

Bristol Schools Forum

Agenda Tuesday 22nd May 2018 at 5.45pm,

CITY HALL, 1P05

please note meeting starts at 6.15 but refreshments available from 5.45pm

| | Start | Item | Action | Owner | Paper |
|---|-------|---|--------|--------|----------|
| 1 | 6.15 | Welcome & Briefing | A | Chair | |
| 2 | 6.20 | Forum standing business <ul style="list-style-type: none">▪ Apologies for Absence▪ Confirmation meeting is quorate▪ Appointment of new members▪ Notification of Vacancies▪ Declarations of Interest | A | Clerk | Verbal |
| 3 | 6.25 | Minutes of meeting held on 20 th March 2018 Corrections and approval <ul style="list-style-type: none">• Matters arising not covered on agenda<ul style="list-style-type: none">○ | A | Chair | Attached |
| 4 | 6.35 | Correspondence | I | Chair | |
| 5 | 6.40 | DSG Overview | De | DET | Attached |
| 6 | 7.00 | High Needs Update | I | EWJ/MT | Attached |
| 7 | 7.20 | Growth Fund | De | DET | Attached |
| 8 | 8:00 | Any Other Business | | | |

(*) A = Admin, I = Information, De = Decision required, C = Consultation, Di = Discussion

Clerk: Billy Forsythe email: billy.forsythe@bristol.gov.uk Tel: 011792 23947 City Hall

Chair: Carew Reynell (contact via clerk)

FUTURE MEETINGS

| Date | Items |
|---|---|
| 10 th July 2018 First Floor Writing Room | High Needs Update DSG Overview Central Services Block Finance Sub Group Report |

Bristol Schools' Forum

Minutes of the meeting held on Tuesday 20th March 2018 at 18.15 hrs at Future Inns

Present:

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| Karen Brown | Governor, St Mary Redcliffe & Temple |
| Tim Browse | Headteacher, Air Balloon Primary |
| Emma Cave | Governor, Claremont |
| Patricia Dodds | Governor, Fishponds Academy |
| Peter Evans | Headteacher, Learn@ MAT |
| Tracey Jones | Headteacher, Bannerman Road |
| Sarah Lovell | Headteacher Rep, Cabot Learning Federation |
| Aileen Morrison | Headteacher, St Matthias Park |
| Chris Pring | Headteacher Rep, Cabot Primary |
| Dan Reed | Governor, Air Balloon Hill |
| Carew Reynell (Chair) | Governor, Henbury Secondary |
| Cedric Sanguinol | Governor Representative, Bishop Road Primary |
| Christine Townsend | Governor, Whitehall Primary |
| Sue Wilson | Headteacher |

In attendance:

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| Becky Wilkins | Clerk to Schools Forum |
| Annette Jones | Service Manager, Additional Learning Needs |
| David Tully | Interim Finance Business Partner |
| Travis Young | Senior Accountant |

Observers:

William Brown, Simon Eakins, Kevin Jay, Clare Pring, Anne Sheridan, Brian Price

| | Action |
|--|--------|
| 1. Welcome and introductions | |
| The Chair opened the meeting at 18:15 | |
| 2. Forum standing business | |
| <p>Apologies Jamie Barry, Jo Butler, Graham Diles, Sam Packer, Ruth Pickersgill, Anne Rutherford, Paul Smith, David Yorath, Sue Rogers, Ali Mannering, Lindsay Fuller</p> <p>Clerk confirmed meeting was quorate.</p> <p>New members – None.</p> <p>Vacancies: Currently one vacancy for the Clifton Diocese. Inger O'Callaghan has resigned and two governors have reached end of term and an election is under way for one of them. Jamie Barry has also resigned so there is now a vacancy for a primary head. BF will request nominations.</p> | BF |

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| <p>No declarations of interest were expressed.</p> | |
| <p>3. Minutes of the meeting held on 16th January 2018</p> | |
| <p>Minutes were accepted as correct.</p> <p>Matters Arising:</p> <p>BIS Information–AM spoke with JB last week and he was happy with the response.</p> <p>Funding sub group formulated, first meeting taking place on 23rd April.</p> <p>Use of benefits data for FSM. Some other local authorities are using this data; however there are questions over the legality especially with changes to data protection. Awaiting legal advice, will come back when received.</p> <p>South Bristol Catchment areas. No further information.</p> <p>TwS report. Due to receive the report on the central services block at the next meeting, it felt it would be appropriate to incorporate TwS into this report at it at the next meeting. May 2018.</p> | |
| <p>4. Correspondence</p> | |
| <p>No Correspondence.</p> | |
| <p>5. DSG Overview</p> | |
| <p>Information report showing the current position for 17/18 and providing feedback on decisions on 18/19 position.</p> <p>Confirmed Central DSG is showing a similar position to previous month, deficit of over £5 million.</p> <p>Details of Higher Needs covered in separate report.</p> <p>Current information on Jan 2018 pupil numbers may result in an underspend on early years block. This needs to be verified and hasn't been accounted for in the current figures.</p> <p>Forecast for LA maintained schools year end positions on balances. End of 16/17 balances overall £5 million surplus, with 20 maintained schools in deficit.</p> <p>Forecast position based upon Q3, 22 schools heading for deficit and the level of surplus is reducing to just less than £2m.</p> <p>Overall the DSG will be in deficit. This is a concern for the Director of Finance. Council will have to find £3m to cover the gap.</p> <p>Will be reporting in July regarding the actual position.</p> <p>The DSG team and TwS Finance have reviewed the processes for challenging and</p> | |

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| <p>supporting schools so they have a clear strategy to manage their financial position and recover in the shortest time.</p> <p>CP asked if a flow chart for the three potential scenarios could be provided, balance budget, overall deficit and in year deficit. DT advised the flow chart provided covers all scenarios.</p> <p>CP asked if a glossary of terms could be provided for the new challenge process which is consistent. DT confirmed this was possible. CP to send in his written comments.</p> <p>SL asked if schools should submit budgets earlier, rather than 31st May. DT confirmed this date is a long standing DFE requirement.</p> <p>It was confirmed that we do not have an 18/19 end budget position at present.</p> <p>Schools forum considered budgets in January and these were signed off by Cabinet.</p> <p>Confirmation received from ESFA that the schools central services block funding for prudential borrowing will not be removed 18/19 but potentially will be removed in 19/20.</p> <p>Proposals will be put forward as to how this will be spent.</p> <p>It was confirmed that the unallocated expenditure figures in table three reflect the position agreed by schools forum.</p> | <p>CP</p> |
| <p>6. High Needs Update & SEND Report</p> | |
| <p>Update provided for period nine and discussion took place.</p> <p>Overspend of £213k due to additional placements in independent non maintained schools and allocation to PFI contribution as agreed at last forum. Variance of £458k noted. £410k improvement on projected savings in year 1.</p> <p>It was confirmed that proposal for core place funding reduction wasn't agreed by the EFSA. This results in £320k being paid to Academies for empty spaces. The EFSA confirmed the LA must approach the Academies directly.</p> <p>Officers to meet with heads from the individual Academies.</p> <p>Top up produced a greater level of savings by following a very rigorous process.</p> <p>High needs officers will seek to create an equitable funding model for special schools for back office and site provision, finance, office, leadership and staffing levels. Depending on level of need for different pupil types. Discussion with special schools will be required.</p> <p>Proposal to remove the capital strategy from higher needs deficit plan and show the impact of these over a longer term.</p> | |

