgets) shown at Appendix 1, together with the supporting explanations contained within this report and specifically agree the following budget lines:
 - iv. Admissions;
 - v. Schools Forum;
 - vi. ESG retained duties.
- j. Endorse the 2017-18 Element 3 Top-up rates for the Special Schools Resourced Units and Alternative Provision (Flying Bull only) settings as set out in Appendix 5.
- k. Endorse the decision that any carry-forward balances from 2016-17 be used to assist with the continued introduction of the funding reform changes and fund any potential financial pressures arising during 2017-18.



I. Note that a report will be presented in February 2017 setting out:

- i. The local funding arrangements in respect of the 2, 3 and 4 year old early years provision for 2017-18; which will comply with the requirements of both the regulations and the operational guide.**
- ii. The necessary amendments to the 2017-18 budget, in order to reflect the new Early Years allocation and the corresponding changes to the expenditure budgets; which must be affordable on an ongoing basis within the available funding allocation.**

3. Background and Previous Decisions

- 3.1. The Dedicated Schools Grant (DSG) is a ring-fenced grant for education and can only be used for the purposes of the Schools Budget as defined in the School and Early Years Finance (England) Regulations.
- 3.2. Under the anticipated updated 'School and Early Years Finance (England) Regulations, the Local Authority must not later than 28th February 2017:
 - a. Make an initial determination of their school budget; and
 - b. Give notice of that determination to the governing bodies of the schools they maintain.
- 3.3. Schools Forum has already received reports and has endorsed or made a number of decisions in respect of the revenue funding arrangements for 2017-18, which are summarised below.
 - 3.3.1. Endorsed the principles proposed by the mainstream working group to guide and inform the development of the funding arrangements for 2017-18.
 - 3.3.2. Endorsed, that following the confirmation of the 2017-18 Dedicated Schools Grant (DSG), officers will amend the funding unit values to minimise the impact of fluctuations in funding at the school level and to maintain overall affordability. In order to provide schools with some certainty, where possible any changes will be limited to the following formula factors:
 - Basic per pupil entitlement
 - Prior attainment
 - Lump Sum
 - The percentage of the financial cap.
 - 3.3.3. Endorsed the proposed changes to the mainstream funding formula factors, together with choices the council has made in implementing these factors locally.

- 3.3.4. Agreed by phase to the de-delegation of the following budgets for central administration in 2017-18 and noted the proposed rates for de-delegation, which will be finally agreed in January:
- Special Staff Costs - Union Duties (April to August 2017)
 - Schools Contingency Fund
 - Licences.
- 3.3.5. Endorsed the MFG disapplication requests submitted to the Department for Education.
- 3.3.6. Endorsed the high needs place numbers for maintained and academy special schools, resource units and alternative provision (AP) settings for the academic year 2017-18 as set out in the report.
- 3.4. The purpose of this report is to seek the necessary approvals and endorsements in respect of the remaining areas of the budget, which have yet to be finalised.

4. Financial Context

- 4.1. As in previous years the pressures in the High Needs budget area continues to grow. During this financial year, as part of the regular budget monitoring reports, growing pressures have been highlighted in a range of areas including, out of city placements, post-16 education and the Element 3 top-up funding, paid to mainstream schools to support children with high needs where the cost of additional support exceeds the £6,000 which is expected to be met by the school.
- 4.2. It is anticipated that the financial pressures in these budgets will continue to grow during 2017-18, as the demand for these services is also expected to continue to increase; whilst the reforms to the local specialist educational provision for children with SEND are implemented.
- 4.3. In October 2016, the Head of Inclusion presented a report setting out the progress being made in implementing the Portsmouth Special Educational Needs & Disabilities (SEND) strategy and in particular the remodelling of the specialist educational provision for children with SEND. The report also highlighted the changes that have been implemented as part of this strategy, which included:
- Rolling out the new statutory multi-agency education health and care needs assessment processes.
 - Increasing the provision for children with sensory impairment, including opening a new secondary Inclusion Centre at St Edmunds school.



- Increasing the provision for children with autism spectrum conditions within the city, including the development of a new Inclusion Centre for children at Trafalgar School.
 - Remodelling the SEND provision within early years and foundation stage at Devonshire Infant and Portsdown Primary
 - Starting the remodelling of the buildings and accommodation at Cliffdale and Redwood Park schools, to ensure that these schools are adequately equipped to meet the future needs of the increasing number of children with complex needs requiring placement; enabling more pupils to be educated near to home within the city.
- 4.4. In setting the budget for 2017-18, provision has been set-aside to accommodate the anticipated increased funding requirement in these budgets. However, as the high needs budgets are the most volatile area of the DSG due to a significant proportion of the expenditure being linked to pupil movements and pupil needs; the budget provision is only an estimate based on the information currently available. It will be necessary to closely monitor these budgets throughout the financial year.
- 4.5. In future years, with the introduction of the schools national funding formula, the ability to manage these financial pressures across the whole of the Dedicated Schools Grant is expected to be reduced. It will therefore be necessary ensure that the remodelling of the SEND provision within the city, enables the high needs requirements to be affordable within the future high needs funding allocations.
- 4.6. The determination of the 2017-18 Dedicated Schools Grant and Schools budgets is set out in Appendix 1, with the supporting explanations set out in the following paragraphs.

5. School Revenue Funding Formula Changes 2017-18

- 5.1. At the Cabinet Member and Schools Forum meetings on the 13th and 19th October 2016 respectively, the mainstream formula factors to be used in the 2017-18 school revenue funding formula were agreed, together with the choices that the Council had made in implementing these locally.
- 5.2. Whilst the outline formula was agreed in October, it was noted that final formula values for 2017-18 would be subject to change, in order to maintain affordability and minimise the impact of fluctuations in funding at the school level. At that time, it was agreed that changes would be limited to the following formula factors:
- Prior attainment
 - Basic Per Pupil Entitlement
 - Lump sum
 - The percentage of the financial cap.