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| <p>Delays due to building works, additional places will not be available until 2020.</p> <p>Primaries to assist with sustaining Early Inclusion Basis.</p> <p>Confirmed the head of Shirehampton is now chairing a working group (IRG) looking to ensure we continue with inclusive provision, focusing on the outcomes for pupils as well as spend. Very positive work so far.</p> <p>It was confirmed there are three initiatives across the city, Lansdown Park, CLF and Woodway Federation.</p> <p>It was confirmed high needs will be short of 25 places in 2018 and then 75 places in 2019.</p> <p>It was confirmed that the three year recovery plan assumes the use of unallocated funding from the previous report.</p> <p>Recommendation that a progress report is submitted to each forum meeting. Feedback on the format of these reports is welcome.</p> <p>It was confirmed Mary Taylor will be taking over reporting on the higher needs block.</p> <p>The forum wished Annette good luck in her new role.</p> | |
| <p>7. EY Report</p> | |
| <p>Discussion took place on report submitted.</p> <p>Table 1 shows a break-down of how funding for E/Y is received. It was noted that it is difficult to predict the income as it based upon pupils taking up places.</p> <p>Currently an estimated surplus on 3-4 year budget but deficit on 2 year old budget. Possible underspend of £470k.</p> <p>SJ has requested DFE guidance on how this can be used and whether it can be carried forward.</p> <p>It was confirmed that transitional funding will be removed in 18/19 and the base rate for all settings drops from £5.20 to £4.88 ph.</p> <p>Supplement for LA maintained nursery schools has been reduced by £300k. SJ is part of a parliamentary group challenging the DFE on this.</p> <p>Will be working with maintained nursery schools to look at interim proposals if funding doesn't continue at the expected level.</p> <p>Report noted. No comments.</p> | |
| <p>8. Growth Fund</p> | |
| <p>School forum to vote on a decision on the future of the growth fund.</p> | |

The options detailed are:-

- Carry on with the current growth fund policy.
- Alter the policy to discount out of Bristol pupils in the calculations.
- Remove growth funding in its entirety.

Discussion took place on the support provided.

It was noted that separate fund regarding growing schools that have opened in the last 7 years, is not part of the proposal for change.

Confirmed table 2 shows offers for September.

Confirmed table 3 related to admissions criteria and it was noted some schools have always admitted children from outside of the city, however out of authority offers are low.

IB confirmed Cathedral, Colston's and St Bedes are expanding. Builds are currently in place and Colston's has a bulge class awaiting a decision on permanent expansion.

Should we look at reducing the growth fund to these schools?

DY asked if the Schools Block still contains an element related to historical spending such as growth fund. DT confirmed this is correct.

It was also noted that the growth fund payments help to protect pupils from the effect of lagged funding.

AM asked why growth funding is going to schools that are already very popular. IB confirmed that this is the case but if they are expanding without having an agreement from the LA would not receive growth funding.

IB confirmed the need to increase the number of places in the City through the free school route and also existing schools. It wouldn't be sensible to expand a school that schools parents didn't want to send their children to. Needs to be targeted to where they are required.

CT asked why schools with out of area catchments have been chosen for expansion. IB confirmed they are not the only schools that are being expanded and the LA has met all secondary schools to discuss places, and negotiated with them regarding capacity to expand. Taking into consideration the size of their site, whether they can support expansion in terms of management and the quality of education. This information is fed into the decision process. It was also confirmed that Bristol will end up in a position where the majority of schools have been extended.

It was recognised that the wording of 2.1 b needs to be altered to relate to numbers over the PAN.

CT indicated that the need to create extra school places was increased because of the responsibility to educate Bristol Children by offering places to out of City children and if this practiced was stopped we wouldn't need to increase school sizes.

IB confirmed that of the full schools offering places to out of city children, one school has an agreement with EFSA where they have receive real time funding. Of the two remaining schools one has chosen to expand so will not receive growth funding.

CT indicated that officers are asking us to fund schools that are making a choice to allocate places to pupils outside of Bristol and a saving would be made if growth funding was changed.

AJ indicated that any change would not be applied to children with SEN.

SI confirmed that Cathedral would be happy to work with other schools to put forward a business case to the EFSA for real time funding.

TD suggested that schools should be given notice to allow them time to change their admissions policies or expansion proposals.

AM asked if growth funding was clawed back. IB confirmed it was not.

IB noted that there isn't a formal agreement with schools on growth funding, however it might be open to challenge if we change the growth funding part way through the expansion.

It was noted that the option to not have a growth fund would only affect St Bedes in 2018.

TY confirmed he recently attended an ESFA growth funding workshop. EFSA are looking to work out a way of providing money to LA's specifically to fund a growth fund. LA's can still allocate the money as we choose, however the EFSA are going to calculate how much goes into the 'national' growth fund. This means we could potentially put ourselves in a position where we do not receive enough funding to cover committed expenditure. This is potentially coming into force from 19/20.

The ESFA are intending to publish recommendations in July.

Vote

On whether to continue with a Growth Fund:

- End allocation through the growth fund - 0
- Retain a growth fund in some form - 14

On whether the Growth Fund should restrict the policy to Bristol only pupils:

- Restrict the policy - 8

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| <ul style="list-style-type: none"> • Do not restrict the policy - 3 <p>On when any such restriction should take effect:</p> <ul style="list-style-type: none"> • Implement a restriction to Bristol only pupils in 18/19 - 1 • Implement a restriction to Bristol only pupils in 19/20 - 7 <p>Schools Forum decided that a Growth Fund should continue to operate and that it would be unchanged for 2018/19 academic year, but that from 2019/20 academic year there would be a restriction to the policy to limit support to expansions that benefited Bristol resident pupils only. The precise wording of the restriction would be agreed at a future meeting.</p> | |
| <p>9. Changes to Non-Teaching staff pay scales</p> | |
| <p>JB presented information on the national picture in terms of pay increases.</p> <p>GMB have voted to accept the employer's final offer 2% on 1st April 18 and 2% April 19. Unison is taking further branch led consultation. Unite are due to share ballot result shortly.</p> <p>JB confirmed single status has been altered by the national living wage and the five lowest scales now receive the same level of pay and as such proposed to review schools generic job paperwork and pay scales in consultation with schools to remedy this. It was noted that the draft scales will create an additional financial pressure of approximately £2m on schools using BCC payroll. The proposed consultation was endorsed by Schools forum.</p> | |
| <p>10. Forum Constitution</p> | |
| <p>Forum accepted the recommendation to adopt the revised constitution.</p> | |
| <p>11. Proposed Term dates</p> | |
| <p>It was noted the Term 6 finished date is a Monday and that this was not ideal</p> <p>IB confirmed all LA's in the South West were consulted on term dates.</p> <p>Forum agreed dates.</p> | |
| <p>12. AOB</p> | |
| <p>None</p> | |

The meeting closed at 20.20hrs

Bristol Schools Forum
DSG Overview - Outturn 2017/18 and Budget 2018/19

| | |
|-------------------------|---------------------------|
| Date of meeting: | 22 nd May 2018 |
| Time of meeting: | 6.15 pm |
| Venue: | City Hall 1P05 |

1 Purpose of report

- 1.1 This report provides an update on the financial outturn position for the DSG overall for 2017/18 financial year, including the position for individual school balances. It also updates on the DSG position for 2018/19 in the light of the 2017/18 outturn.

2 Recommendation

2.1 *Schools Forum is invited to:*

- a) note the outturn 2017/18 position for the overall DSG in Section 4
- b) agree that the net £1m overspend may be carried forward as per Table 3;
- c) note the update on the 2018/19 DSG budgets overall.
- d) note the position on individual maintained school balances for 2017/18.

3 Background

- 3.1 At Schools Forum on 20th March 2018, it was reported that there was a forecast £5.2m deficit on the Dedicated Schools Budget for 2017/18.
- 3.2 The meeting also considered the forecast position on individual schools balances forecast to March 2018.
- 3.3 Finally, the meeting considered the decisions which were taken at Cabinet and Council to confirm the Schools Budget levels of funding for 2018/19.

4 Budget monitoring 2017/18 – central DSG

- 4.1 The financial outturn position for the DSG is much better than forecast during 2017/18. Whereas the forecast outturn at Period 9 was a cumulative overspend of £5.2m, the position has improved in all areas to produce a cumulative overspend of £1.0m.
- 4.2 The outturn position and a comparison with the Period 9 position is set out in **Table 1** with more detail set out in **Appendix 1**.

Table 1: Outturn position on overall DSG for 2017/18

| | Brought forward 1.4.17 | Funding 2017/18 | Actual Outturn 2017/18 | In-year movement | Carry forward 31.3.17 | Previous forecast (Period 9) | Change |
|--------------------|---------------------------|--------------------|------------------------------|---------------------|--------------------------|------------------------------------|---------------|
| | £,000 | £,000 | £,000 | £,000 | £,000 | £,000 | £'000 |
| Schools Block | | 244,117 | 242,022 | -2,095 | -2,095 | -1,130 | -965 |
| De-delegated items | -295 | 0 | -62 | -62 | -357 | 0 | -357 |
| Early Years | -440 | 34,815 | 33,227 | -1,587 | -2,027 | -109 | -1,971 |
| High Needs Block | 3,180 | 50,596 | 53,093 | 2,497 | 5,677 | 6,484 | -807 |
| HN Projects | -815 | 0 | 633 | 633 | -182 | 0 | -182 |
| Funding | | -329,528 | -329,528 | 0 | | 0 | 0 |
| Total | 1,630 | 0 | -614 | -614 | 1,016 | 5,245 | -4,229 |

4.3 **Schools Block underspent by -£2.1m.** While £1.1m has been reported consistently as an underspend, principally on the Growth Fund, there have been other unallocated funds within the Schools Block set aside for National Non-Domestic Rate revaluations, for instance, which have not been spent. During the year, the Schools Block position is regularly adjusted to reflect the part-year impact of maintained schools converting to academies. This has obscured the underlying position, even although the principle of these adjustments is essentially neutral on the DSG position. This is unlikely to recur for 2018/19 because the Growth Fund has been scaled back from £3m to £2m and the amount to be distributed through the funding formula has been fully distributed and reflected in the Section 251 Statement that was submitted to the ESFA at the end of April 2018.

4.4 **De-delegated items have underspent by- £0.3m** The year-end position is reflected in **Table 2** below. The underspent funds are split between the Schools in Financial Difficulty fund, which the Authority will need to use to support many of the schools with deficits in 2018/19 and the Trade Union Facility time.

Table 2: Outturn for de-delegated items 2017/18

| | Brought forward 1.4.17 £'000 | In-year movement £'000 | Carry forward 31.3.18 £'000 |
|---------------------------------|------------------------------------|------------------------------|-----------------------------------|
| Schools In Financial Difficulty | (188) | (102) | (290) |
| TU Facility Time | (107) | 35 | (72) |
| Health & Safety Roving Reps. | 0 | 5 | 5 |
| De-delegated Services | (295) | (62) | (357) |

- 4.5 **Early Years has underspent by £2.0m.** At Schools Forum in March 2018, the analysis of the provisional January 2018 census was indicating that more income might be due to acknowledge more pupils in the system. In the final analysis, the extra income which the Authority has accounted for in 2017/18 financial year is £0.843m. Overall, the Early Years service has underspent across planned provision, as well as receiving funding for more pupils than anticipated and not spending the funding brought forward. More detail is included in **Appendix 1**.
- 4.6 **High Needs Block has overspent by £5.7m.** The High Needs budget has been reporting pressure throughout 2017/18, with a high point of £7.7m at Schools Forum in September 2017. A budget recovery plan has begun to make an impact and has resulted in an improved position of £5.7m at year-end. There was a £0.8m improvement between the March 2018 Schools Forum, which reported £6.5m overspend, and year-end. This is accounted for by £183k increase in top up spend related to therapy costs offset by; £318k reduction in the number of new placements & decrease in placement costs, £229k additional income from implementing a revised charging policy for ALP placements, £449k reduction due to freeze on recruitment & project related spend and generation of income.
- 4.7 A separate report on the agenda provides further information about the High Needs budget.
- 4.8 **High Needs projects** underspent by -£0.2m. Funding was agreed some years ago to meet educational costs associated with the Early Help function in the Local Authority and the last elements of that are in place. The support for additional posts will cease in summer 2018 when the last remaining £0.182m is spent.