Rates

- 5.3. In setting schools budgets for 2017-18, it has also been necessary to amend the funding values in respect of the Non-Domestic Rates factors, following the recent revaluation of the rateable values of non-domestic properties. The annual costs of rates for school properties is expected to increase in 2017-18 and as the cost of rates is funded on an actual basis through the school funding formula, the increase in the funding requirement for 2017-18 has amounted to £177,233.

Prior Attainment

- 5.4. Following the introduction of the new national curriculum, the Key Stage 2 tests undertaken in 2016 were expected to see nationally, a higher number of pupils who progress to year 7 in the October 2016 census, being identified as having a low level of prior attainment.
- 5.5. The DfE intended to use a national weighting to ensure that year 7 pupils did not have a disproportionate impact on the overall total of pupils.
- 5.6. The initial impact of the prior attainment changes in the October 2016 census data-set, led to an initial increase in the primary phase prior attainment funding requirement of £324,000. Therefore in order to maintain affordability and bring the prior attainment funding in line with 2016-17, other than for changes in pupil numbers, it was necessary to adjust the weighting factor to 91%. The increase in primary phase prior attainment funding allocation after this adjustment was £63,000 (or 2.1%) slightly higher than the increase in primary pupil numbers of 1.8%.

Pupils with SEND in mainstream schools

- 5.7. During 2016-17 the number of requests for Education, Health and Care Plan (EHCP) assessments from mainstream schools has doubled (from 130 to 260) when compared to 2015-16. Most requests are agreed, indicating that there is sufficient evidence to justify an assessment. In addition, the average cost per pupil has increased indicating that there is an increased complexity of need.
- 5.8. This increase in finalised EHC Plans, has led to an increase in the Element 3 funding being paid to mainstream schools to support children with high needs where the cost of additional support exceeds the £6,000 which is expected to be met by the school. The number of pupils with an EHCP plan in mainstream schools (not including inclusion centres) has increased by 62 from 246 to 308.
- 5.9. For 2016-17, the current level of funding being provided to mainstream schools is anticipated to exceed the budget by £244,000. For 2017-18, it is anticipated that the current budget requirement will need to increase by £300,000 from £638,000 to £938,000.

- 5.10. Action is being taken by the Inclusion Service to address the growth in this area, including:
- The development of the Ordinarily Available Provision document and further work with SENCOs to ensure that requests for statutory assessment are appropriate.
 - Review of the Inclusion Support Panel and High Support Needs Panel processes to ensure that decision-making remains robust.
 - Auditing a sample of high-cost EHCPs to ensure that provision is costed consistently and that health provision is factored in consistently.

Impact of Government Policy

- 5.11. Since April 2013 the Council has been responsible for funding the high needs support for post-16 pupils in education with Special Educational Needs and Disabilities (SEND). At that point additional funding of £315,575 was provided by central government to support the Council in meeting these additional responsibilities. In September 2014, the Children's And Families Act introduced further responsibilities on the Council, by extending the age range of the children with SEND in post-16 education from 19 to 25, without providing specific additional funding.
- 5.12. During 2016-17, the effect of this policy change has led to a significant increase in the cost of supporting these children in post-16 education and actual expenditure is forecast to exceed the budget provision by £179,000.
- 5.13. The academic year 2016-17 has seen the number of pupils with EHCPs attending a post-16 setting increase from 72 to 106. This includes 54 new starters (37 in 2015-16) and an increase in the numbers of pupils remaining at college from 35 (in 2015-16) to 52.
- 5.14. Initial estimates for 2017-18 are that an additional £423,000 will be required to support these children, increasing the overall budget to £883,000.
- 5.15. As reported in December, the Department for Education (DfE) previously held funds centrally for the element 2 funding of £6,000 per high needs place for post-16 providers. The DfE then paid funding direct to providers according to the commissioned numbers agreed with local authorities. From April 2017 this process has changed.
- 5.16. The DfE have allocated the element 2 funding out to local authorities as part of the High Needs Block for 2017-18. The DfE will now recoup funding from the local authority and pass it to post-16 providers according to the numbers commissioned by the local authority at each setting. For 2017-18 Portsmouth's proportion of the centrally held funds



will be £250,000, whilst the cost of these places for 2017-18 will be £290,000, placing a cost on the Council of £40,000.

Basic Per Pupil Entitlement & Financial Cap on Gains

- 5.17. For 2017-18 the EFA have released an additional £130m nationally for High Needs based on population growth, of which Portsmouth's share is £420,000. This additional allocation has been used to support the High Needs pressure areas detailed within section 8 of the report; but has not been sufficient to meet all of budget pressures for 2017-18. This has left a funding shortfall within the high needs budget area of £566,000.
- 5.18. To continue to provide the necessary funding to mainstream schools to support the children with high needs requirements, fund the growth in post-16 provision, as well maintain the overall affordability of the mainstream funding formula following the increase in non-domestic rates, and the changes to the pupil numbers and pupil characteristics in 2017-18, it has been necessary to reduce the funding rate by £57.32 through the Basic Per Pupil Entitlement Factor; and reduce the cap on financial gains from 1.75% to 1.5%. These adjustments have released £703,000 to support these funding requirements whilst still providing an additional £1.3m to schools and academies when compared to 2016-17.

Other changes

- 5.19. There are no proposed changes to the Growth Fund criteria for 2017-18 (see Appendix 3). However in order to maintain overall affordability in 2017-18, the budget has been reduced from by £90,000 to £275,300. Based on the 2017-18 known changes to Published Admission Numbers (PAN) as at December 2016, the proposed budget is expected to be sufficient to cover the anticipated cost.
- 5.20. Estimated Growth Fund allocations to schools for 2018-19 are indicating that the budget allocation will be insufficient for the payments that would be due under the current criteria. The Council will seek to consult with schools on proposed changes to the Growth Fund criteria for 2018-19.
- 5.21. The final proposed funding pro-forma for 2017-18 is attached at Appendix 7.
- 5.22. Mainstream schools and academies will be notified of their 2017-18 final budget share after the Education Funding Agency has confirmed that the pro-forma complies with the legislation and no later than the statutory deadline.