5 Treatment of year-end balance

- 5.1 The Authority intends to carry forward the £1.0m net overspend to charge against the Schools Budget for 2018/19 financial year.
- 5.2 Officers have checked what obligations the Authority has to meet in carrying forward any particular components of the balance. Officers sought clarification from the ESFA about whether the requirement in the Early Years Block to demonstrate that 93% of funding received for 3 and 4 year olds meant that most of the additional income was required to be passed on to early years settings. They confirmed that there was no such obligation. Likewise, the DfE guidance indicates that it is possible to carry forward unspent monies on de-delegated budget items, including line-by-line allocations. There is, however, no obligation to do this.

- 5.3 It is permissible, therefore, for the Authority to consider focusing the whole of the £1.0m overspend on the High Needs Block (removing £4.7m from the historic deficit) and reverting all other blocks to nil. There are some elements of the budget which have underspent, where it may be appropriate to acknowledge that underspend. So, **Table 3** sets out the proposed composition of the year-end balance for endorsement by Schools Forum.

Table 3: Proposed basis of bringing forward £1.016m deficit to Schools Budget to 2018/19 financial year

| Component | Year-end balance applied £'000 |
|--|---------------------------------------|
| De-delegated items | -357 |
| High Needs Early Help projects | -182 |
| Early Years Block – Maintained Nursery Schools | -500 |
| High Needs Block | +2,055 |
| Total net balance b/f 2018/19 | +1,016 |

- 5.4 **Table 3** acknowledges that the de-delegated items have been funded from maintained mainstream schools' budgets and those funds should be made available for use for the same purpose in 2018/19. Also, the agreement to fund the Early Help projects was made many years ago and there are existing commitments for the last £0.182m of expenditure in this term.
- 5.5 The Early Years Block has underspent significantly during 2017/18. There is no obligation on the Authority to earmark this underspend for Early Years settings, in the context of an overspend in the DSG overall.
- 5.6 There is a particular issue, however, in Maintained Nursery Schools with the DfE grant that was created specifically to support those schools for three years with the introduction of the early years national funding formula. The support provided to individual schools has been reducing within each iteration of the calculation by the DfE. In principle, the DfE have said that they are protecting the level of funding for Maintained Nursery Schools at the 2016/17 level. Bristol's approach has been to mirror the grant provided by the DfE, but individual Maintained Nursery Schools have been affected differently by the Early Years National Funding Formula. A more bespoke approach would be more appropriate, even if it cost more than the grant provided by the DfE.
- 5.7 The Authority will consult Maintained Nursery Schools on how a local Maintained Nursery School supplement might work which protects those schools for the per pupil per hour funding they were receiving in 2016/17.

In order to be able to resource this, £0.5m of the underspend in the Early Years DSG would be earmarked for this purpose.

6 Schools Budget 2018/19

- 6.1 As reported at the Schools Forum meeting in March 2018, Council agreed to the budgets considered by Schools Forum and Cabinet in January 2018. The year-end position, leaving aside performance against budget during 2018/19, provides an updated budget as set out in Table 4. Table 4 illustrates the impact of agreeing Table 3, so if Table 3 is not agreed, the position will be different.

Table 4: Schools Budgets 2018/19 update

| DSG Blocks | Schools Budget 2018/19 (Cabinet Jan 2018) £m | Changes arising from year-end £m | Updated position (May 2018) £m |
|--|---|---|---------------------------------------|
| Schools block | 253.423 | 0.357 | 253.780 |
| Central school services block | 2.262 | 0.000 | 2.262 |
| High needs block | 50.951 | 0.182 | 51.133 |
| Early Years block | 35.541 | 0.500 | 36.041 |
| Total | 342.177 | 1.039 | 343.216 |
| Funded from | | | |
| Estimated brought forward DSG deficit from 2017/18 (Period 8 forecast) | +5.088 | -4.072 | +1.016 |
| DSG advised by ESFA 19 th December 2017 | -341.274 | 0.000 | -341.274 |
| General Fund (vired from capital financing) | -4.100 | 0.000 | -4.100 |
| Estimated carry-forward at end of 2018/19 | -1.891 | +3.057 | +1.142 |
| Total | -342.177 | -1.039 | -343.204 |

NB: Forecast 2018/19 carry-forward of £1.154m surplus comprised of: £0.566m unallocated School Central Services Block funding and £0.588m surplus on High Needs Block (if all savings delivered)

- 6.2 If spending were to be consistent with the budget during 2018/19, this would point to a surplus DSG at the end of 2018/19 of £1.2m (subject to decisions on any further or different allocations on the basis of underspent areas of the budget being supported in 2018/19).
- 6.3 The report elsewhere on the agenda points to some areas of the High Needs budget strategy where plans have slipped and some planned surplus would, therefore, be most helpful.

7 Outturn 2017/18 – Individual schools

- 7.1 At the end of 2016/17 individual maintained schools had net balances at a level of around £5m, with 20 individual schools in deficit. Schools Forum received the forecast position, as provided by individual schools in their quarterly returns, which indicated net balances of around £2m at the end of 2017/18, with 22 schools in deficit.
- 7.2 The final position is much better than the individual forecasts. For the Council's final accounts, the reported school balances figures includes all revenue balances plus any capital balances that are not associated with capital grant received in advance. So, the comparable figure with the £5.0m for 2017/18 is £5.4m, an improvement of £0.4m.
- 7.3 The more relevant comparison is the position on revenue and capital separately. **Table 5** sets out the balances brought forward and carried forward on revenue and capital. The revenue position has improved by £0.6m while capital balances have reduced by £0.3m. By excluding the original £0.8m balances held by those schools in March 2017, the like-for-like comparison for existing maintained schools is £3.5m net revenue surplus to £4.8m during 2017/18.

Table 5: Summary revenue and capital balances for maintained schools as at 31st March 2018

| | Revenue b/f | Revenue Movement | Revenue c/f | Capital b/f | Capital Movem ent | Capital c/f |
|--------------|----------------|---------------------|----------------|----------------|-------------------------|----------------|
| Nursery | 1,276 | 268 | 1,544 | (369) | 48 | (321) |
| Primary | (3,597) | (2,134) | (5,732) | (2,392) | 357 | (2,035) |
| Secondary | (348) | 88 | (260) | | (50) | (50) |
| Special | (1,206) | 524 | (682) | (1,057) | (69) | (1,126) |
| PRU | (181) | 181 | | 16 | (16) | |
| Hospital | 139 | (136) | 3 | (7) | 6 | (1) |
| CC | (410) | 684 | 274 | (52) | 63 | 11 |
| Central | 80 | (80) | | 4 | (4) | |
| Total | (4,248) | (605) | (4,853) | (3,857) | 336 | (3,522) |

- 7.4 While there were 20 individual maintained institutions with deficits at the end of March 2017, this has decreased to 17 one year later, 2 of which are stand-alone Children's Centres. **Table 6** sets out how many maintained institutions have surpluses or deficits at the end of March 2018.

Table 6: Maintained Schools Carry forward position REVENUE (Status 31.3.18)

| | Deficit | Surplus | Total |
|------------------------|----------------|----------------|--------------|
| Nursery | 7 | 5 | 12 |
| Primary | 5 | 52 | 57 |
| Secondary | 1 | 2 | 3 |
| Special | 1 | 6 | 7 |
| PRU | 0 | 0 | 0 |
| Hospital | 1 | 1 | 2 |
| Children Centres (DSG) | 2 | 4 | 6 |
| Total | 17 | 70 | 87 |

- 7.5 Individual schools (senior leadership team and governing body) are accountable for the budget decisions they take and for ensuring that their school operates within budget approvals. 80% of maintained schools managed successfully to deliver a surplus during 2017/18.
- 7.6 Nonetheless, 20% of maintained schools operated with a year-end deficit. Officers would expect all schools in that position to be considering what they needed to do to get their net spending levels to sustainable levels. This should include the submission of a balanced annual budget to the Authority by the end of May 2018. In circumstances where this is not immediately possible, officers would want to understand the circumstances that are hindering that and to help support the development of an action plan, owned by the school, to get back to a balanced position.
- 7.7 At Schools Forum in March 2018, officers shared some thinking on the processes to be adopted in supporting and challenging school budgets from 2018/19. All maintained schools will recently have received details of the Authority's expectations and its systematic approach to managing school budget submissions.
- 7.8 There are a small number of schools with levels of deficit that are very high and officers will want to discuss the way forward with these schools as a matter of urgency.

8 Trading with Schools outturn 2017/18

- 8.1 Schools Forum requested information about Trading with Schools' financial position.
- 8.2 Trading with Schools is a collection of school-related services provided by the Council. Around 2/3rds of the activity is funded through buy-back from schools and other educational settings. Around 1/3rd is funded from commissions from local authority services. The risks of providing these

services rests with the Authority and it is current practice for the service to aim for a small operational surplus.

- 8.3 **Appendix 2** sets out the expenditure and income for the services individually and collectively for 2017/18.
- 8.4 Of the 22 individual services, 17 either broke even or made a surplus and 5 made a loss. Overall, on turnover of £10.8m, TWS was able to make a net surplus of 8% which has been a contribution to the Council's General Fund. The Service Director for Education is reviewing the operating arrangements for TWS and will be reporting on this later in the year.

8.5 Appendix 1

Outturn position for Overall DSG 2017/18 as at Period 12

| | Brought forward 1.4.17 £000 | Funding 2017/18 £000 | Outturn (as at Mar 2018) 2017/18 £000 | In-year movement £000 | Carry forward 31.3.18 £000 |
|------------------------------------|-----------------------------------|----------------------------|--|-----------------------------|----------------------------------|
| Admissions | | (461) | 461 | 0 | 0 |
| Centrally Retained | (295) | (6,617) | 4,460 | (2,157) | (2,452) |
| Maintained Schools | | (93,498) | 93,498 | 0 | 0 |
| Academy Recoupment | | (143,541) | 143,541 | 0 | 0 |
| Schools Block | (295) | (244,117) | 241,960 | (2,157) | (2,452) |
| National Funding Formula | | (25,982) | 25,923 | (59) | (59) |
| Contingency | | (292) | 5 | (287) | (287) |
| 2 Year Old Funding | | (4,601) | 4,286 | (315) | (315) |
| Pupil Premium (EYPP) | | (366) | 333 | (33) | (33) |
| Additional Support Services | | (1,026) | 1,120 | 94 | 94 |
| SEN Top up | | (667) | 806 | 139 | 139 |
| Staffing | | (1,777) | 1,555 | (222) | (222) |
| Disability Access Fund | | (103) | 41 | (62) | (62) |
| Funding Accrued | | 0 | (842) | (842) | (842) |
| Committed reserve | (440) | 0 | 0 | 0 | (440) |
| Early Years Block | (440) | (34,814) | 33,227 | (1,587) | (2,027) |
| Commissioned Services | | (2,723) | 2,742 | 19 | 19 |
| Core Place Funding | | (10,127) | 9,576 | (551) | (551) |
| Staffing | | (895) | 705 | (190) | (190) |
| Top Up | | (20,221) | 22,477 | 2,256 | 2,256 |
| Placements | | (6,455) | 8,049 | 1,594 | 1,594 |
| Pupil Support | | (504) | 400 | (104) | (104) |
| Schools in Financial Difficulty | | (300) | 448 | 148 | 148 |
| HOPE Virtual School | | (436) | 383 | (53) | (53) |
| 16/17 Overspend carried forward | 3,180 | (626) | 4 | (622) | 2,558 |
| Committed reserve | (815) | 0 | 633 | 633 | (182) |
| Academy Recoupment | | (8,308) | 8,308 | 0 | 0 |
| High Needs Block | 2,365 | (50,595) | 53,725 | 3,130 | 5,495 |
| Total | 1,630 | (329,526) | 328,912 | (614) | 1,016 |