6. Centrally Retained Budgets

Admissions, Schools Forum and Licences

- 6.1. The 'other centrally retained' budgets include the Admissions service and the Schools Forum. It is proposed that these budgets will continue to remain at the same value as in previous years.
- 6.2. The EFA has agreed with the following agencies to continue to purchase a single national licence managed by them for all state funded schools in England:
- 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).
- 6.3. These licences are funded centrally and for 2017-18 the budget provision has been set at the prior year level of £120,000; which is anticipated to be sufficient to meet the central charges from the DfE for the financial year.

Education Services Grant (ESG) - "Retained Duties"

- 6.4. Within the DfE stage one consultation there was a proposal to transfer the "retained duties" element of the ESG into the DSG. As reported in October 2016, the DfE have confirmed that this change will now be implemented in the financial year 2017-18 and that the "retained duties" element of the ESG of £374,000 has now been added to the funding allocated through the Schools Block.
- 6.5. In order that the "retained duties" funding can continue to be used to support the services provided to schools and academies by the City Council, (in relation to the following services defined by the DfE: "*Statutory & Regulatory Services, Education Welfare and Asset Management*") the DfE will be amending the regulations to permit this funding to continue to be used for this purpose.
- 6.6. Within the Dedicated Schools Grant Budget at Appendix 1, it has been budgeted that the ESG "retained duties" funding of £374,000 will continue to be used to support the Council services currently being provided and therefore is cost neutral to the DSG budget.



De-delegation

- 6.7. At the Schools Forum meetings on the 19th October and 7th December, maintained school members voted in principle and by phase to de-delegate specific budgets.

Behaviour Support

- 6.8. At the meeting on the 7th December 2016, Schools Forum voted not to de-delegate the budgets for Behaviour Support for the financial year 2017-18. Subsequent to that meeting, the Harbour School (who provide the Behaviour Support services) has requested that Schools Forum reconsider this decision and the potential to de-delegate only for the period April to August 2017; in order to allow the school time to put in place a traded arrangement for the Academic year starting September 2017.

Schools Contingency Fund

- 6.9. It is proposed that the balance on the Schools Contingency Fund at the end of 2016-17 be carried forward and used for the same purpose in 2017-18. It is therefore proposed that for 2017-18 the de-delegation rate be set at £0.01, which together with the current forecast closing balance for 2016-17, would provide a fund of circa £132,650. No changes are proposed to the Schools Contingency Fund criteria, which are shown at Appendix 2.

Education Functions

- 6.10. In the 2015 Spending Review the government announced a saving of £600m by removing the ESG general funding rate from 2017-18. However, in the first stage of the national fair funding consultation, there was a proposal to provide transitional funding for Local Authorities.
- 6.11. The DfE recognises that Local Authorities will need to use other sources of funding to pay for education services once the general funding rate has been removed. For 2017-18, to enable Local Authorities to deal with the reduction in the ESG, the government has allowed for an increased flexibility, (within the operational guidance issued on 1st December) for Local Authorities to use part of the schools budget to support the costs of education services previously funded from the ESG general funding rate; through de-delegation from maintained schools.



6.12. In 2016-17 the Council received £1.65m in funding via the Education Services Grant. However, for 2017-18, the Council is now only expected to receive only £823,000¹, leaving a funding shortfall of £827,000.

ESG transitional funding	£379,000
ESG "retained duties" (via DSG)	£374,000
School Improvement Grant	£70,000
Total	£823,000

Anticipated funding shortfall for 2017-18 £827,000

6.13. In setting the Council's budget for 2017-18, the Council is planning to absorb over 80% of the anticipated funding shortfall and is seeking a contribution from maintained schools of £150,000 towards the City Council services that support maintained schools; through using the increased flexibility provided by the government, to de-delegate funding from maintained schools at £11.95 per pupil.

6.14. The services that this contribution would be used to support include the following:

- KS1 and KS2 moderation of national curriculum assessments
- Investigation and resolution of complaints relating to maintained schools
- Inspection / monitoring of attendance
- Financial advice and support, including for schools in financial difficulty
- Procurement support and advice
- Asset management activities in relation to maintained schools
- Internal audit and other tasks relating to the chief finance officers responsibilities
- Other support and advice from the education service.
- Overheads relating to the above services.

6.15. Academies currently receive ESG to purchase services that a local authority would normally provide to a maintained school. From September 2017 the ESG general funding rate will be removed. Academies will continue to receive the current annual rates per pupil for the period April to August 2017. Protection arrangements will be put in place following the removal of the ESG using the same methodology as in 2016-17.

6.16. Schools which convert to Academy status from September 2017 onwards will not be eligible for the ESG or the ESG protection.

¹ Includes adjustment for anticipated Academy conversions between January and August 2017.

- 6.17. The table at Appendix 4 shows the items to be de-delegated in 2017-18, together with the proposed unit values for 2017-18 and the comparative values for 2016-17.