Appendix 2

Trading with Schools outturn 2017/18

| Cost centre | Cost-centre description | Expenditure 2017/18 £'000 | Income 2017/18 £'000 | Net Expenditure 2017/18 £'000 |
|--------------------|--------------------------------------|--------------------------------------|---------------------------------|--|
| 12378 | Trading with Schools Programme Costs | | | |
| 14168 | Educational Services | 35 | -35 | |
| 14170 | Education Welfare | 590 | -532 | 58 |
| 14171 | Education Psychology | 1,157 | -1,362 | -205 |
| 14174 | School Admissions | 493 | -586 | -92 |
| 14175 | School Improvement | 207 | -267 | -60 |
| 14176 | Teaching & Learning | 577 | -486 | 91 |
| 14177 | Governor Development | 149 | -178 | -29 |
| 14178 | Outdoor Education -Dean Fields | 447 | -465 | -17 |
| 14179 | Outdoor Education -Exmouth Camp | 157 | -132 | 25 |
| 14182 | HR Services | 680 | -632 | 49 |
| 14184 | SIMS | 322 | -449 | -127 |
| 14185 | Schools ICT | 1,003 | 0 | -87 |
| 14187 | Schools ICT Purchasing | 215 | -175 | 40 |
| 14189 | Schools Accounting | 655 | -736 | -80 |
| 14190 | Insurance Services | 1,271 | -1,501 | -230 |
| 14191 | Procurement & Contracts | 266 | -340 | -73 |
| 14192 | Subcontracted Sales | 275 | -296 | -21 |
| 14193 | Operational Support | 263 | -263 | |
| 14194 | Client Managers | 148 | -148 | |
| 14365 | Trading With Schools | 945 | -945 | |
| 14842 | Trading with Schools CPD Programme | 6 | -132 | -126 |
| 15138 | EU Bid - Open the Door to Reading | 3 | -3 | |
| Grand Total | | 9,867 | -10,751 | -885 |

Bristol Schools Forum: High Needs Update

| | |
|------------------|---------------------------|
| Date of meeting: | 22 nd May 2018 |
| Time of meeting: | 6:15pm |
| Venue: | City Hall 1P05 |

1. Purpose of the report

- 1.1 To explain the 2017/18 outturn position for the High Needs Block.
- 1.2 To provide an update to the 3-year High Needs Block recovery plan, adjusted to reflect the proposals about brought forward balances in the DSG Overview paper.

2. Recommendations

- 2.1 To note the High Needs Block outturn for 2017/18 and the impact on the 2018/19 budget.
- 2.2 To note and comment on planned activity under the high needs block deficit recovery plan.

3. Outturn position for 2017/2018

- 3.1 **Table 1** sets out the period 9 forecast for 2017/2018 and actual outturn.

Table 1: Period 9 Forecast Compared to Period 8

| Component | 17/18 as at period 9 forecast | 17/18 outturn | Change (adverse =positive) |
|-------------------------------------|-------------------------------|---------------|----------------------------|
| 1. Places only | 15,959 | 15,878 | -81 |
| 2. SEN Top-ups | 23,092 | 23,356 | 264 |
| 3. AP Top-ups | 851 | 851 | - |
| 4. Other SEN provision | 5,810 | 5,492 | -318 |
| 5. Other AP provision | 4,720 | 4,491 | -229 |
| 6. Services | 3,468 | 3,019 | -449 |
| Total Commitment | 53,901 | 53,087 | -814 |
| Brought Forward | - 3,180 | - 3,180 | 0 |
| DSG Funding retained 2017/18 | 44,007 | 42,289 | -1,718 |
| DSG Funding recouped by EFA 2017/18 | 6,590 | 8,308 | 1,718 |
| Total Funding | 47,417 | 47,417 | 0 |
| Overspend (cumulative) | 6,484 | 5,670 | -814 |

3.2 The period 9 outturn position shows an improvement on forecast spend by -£814,000. Key reasons for this were:

- **Other SEN Provision:** Contingency for independent non maintained provision was either diverted or was not required in this period, a reminder of the complexity of forecasting in this area. Health contributions to joint commissioned placements were higher than predicted.
- **Other AP provision:** After implementing a policy of the second year charge for ALP placements was introduced, the income generated exceeded forecasts.
- **LA services:** early implementation of 18/19 HNB action plan, general vacancy management policy implemented and freeze on project related spend.

4. Updated High Needs Budget 2018/19

Table 2: Original budget with changes proposed in DSG Overview paper, with mitigations added back to show underlying position if no action

| Component | Budget 18/19 as agreed at cabinet | Proposed changes in DSG Overview paper | Updated 2018/19m, taking account of revised b/f | Addback savings line | Underlying current spending |
|-------------------------------|-----------------------------------|--|---|----------------------|-----------------------------|
| 1. Places only | 14,609 | | 14,609 | 761 | 15,370 |
| 2. SEN Top-ups | 22,664 | | 22,664 | 2,783 | 25,447 |
| 3. AP Top-ups | 737 | | 737 | 150 | 887 |
| 4. Other SEN provision | 5,904 | | 5,904 | | 5,904 |
| 5. Other AP provision | 4,040 | | 4,040 | 1,000 | 5,040 |
| 6. Services | 2,997 | 182 | 3,179 | 408 | 3,587 |
| Total Commitment | 50,951 | 182 | 51,133 | 5,102 | 56,235 |
| | | | | | |
| Brought Forward | -6,270 | 4,215 | -2,055 | 0 | -2,055 |
| DSG High Needs Block | 51,882 | | 51,882 | 0 | 51,882 |
| Transfer from Schools Block | 2,000 | | 2,000 | 0 | 2,000 |
| General fund contribution | 700 | | 700 | | 700 |
| Total Funding | 48,312 | 4,215 | 52,527 | 0 | 52,527 |
| Overspend (cumulative) | 2,639 | -4,033 | -1,394 | 5,102 | 3,708 |

4.1 What does the original budget decision tell us?

- The original expenditure budget for High Needs Block (£51.0m) was lower than the High Needs Block DSG income (£51.9m) in isolation.
- The underlying expenditure on the High Needs Block is £56m, which is £4.1m higher than the level of the High Needs Block income in isolation
- Without any containment of expenditure and without the extra £2.7m agreed by Schools Forum, the cumulative deficit would have risen to £10.4m.
- Even if all the savings were to be delivered as outlined for 2018/19, there would still be an overspend of £2.6m in the High Needs Block at the end of 2018/19.

4.2 What has happened since the original budget was set?

- The deficit on the High Needs Block was £5.7m in 2017/18, an improvement of £0.6m on the Period 9 forecast.
- There have been underspends on other parts of the DSG, including Schools Block and Early Years Block which can be considered for assisting the High Needs deficit, subject to Schools Forum agreement.
- The overall position is that the DSG has overspent at the end of 2017/18 by £1m, but there are underspent components amounting to another £1m that ought to be carried forward into 2018/19. The DSG Overview report elsewhere on the agenda proposes that the High Needs deficit be reduced from £5.7m to £2.0m, an improvement of £3.7m.