7. Early Years

- 7.1. On the 11th August 2016, the DfE published a national consultation², seeking views on the proposals to change the way in which both Local Authorities and childcare providers are funded from April 2017 onwards. The consultation closed on the 22nd September 2016.
- 7.2. A report was presented in October 2016 to both Cabinet Member and Schools Forum with an initial summary and impact assessment for both the City Council and providers.
- 7.3. On the 1st December 2016, the DfE published the '*Early Years National Funding Formula - operational guide*³', together with the government's response to the consultation.
- 7.4. Within the proposed budget at Appendix 1, the DSG funding for the Early Years block remains at the 2016-17 allocation level of £10,745,000. The Early Years expenditure budgets for 2, 3 and 4 year olds, together with any central early year's expenditure also amount to £10,745,000.
- 7.5. A further report will be presented to both Cabinet Member and Schools Forum in February 2017 to set out the local proposed funding arrangements for 2017-18 in respect of the 2, 3 and 4 year old early years provision; which will comply with the requirements of both the regulations and the operational guide.
- 7.6. Proposals will also be presented in February 2017 to amend the budget to reflect the new Early Years allocation and the corresponding changes to the expenditure budgets; which must be affordable on an ongoing basis within the available funding allocation.

8. High Needs

- 8.1. The report presented in December 2016, included details of the agreed high needs places for maintained and academy special schools, resourced units (inclusion centres), alternative provision and post-16 settings for the academic year 2017-18.
- 8.2. The financial pressures relating to both the Post-16 provision and the increase in the Element 3 top-up funding paid to mainstream schools, (to

² https://consult.education.gov.uk/early-years-funding/eynff?utm_source=EFA%20e-bulletin&utm_medium=email&utm_campaign=e-bulletin&mxmroi=2305-8620-56843-0

³ <https://www.gov.uk/government/publications/early-years-national-funding-formula-allocations-and-guidance>



support children with high needs where the cost of additional support exceeds the £6,000 which is expected to be met by the school) have been explained within section 5 of this report.

- 8.3. The sections below provide details of the other High Needs budgets and the anticipated financial pressures for 2017-18; which have been funded from the additional £420,000 allocation from central government. The funding allocations have been explained in more detail in section 9.

Element 3 Top-up Funding

- 8.4. No changes are proposed to the current Element 3 Top-up funding rates for pupils in Special Schools, Resourced Units and Alternative Provision (at Flying Bull) settings for pupils placed by the Local Authority in 2017-18. The proposed rates for 2017-18 are shown in Appendix 5.
- 8.5. Although there have been no changes proposed to the top-up funding rates listed above, the budget provision has been amended to reflect the changes arising from a growth in the number of places and the known and forecast effect of 'band creep'.
- 8.6. During 2017-18 the Council will continue to work with the Special Schools and Resourced Units to review the current banding model. Any proposed changes to the banding model and the related funding rates will need to be affordable within the existing funding envelope. Any proposed changes will also be brought back to the Cabinet Member and Schools Forum for approval and endorsement respectively.

Out of City Placements

- 8.7. The expenditure on out of city placements continues to increase, with the 2016-17 forecast position looking to overspend in the region of £250,000. Therefore in setting the budget for 2017-18, the budget provision for out of city pupils has been increased by £250,000 to £2m.
- 8.8. The overall number of children and young people placed out of city remains relatively low, however the average cost per placement has increased. This is due to the rise in placement costs as a result of the increased minimum wage as well as the complexity of needs of those who require a placement out of the city, who often have health and social care as well as educational needs. Where pupils have health and social care needs, contributions towards the costs of the placement would be sought from these services.
- 8.9. Actions being taken to address the budgeted growth in this area include the remodelling of special school provision within the city. The aim of the changes to the accommodation being funded at Cliffdale Primary and Redwood Park Secondary is that these schools will be better equipped to

cater for the needs of children with increasingly complex needs, reducing the requirement to place children out of the city in the future.

- 8.10. In addition to this, all out of city placements are reviewed annually to ensure that they remain appropriate. Where more than one pupil is placed out of city and accessing similar provision, consideration is given to whether this could be put in place locally. This has led to a joint bid with Hampshire County Council to the Department for Education, for funding for a special free school for children with autism and associated challenging behaviour.

Harbour Alternative Provision (AP) Top-up Rates

- 8.11. In September 2016, the number of AP places at the Harbour School was reduced from 151 to 111 and the top-up rates were increased from £2,714 per annum to £6,000 to reflect the reduction in the number of places. Over the Autumn term Delta Education Trust have been supporting the school and have reviewed the curriculum offer as part of the preparation of a deficit recovery plan. As reported in December 2016, the professional view of the Delta Academy Trust is that in order to make the proposed model of Alternative Provision affordable, the AP top-up funding rate needs to be increased from £6,000 to £8,000 per annum.
- 8.12. The Harbour School is fairly unique as a setting as it provides both SEN and AP provision, gaining financial efficiencies from the sharing of the management, administrative and support infrastructure that other AP settings would need to cover from their place and top-up funding. It is therefore difficult to benchmark the current and proposed top-up rates against other providers. However, we have sought information from other Local Authorities to determine the level of top-up funding provided to their Alternative Provision settings. This information is attached at Appendix 6.
- 8.13. The benchmarking data at Appendix 6, shows AP top-up rates ranging for specific pupils from £3,868 to £14,421. However, the weighted average of AP funding for settings ranged from £4,000 to £8,092. It should be noted, that it has not been possible to determine if these settings are purely providing AP educational provision or a combination of AP and SEN education as at the Harbour School; which benefits from the efficiencies arising from a combined provision as highlighted above.
- 8.14. The Alternative Provision guidance issued by the Education Funding Agency in September 2015, provides clarity as to the commissioners responsibility for paying the top-up funding for pupils placed in AP settings, as follow:

"Top-up funding paid by local authorities, for example for a pupil who is permanently excluded, would come from a local authority high needs budget. For places commissioned by schools, the school would pay the agreed top-up funding for the individual pupil, either from its delegated

budget share, or from funds devolved to schools, in a fair and transparent way." (para 29)

- 8.15. The local authority currently budgets to fund 23 full time equivalent pupils and the full year impact of the additional cost of the increase is estimated to be £46,000. In order to provide sufficient capacity with the High Needs budget to meet this increased cost, a further £4.63 per pupil would need to be deducted from the Basic Per Pupil Entitlement funding factor from all schools and Academies (in addition to that proposed in section 5).
- 8.16. Where a school or Academy places a pupil in an Alternative Provision setting, they are responsible for the payment of the Top-up funding for the period of time the pupil attends the school. It is estimated that if mainstream schools placed 88 pupils (the remaining AP places) at the Harbour School for the full year, the expected additional cost would be £176,000.

SEND Strategy

- 8.17. The effectiveness of the continuum of educational provision available in Portsmouth to meet children's special educational needs is kept under close review as part of the SEND Strategy. Grant funding has also been recently announced by the Department for Education for all local authorities to carry out a strategic review of high needs provision to ensure there is sufficient provision in place to meet future needs. This review will take place during 2017-18.

Actions in Advance of the Strategic Review

- 8.18. In advance of the completion of the strategic review of high needs provision within the city referred to above, action is already being taken by the Inclusion Service to address the growth in both demand and the level of financial support for high needs provision, as highlighted earlier in the report. Some of the key actions being taken are:
- The development of the Ordinarily Available Provision document and further work with SENCOs to ensure that requests for statutory assessment are appropriate.
 - Review of the Inclusion Support Panel and High Support Needs Panel processes to ensure that decision-making remains robust.
 - Auditing a sample of high-cost EHCPs to ensure that provision is costed consistently and that health provision is factored in consistently.
 - Remodelling of special school provision within the city to ensure they are better equipped the schools to cater for the needs of children with increasingly complex needs, reducing the requirement to place children out of the city in the future.
 - Annual review of all out of city placements to ensure that they remain appropriate.

- Where more than one pupil is placed out of city and accessing similar provision, consideration is given to whether this could be put in place locally.
- Review of the processes that lead to placement decisions and the early intelligence that is available to highlight potential growth pressures earlier to enable further mitigation actions to be taken where possible.

9. Dedicated Schools Grant

- 9.1. On the 20 December 2016, the EFA announced the Dedicated Schools Grant allocation for Portsmouth for 2017-18. The allocation includes the funding for both maintained schools and Academies; therefore the amount received directly by Portsmouth City Council will be less.
- 9.2. The EFA have released an additional £130m of funding for High Needs, based on population growth, of which Portsmouth's share is additional funding of £420,000. This funding has been used to support the range of high needs pressures, highlighted earlier within the report.
- 9.3. The funding allocation for Portsmouth is shown in the table below. The amount expected to be received directly by Portsmouth City Council is £92m, excluding funding for academies. The funding received directly will continue to change during the year as schools convert to Academy status, since they will receive their funding directly from the Education Funding Agency rather than from the Council.

DSG Funding	2017-18		
	Inc. Academies	Academy impact	Exc. Academies
	£m	£m	£m
Schools Block	109,562	(44,440)	65,122
High Needs Block	18,500	(4,505)	13,995
Early Years Block*	10,700	-	10,700
2 Year Old Funding*	2,320	-	2,320
TOTAL	141,082	(48,945)	92,137

* This is a provisional allocation which will be updated later in the year.
 Excludes early year's pupil premium of £0.218m.

- 9.4. As mentioned earlier within the report, the budget at Appendix 1 includes the DSG funding for the Early Years block at the 2016-17 allocation level. Proposals will be presented in February 2017 to amend the budget to reflect the new Early Years allocation above and the corresponding changes to the expenditure budgets; which must be affordable on an ongoing basis within the available funding allocation. The total funding currently shown Appendix 1 (excluding Academies) is therefore £90m.

10. Carry Forward Balances

- 10.1. At this stage in the financial year we are unable to confirm what the final carry forward balance will be, although indications are that this could be in the region of £2.2m, after the £2.0m contribution towards the SEND remodelling works at Redwood Park and Cliffdale Special Schools, and the financial support agreed by Schools Forum for Redwood Park.
- 10.2. Any carry-forward balance would be a one-off funding source and therefore should be used to support one-off expenditure items rather than recurring expenditure budgets.
- 10.3. In setting the budget for 2017-18, it is prudent to retain a healthy carry forward balance to assist with the continued introduction of the National Fair Funding Formula arrangements and to support the potential financial risks and pressures arising in 2017-18. It should also be noted that the Harbour School is currently forecast to have a deficit by the end of the financial year in the region of £1m and financial support may need to be provided in the future from the carry forward balance.

11. Reasons for recommendations

- 11.1. Schools Forum is recommended to endorse or approve the proposals contained within this report. Under the anticipated 'School and Early Years Finance (England) Regulations, Local Authorities must not later than the 28th February 2017 make an initial determination of their schools' budget.

12. Equality impact assessment (EIA)

- 12.1. This report does not require an Equality Impact Assessment as the proposal does not have any impact upon a particular equalities group.

13. Legal comments

- 13.1. The School and Early Years Finance (England) Regulations require local authorities to make an initial determination of their schools budget by the 28th February 2017. The recommendations in this report have regard to the requirements of those regulations and in particular identify elements of the proposals in respect of which Schools Forum's specific approval or endorsement is required.

14. Head of Finance comments

- 14.1. Financial comments have been included within the body of this report.

.....
 Signed by: **Alison Jeffery, Director of Children's Services**

Appendices:

- Appendix 1 - Dedicated Schools Grant Budget 2017-18
- Appendix 2 - De-delegated contingency criteria 2017-18
- Appendix 3 - Growth Fund criteria 2017-18
- Appendix 4 - De-delegated unit values 2017-18
- Appendix 5 - Element 3 Top-Up Rates 2017-18
- Appendix 6 - AP Top-up rates benchmarking 2016-17
- Appendix 7 - School funding pro forma 2017-18

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
School revenue funding 2017 to 2018 - operational guide (updated November 2016)	https://www.gov.uk/government/publications/schools-funding-arrangements-2017-to-2018
The School and Early Years Finance (England) Regulations	www.legislation.gov.uk
School revenue funding working papers	Education Finance

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by the Schools Forum.