4.3 What is the impact of the proposals being considered in the DSG Overview report?

- The original budget was set on the basis of £6.3m deficit in the High Needs Block. So a £2m deficit carried forward is an improvement of £4.3m.
- The extra £0.182m cost is the final element of the Early Help initiative which was agreed by Schools Forum many years ago, the final commitments for which will be made this term.
- If all savings outlined for 2018/19 were to happen during the year, the prevailing level of spend £51m would be within the annual DSG High Needs allocation of £51.9m, so there would be the prospect of a sustainable budget position from 2019/20 onwards. Moreover, there would be an underspend of £1.4m to assist in delivering better ways of working or to consider different initiatives.
- If none of the savings were to be delivered, the High Needs Block would be overspending by £3.7m, leaving on-going difficulties in setting a balanced budget without calling on other parts of the DSG for extra support.
- The likelihood is, however, that some of the savings will be delivered during 2018/19, some will take longer to implement and some may have to be rethought. The sooner that the underlying level of expenditure can be brought down to around £52m the better, if we are to achieve a sustainable High Needs Block budget that can operate within the funding provided by the ESFA. The situation regarding savings is outlined in the next section.

5. High Needs 3-year savings plan

5.1 **Appendix 1** sets out key areas for consideration to improve systems in a sustainable manner moving forward. Some of the action points may experience slippage against the original plan, such as Top Up and special school funding. Other areas may not. Unpredictability is acknowledged in forecasting for the often complex needs of many children and young people when a holistic, joint commissioning approach is required. Careful consideration will be given to each development pathway which may include full consultation, no change of policy required or LA governance agreement.

6. Conclusion

- 6.1 Delivery of the High Needs 3-year savings plan is not going to be straightforward, with different components possibly having longer lead-in times than anticipated and some plans needing to be re-thought. There has been some progress, however, and officers continue to identify how best to proceed with the identified plan. The sooner the High Needs budget gets to an ongoing level of spending around £52m, the sooner a sustainable budget can be in place.
- 6.2 If the proposals in the DSG Overview report are accepted and the deficit brought forward for High Needs is £2.0m, instead of £5.7m, this provides a significant improvement to the financial position in the High Needs Block and supports a swifter move to a more sustainable level of operating expenditure.
- 6.3 This report does not include a detailed forecast of the 2018/19 outturn, in order to focus on the changes arising from the 2017/18 outturn position and the areas where savings initiatives are being considered. The next report to Schools Forum in July 2018 will provide an assessment of the forecast position for 2018/19.

Glossary of Terms

| | |
|--------|---|
| BCC | Bristol City Council |
| LA | Local Authority |
| SEND | Special Educational Needs and Disability |
| PRU | Pupil Referral Unit |
| ALP/AP | Alternative Learning Provision |
| EIB | Early Intervention Base |
| BHES | Bristol Hospital Education Service |
| CAMHS | Child and Adolescent mental Health Services |
| GFE | General Further Education (college) |
| IRG | Inclusion Reference group |

Appendix 1

| Table from Cabinet report explaining how the plan for £5.102m of savings that would be necessary if the service were to operate within the funding envelope for 2018/19 | | | | | | |
|---|--|--------------------------------|--------------------------------|--------------------------------|---------------|---|
| Category | Proposal | Savings measures 2017/18 £'000 | Savings measures 2018/19 £'000 | Savings measures 2019/20 £'000 | Total £'000 | Comments on next steps |
| 1. Places only | 1.1 Revise agreed places, based on occupancy, including FE | | -761 | -95 | -856 | Work was done, particularly with FE places and requested reductions in Resource Bases to deliver this saving. Increases in agreed places and a consolidation of some Early Intervention Base places into core places have meant that this target may not be fully met. Core places will be reviewed, but opportunities to reduce places normally have long lead-in times. |
| 2. SEN Top-ups | 2.1 Negotiate lower contributions to FE Element 2s and to standardised FE top-ups | -500 | -466 | | -966 | This work has been completed and on target through discussions with individual colleges about the appropriate levels of funding. |
| | 2.2 Review the process for allocating top-ups, how we fund Bands 2 and 3 without EHC plans and levels of contingency built in. | -250 | -1,151 | | -1,401 | Officers wish to review how the top-up arrangements operate, in particular to consider whether there is a more practical alternative to the individual, twice-yearly panel approach. Officers will proceed with the current arrangements for May 2018, but would want to work with schools to co-design a new system before the end of the calendar year. This is likely to require an EQIA and wider consultation. |
| | 2.3 Develop revised models for special schools | | -1,166 | -834 | -2,000 | Work continues in this area and the Authority has appointed an independent consultant to advise on how this exercise might proceed. A comprehensive new arrangement for special schools top-ups will not be in place by September 2018, but there might be particular funding issues that may be resolved before the end of March 2019 (which could contribute to this target). If and when we get to a point where we have reached conclusions on a better way of calculating special schools top-ups, the LA would expect to formally consult and do an EQIA before implementing the changes. |
| 3. AP Top-ups | 3.1 Develop revised models for PRUs | | -150 | | -150 | Source of funding for some placements has changed from HNB to schools commissioning PRU places. On target to achieve savings |
| 4. Other SEN provision | 4.1 Use Capital Strategy to re-provide local, less expensive provision | | 0 | | 0 | N/A |
| 5. Other AP provision | 5.1 Share funding for Early Intervention Bases with schools | | -450 | | -450 | In principle, the EIB initiative is moving from the LA paying for core places and top-up to LA paying for core places and mainstream schools paying for top-up. In practice, some of this does not happen until September 2018, so there is a part-year impact. Also, the consolidation of core places has resulted in some increases, referred to in line 1. "Places Only" above. |
| | 5.2 Target saving for Hospital Education Service | | -200 | | -200 | Work continues in this area. Once firm plans are developed (expected this term), a view will be taken on whether consultation and/or an EQIA is necessary. |
| | 5.3 Restrict external AP provision to budget | | -350 | -150 | -500 | Work continues and on target. |
| 6. Services | 6.1 Target saving for services | | -408 | -242 | -650 | Work continues on these services. If it were concluded that changes were necessary, the LA would take a view on whether consultation and EQIA were necessary. |
| Total full-year impact | | -750 | -5,102 | -1,321 | -7,173 | |

Bristol Schools Forum

Growth Fund 2019/20

| | |
|-------------------------|---------------------------|
| Date of meeting: | 22 nd May 2018 |
| Time of meeting: | 6.15 pm |
| Venue: | City Hall, 1P05 |

1. Purpose of report

- 1.1 To confirm the wording of the change of policy on the Growth Fund, based on the decision of Schools Forum in March 2018 to amend the entitlement to Growth Fund monies for schools whose admissions policies earmark, or have the effect of earmarking, places for out-of-authority pupils.