.....
 Signed by:



Appendix 1 - Dedicated Schools Grant Budget 2017-18

	Revised 2016-17 Budget (including Academies)	Estimated Budget Revisions	2017-18 Schools Budget (including Academies)	2017-18 Schools Budget (excluding Academies)
	£000	£000	£000	£000
Individual School Budgets (ISB)				
Primary	61,576	1,021	62,597	43,475
Secondary	44,353	290	44,643	19,325
Special School Place Funding	5,261	67	5,328	1,558
Resourced Unit Place Funding	925	(4)	921	596
Alternative Provision Place Funding	1,419	(169)	1,250	1,130
	113,534	1,205	114,739	66,084
De-delegated and central budgets				
Growth Fund	365	(90)	275	275
De-delegated budgets	587	(266)	321	321
Licences	120	-	120	120
Schools Forum	15	-	15	15
Admissions	252	-	252	252
ESG retained duties	-	374	374	374
	1,339	18	1,357	1,357
Early Years				
3 & 4 Year Old Provision ¹	8,341	(308)	8,033	8,033
2 Year Old Provision	2,332	-	2,332	2,332
Central Expenditure on under 5	599	-	599	599
	11,272	(308)	10,964	10,964
High Needs				
Element 3 Top-up funding	7,251	834	8,085	8,085
Out of City Placements	1,750	250	2,000	2,000
SEN Support Services	707	(32)	675	675
Medical Education	660	-	660	660
Outreach Services	187	-	187	187
Fair Access Protocol	60	-	60	60
Post-16 high needs places	-	290	290	0
	10,615	1,342	11,957	11,667
Total Expenditure	136,760	2,257	139,017	90,072
DSG Income ²	(136,411)	(2,606)	(139,017)	(90,072)
One-off use of Carry Forward	(349)	349	0	0
Total Income	(136,760)	(2,257)	(139,017)	(90,072)

¹ Includes early years pupil premium.

² 2017-18 per EFA allocations 20th December 2016 - except Early Years Block funding which is at 2016-17 allocation levels (see section 7 of the report).

Appendix 2 - School's specific contingency criteria

School Specific Contingency

Applies to: Maintained Schools only

Purpose of the fund

The School and Early Years Finance (England) Regulations, permit the creation of a 'schools specific contingency' via the de-delegation of funding through the schools revenue funding formula. The contingency fund supports only Primary and Secondary maintained schools.

The purpose of the fund is to support maintained Primary and Secondary schools that have incurred expenditure, which it would be unreasonable to expect them to meet from the schools budget share. This may include:

- schools in financial difficulty
- new, amalgamating or closing schools
- the writing-off of deficits of schools which are discontinued, excluding any associated costs or overheads
- other expenditure where the circumstances were unforeseen when initially determining the schools budget share.

Section 4 of the Scheme for Financing Schools continues to apply in respect of schools that are or are likely to be facing a deficit balance.

Criteria for accessing the fund

The fund is only available to maintained Primary and Secondary Schools in Portsmouth

Where as a result of exceptional expenditure or loss of income a school is experiencing financial difficulty, or has incurred other expenditure which it would be unreasonable to expect the school to meet from its budget share, then financial support will be considered for eligible schools where the following criteria are met:

- The costs or loss of income **must** have had a disproportionate effect on the schools budget.
- The costs or loss of income:
 - arose as a consequence of decisions by bodies outside of the control of the school or its governing body;
 - are exceptional in nature;
 - could not have been foreseen by the school or governing body.



- The governing body has taken steps to mitigate the impact, where possible.
- Additional costs for new, amalgamating or closing schools:

Criteria for new maintained schools:

Funding of costs in respect of the initial set-up of new maintained schools will be considered where a business case has been submitted by the school which sets out the expected costs to be incurred; and the following conditions are met:

- The increased school places are required in order to meet basic need within the area and have been agreed with the Local Authority.
- The increased places relate to pre-16 pupils.
- Any funding allocated would be to support the following areas of expenditure:
 - Initial leadership team capacity
 - Initial secretarial support
 - publicity, promotion and advertising of the new school
 - consultancy
 - curriculum costs
 - recruitment costs
 - other revenue costs related to set-up of the new school

One-off funding will be allocated based on the business case submitted, up to a maximum funding allocation of £445 multiplied by the total number of additional places anticipated to be created in the school.

Criteria for amalgamating schools:

Where two or more schools amalgamate, an amount equivalent to the closing balances of the previously maintained schools will be allocated to the new school.

Criteria for closing schools:

In the case of closing maintained schools, which are not amalgamating or converting to academies status under the Academies Act 2010, the contingency may fund additional costs where the school has insufficient balances and the costs are eligible to be funded from the Dedicated Schools Grant.

Where a maintained school is discontinued, any remaining deficits balances may be charged against the contingency. Where it is necessary to use the contingency for this purpose it will be reported to the Schools Forum at the next scheduled meeting.

Decision Making Process

Where a school believes that their circumstances warrant support from the 'schools contingency fund', then governing body should submit a request to the Finance Manager for Education and Children's Services.

The submission will be reviewed by the Head of Education and the Finance Manager for Education and Children's Services. The level of the schools revenue and capital balances will also be considered as part of the review of any submission.

Any application which the Head of Education and the Finance Manager for Education and Children's Services assess as meeting the above criteria, will be presented to the Schools Forum at the October and February meetings to make the final decision as to whether to provide financial support from the fund.

Appendix 3 - Growth Fund Criteria

Exceptional Growth Fund- 2017-18

Applies to: Maintained schools and Academies

Increasing Published Admission Number.

Criteria

Funding will be allocated within four weeks, to those schools who meet the following criteria:

- Approval of the change in Published Admission Number (PAN) by the Cabinet Member for Children and Education, if the increase will be implemented in the current financial year; or
- In the case of academy schools, receipt of notification of the increase in PAN, where the criteria below are met; or
- The start of the financial year in which the increase in the PAN is implemented.

'Growth funding will be allocated to schools where:

- *The Council carries out a formal consultation and approves to increase the capacity of a school*
- *A school or academy carries out a formal consultation at either the request of the council or is supported by the Council*
- *The Council requests a school/academy to increase their PAN to meet localised demand, including increases in pupils to meet demand from new housing developments.*

Methodology

The allocation from the growth fund to schools, which meet the above criteria, will be as follows.

The payment for the period 1 September to the 31 March for each full form entry of 30 pupils will be equal to:

- 7/12th salary cost of a 1 FTE teacher (main scale 6)
- 7/12th salary cost of 0.5 term time only teaching assistant (band 4 point 15)
- £3,000 towards the cost of resources and materials

For Academies an additional 5/12th will be allocated for the period 1 April to 31 August.

Funding will be pro-rated for part form or multiples of full form entry, for example:



- The total sum above will be multiplied by 0.5 for a part form entry of 15 pupils
- For an increase of one and a half form entry the total sum will be multiplied by 1.5.

Where any pay awards have not been decided at the time of the payment, payment will be made on the basis of the pay tables that are in use at the time. There will be no back dated payment if a subsequent pay award is agreed at a later date and backdated.

A payment will be made for each year that the school is growing until, the earliest of the following:

- The school reaches full capacity attributable to the increase in PAN approved by the Cabinet Member for Children and Education
- The Growth Fund criteria change due to affordability
- There is a change in the funding formula as directed from the Education Funding Agency.

No allocation will be made to a school or academy where the school or academy:

- *Has surplus places and then takes additional children up to the PAN*
- *Admits over PAN at their own choice*
- *Admits extra pupils where those pupils have a reasonable alternative school place*
- *Is directed and/or requested to admit additional pupils as a result of errors, appeals, fair access protocol, SEN, LAC etc. as these numbers will be low on an individual school basis.*

'Funding will not be allocated from this fund to a school which has received additional funding in the year, through its budget share, as a result of an agreed variation in its pupil numbers.'

For example – primary school

School has been requested by the Local Authority to increase the PAN from a 1^{1/2} form entry to a two form entry from September 2017, this was approved by the Cabinet Member for Education in October 2016.

Whilst the increase was agreed in 2016-17, the payment will be made in financial year 2017-18 as this is the year in which the changes come into effect.

The increase in PAN is for half a form entry of 15 pupils therefore the payment will be pro-rated by 0.5.

7/12th salary cost of a 1 FTE teacher (main scale 6)



$\text{£}39,835/12 \times 7 = \text{£}23,237$

7/12th salary cost of 0.5 FTE teaching assistant (band 4 point 15)
 $(\text{£}16,488/52 \times 46.9 \times 0.5)/12 \times 7 = \text{£}4,337$

£3,000 towards the cost of resources and materials

Total = $\text{£}30,574 \times 0.5 =$ Total payment to school $\text{£}15,287$

Appendix 4 - De-Delegated Budgets

Expenditure Item	Phase	De-Delegation Rates			Notes
		Basis	2016-17 £	2017-18 £	
Licences	Primary	NOR	£0.12	£0.13	Includes the CLEAPSS Licence for primary and secondary and radioactive element visits for secondary schools only
	Secondary		£0.28	£0.29	
Union Duties	Primary	NOR	£3.53	£1.49	The de-delegation relates to Union Duties only and the amount for 2017-18 is a pro-rata amount for the period April - August 2017. The full annual rate would amount to £3.57.
	Secondary		£3.53	£1.49	
Schools Contingency Fund	Primary & Secondary	NOR	£0.00	£0.01	Low amount due to planned use of 2016-17 carry forward for 2017-18.
Behaviour Support	Primary	NOR	£13.52	£5.69	Primary schools only. The amount for 2017-18 is a pro-rata amount for the period April - August 2017. The full annual rate would amount to £13.65 and £40.54 respectively.
	Primary	FSM	£40.14	£16.89	
Education Functions	Primary & Secondary	NOR	£0.00	£11.95	Contribution to support the costs of services provided to maintained schools previously funded from the Education Services Grant

NOR = Number on roll

FSM = Free school meals factor

Appendix 5 - Element 5 Top-Up Rates 2017-18
Special Schools

	Cliffdale	Harbour	Mary Rose	Redwood	Willows
	2017-18	2017-18	2017-18	2017-18	2017-18
	£	£	£	£	£
Band A	18,834	21,283	19,461	21,283	20,182
Band B	10,486	11,898	11,246	11,898	12,462
Band C	8,844	10,051	9,629	10,051	10,943
Band D	7,491	8,529	8,299	8,529	9,692
Band E	5,802	6,630	6,636	6,630	8,130
Band F	3,475	4,014	4,346	4,014	5,978
Band G	2,663	3,101	3,547	3,101	5,227
Band H	1,191	1,446	2,098	1,446	3,866

Note: the top-up rate for places in Stamshaw is £28,190

Resourced Units

	2016-17	2017-18
	£	£
Devonshire Infant ⁴	0	1,934
Milton Park	8,476	8,476
Northern Parade Junior	0	0
Portsdown ⁴	0	1,934
Southsea Infant	2,731	2,731
Victory	1,934	1,934
Craneswater Annex	25,448	25,448
St Edmunds	0	0
Trafalgar	0	0

Alternative Provision

	2016-17	2017-18
	£	£
Flying Bull	4,638	4,638
Harbour ⁵	6,000	to be confirmed

⁴ Rate for new units opening from September 2017.

⁵ Rate of £6,000 paid from September 2016.

Appendix 6 - AP Top-up rates benchmarking 2016-17

Southampton City Council

The Compass school

Band	Places	Top-up Rate 2016-17	Total
		£	£
1	15	3,868	58,020
2	105	4,746	498,330
3	40	14,421	576,840
Total	160		1,133,190
Weighted average			7,082

Hampshire County Council

Education centres - £5,600 top-up rate per annum

Swindon

Riverside (45 places) top-up rate £5,500 per annum

Stratton (45 places) top-up rate £8,700 per annum

Weighted average top-up rate £7,100

Brighton & Hove

PRU

Places	Top-up Rate 2016-17	Total
	£	£
46	7,500	345,000
8	11,500	92,000
54		437,000
Weighted Average		8,092

The Connected Hub

34 AP places - top-up rate £4,000

Local Authority Funding Reform Proforma													
LA Name:		Portsmouth											
LA Number:		851											
Pupil Led Factors													
Reception uplift		Yes		Pupil Units		30.00							
Description		Amount per pupil		Pupil Units		Sub Total		Total					
1) Basic Entitlement Age Weighted Pupil Unit (AWPU)		Primary (Years R-6)		15,893.00		£45,463,834		42.73%					
		Key Stage 3 (Years 7-9)		5,164.00		£18,948,007		17.81%					
		Key Stage 4 (Years 10-11)		3,286.50		£14,060,469		13.22%					
								£78,472,309					
Description		Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Notional SEN (%)				
2) Deprivation		FSM6 % Primary	£237.25	5,140.15		£1,219,502	£10,801,511	10.15%	16.00%				
		FSM6 % Secondary	£299.83	3,099.42		£929,298			16.00%				
		IDACI Band F		2,535.89	1,286.28	£0			20.00%	20.00%			
		IDACI Band E		1,272.45	622.44	£0			20.00%	20.00%			
		IDACI Band D	£785.03	£473.84	2,054.11	898.14			£2,038,112	20.00%	20.00%		
		IDACI Band C	£1,100.38	£685.45	1,143.75	562.84			£1,644,366	20.00%	20.00%		
		IDACI Band B	£1,415.72	£897.06	1,661.49	845.98			£3,111,104	20.00%	20.00%		
		IDACI Band A	£1,731.07	£1,108.67	800.53	426.96			£1,859,129	20.00%	20.00%		
3) Looked After Children (LAC)		LAC X March 16		£1,000.00		116.81		£116,815					
4) English as an Additional Language (EAL)		EAL 3 Primary		£359.45		1,813.92		£652,013					
		EAL 3 Secondary		£1,821.55		228.98		£417,100					
5) Mobility		Pupils starting school outside of normal entry dates				206.20		624.03					
6) Prior attainment		Low Attainment % new EFSP	91.00%	£740.00	31.84%	4,114.49	£3,044,724	£7,543,716	7.09%	100.00%			
		Low Attainment % old FSP 73			11.91%								
		Secondary low attainment (year 7)	48.02%		25.06%	2,249.50	£4,498,992						
		Secondary low attainment (years 8 to 11)		£2,000.00	27.04%						100.00%		
Other Factors													
Factor		Lump Sum per Primary School (£)		Lump Sum per Secondary School (£)		Lump Sum per Middle School (£)		Lump Sum per All-through School (£)		Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)	
7) Lump Sum		£115,000.00		£139,150.00						£6,992,207	6.57%		
8) Sparsity factor										£0	0.00%		
Please provide alternative distance and pupil number thresholds for the sparsity factor below. Please leave blank if you want to use the default thresholds. Also specify whether you want to use a tapered lump sum for one or both of the phases.													
Primary distance threshold (miles)		Primary pupil number average year group threshold				Fixed or tapered sparsity primary lump sum?		Fixed					
Secondary distance threshold (miles)		Secondary pupil number average year group threshold				Fixed or tapered sparsity secondary lump sum?		Fixed					
Middle schools distance threshold (miles)		Middle school pupil number average year group threshold				Fixed or tapered sparsity middle school lump sum?		Fixed					
All-through schools distance threshold (miles)		All-through pupil number average year group threshold				Fixed or tapered sparsity all-through lump sum?		Fixed					
9) Fringe Payments								£0		0.00%			
10) Split Sites								£0		0.00%			
11) Rates								£1,244,231		1.17%			
12) PFI funding								£155,220		0.15%			
13) Exceptional circumstances (can only be used with prior agreement of EFA)													
Circumstance								Total (£)		Proportion of total pre MFG funding (%)		Notional SEN (%)	
Additional lump sum for schools amalgamated during FY16-17								£0		0.00%		0.00%	
Additional sparsity lump sum for small schools								£0		0.00%			
Exceptional Circumstance3								£0		0.00%			
Exceptional Circumstance4								£0		0.00%			
Exceptional Circumstance5								£0		0.00%			
Exceptional Circumstance6								£0		0.00%			
Total Funding for Schools Block Formula (excluding MFG Funding Total) (£)								£106,395,122		100.00%		£14,384,812	
14) Minimum Funding Guarantee (MFG is set at -1.5%)								£1,405,913					
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)								Yes					
Capping Factor (%)		1.50%		Scaling Factor (%)		100.00%							
Total deduction if capping and scaling factors are applied								-£239,283					
								Total (£)		Proportion of Total funding(%)			
MFG Net Total Funding (MFG + deduction from capping and scaling)								£1,166,630		1.08%			
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved)													
Additional funding from the high needs budget								£0.00					
Growth fund (if applicable)								£275,300.00					
Falling rolls fund (if applicable)								£0.00					
Total Funding For Schools Block Formula								£107,561,752					
% Distributed through Basic Entitlement								73.76%					
% Pupil Led Funding								92.11%					
Primary: Secondary Ratio								1 :		1.27			
Total funding for schools block formula contains funding from outside of the 2017-18 Schools Block allocation?										No			

This page is intentionally left blank