2. Recommendation

- 2.1 Schools Forum to consider and agree a change to the wording of the current growth policy in “Section 1: Planned Basic Need Growth” reproduced in Appendix 1, to apply from financial year 2019/20 as follows:

The following text should be inserted as indicated:

Note A: “Expanding schools with admissions arrangements which earmark, or have the effect of earmarking, places for pupils who are not resident in Bristol will only be eligible for Growth Funding for the proportion of the extra pupils who were Bristol resident pupils in that year.”

Note B: “For those schools whose expansion is limited because of their admissions arrangements, the Authority will calculate the proportion of Bristol resident pupils with reference to the new yeargroup in the census being used to calculate growth (ie Reception for Infant and Primary schools, Year 3 for Junior Schools, Year 7 for Secondary, Reception or Year 7 as appropriate for All-through schools). The proportion in that reference yeargroup will be applied to the number of places that would have been used, had there been no limiting of the school’s allocation.

For example, a 5 form of entry school agreed to expand to be a 6 form of entry school, they would be increasing by 30 from 150 to 180 places. If their actual pupil intake was 175 pupils and 140 (80%) were Bristol resident pupils, the school would be entitled to 80% of the number of actual pupils beyond the 150 they previously offered ie 20.”

3. Background

- 3.1 Schools Forum considered a paper at its meeting on 20th March 2018, following discussions at previous meetings about the operation of the Growth Fund. Schools Forum agreed that a Growth Fund should continue, but that from 2019/20 financial year it should be restricted to only support Bristol City Council resident pupils.
- 3.2 This brief report includes suggested wording to change the current policy in order to bring effect to the decision taken in March 2018.
- 3.3 The paper focused on those schools whose admission policies earmarked, or had the effect of earmarking, places for pupils from out of the city. So, instances where schools happened to have a few individual non-resident pupils, but whose admissions policies did not earmark places for children out of the authority, would not be affected by this change.
- 3.4 Before any school can access Growth Fund money, they must demonstrate that they will meet the Authority's basic need requirements. In circumstances where a school wishes to do this, but their admissions policies earmark, or have the effect of earmarking, places for out-of-authority pupils, the Authority would agree only a proportion of the extra places as eligible for Growth Fund monies.
- 3.5 The precise calculations can be complex because schools are not dealing with static pupil numbers and not all year-groups will have identical numbers. The September intake, compared to the year before, can be expressed as a single number, but in reality Year 11 pupils will no longer be counted and Year 7 pupils will be a new cohort and there may have been some natural changes in the years in between. Determining a method of determining how many of the new Year 7s should count for Growth Fund purposes has to be set out in the policy and it, therefore, should be simple, predictable, not subject to misinterpretation but still consistent with the principles that Schools Forum has agreed.
- 3.6 There are different ways in which this could be calculated, such as:

- a) **Calculate a fixed number in advance.** Agreeing a maximum number of places that authority would fund, based on past experience of out-of-authority admissions;
 - b) **Apply a fixed percentage in advance.** Agree a fixed proportion of Bristol City resident pupil admissions which could be applied to the actual extra places; or
 - c) **Calculate based on the actual census.** Wait until the pupil count, identify the actual number of Bristol Resident pupils in the new in-take and use that to calculate the entitlement.
- 3.7 The method which reflects the circumstances of the school in that academic year best is option c). For example, a 5 form of entry school agreed to expand to be a 6 form of entry school, they would be increasing by 30 from 150 to 180 places. If their actual pupil intake was 175 pupils and 140 (80%) were Bristol resident pupils, the school would be entitled to 80% of the number of actual pupils beyond the 150 they previously offered ie 20.
- 3.8 If this option were to be chosen, the final Growth Funding allocation would not be known until all the post-code details of the October census were made available and had been analysed. This could mean that funding was not notified to the school possibly until January of each year.
- 3.9 **Option c** is the one which is most realistic in that it reflects the actual level of Bristol resident pupils for that academic year in-take. The nature of this policy change is such that it will only ever affect a very small number of schools. If Schools Forum is content that individual Growth Fund allocations for affected schools may not be available until the end of the autumn term or start of the spring term, then it otherwise meets the expectations about being simple, predictable, not subject to misinterpretation but still consistent with the principles that Schools Forum has agreed.

4. Financial Implications

- 4.1 Growth Fund will fluctuate from year to year.

5. Glossary of Terms

Appendix 1

Growth Fund Policy

Background:

2015-16 Revenue Funding Arrangements published by the DfE/EFA: 'Operational Information for local authorities' outlines the principle for a growth fund. Local authorities may centrally retain funding within the schools block in order to create a growth fund for the purposes of supporting growth in pre-16 pupil numbers to meet basic need, to support additional classes needed to meet the infant class size regulation and to meet the costs of new schools.

The growth fund may **not** be used to support schools in financial difficulty or for general growth due to popularity.

All central budgets within the schools block must be made available to recoupment academies on the same basis as maintained schools – The only exception is that DfE will continue to pay start-up and post opening costs for 'Free Schools'.

Growth funding will apply where a school/academy:

- has increased its PAN, at the request of the authority, to provide an extra form of entry or greater to meet basic need in the area (caused by general population growth or housing development) as an on-going commitment
- has agreed with the authority to provide a number of places above PAN as a bulge class as a consequence of school reorganisation or to meet short term additional needs.

Growth funding will **not** apply where a school/academy:

- increases its PAN by choice but not agreed with the local authority as part of the process to meet basic need in the area
- admits over PAN by choice (not to meet agreed basic need)
- where pupils are admitted above a schools PAN as a consequence of appeal or error in the school admissions process.

Bristol's growth fund consists of 5 elements:

1. Planned basic need growth
2. Brand new schools start up
3. Brand new schools post opening
4. Infant class size funding
5. Application for exceptional circumstance

1. Planned Basic Need Growth

Funding to schools is provided where the Local authority has requested to increase the schools PAN in order to meet basic need. **(NOTE A)** Funding is calculated as follows:

In the first year of increased intake the formula is:

30 pupils (for an extra form entry) multiplied by the entire pupil led elements of the formula (basic entitlement, deprivation, EAL, prior attainment) multiplied by 7/12ths (for the September – March).

On average this is approximately £60,000. The school will also receive £4,000 for a new reception class and £3,000 for any other new key stage class.

The period April-August will be covered by the schools formula funding allocation in the following local authority financial year based on numbers from the October census however, for academies we are required to fund the increase for the whole academic year and the April –August element will be recouped from the EFA.

In subsequent years as the increased admission moves through the year groups, the school will be funded as above but on actual pupils rather than a full class of 30 i.e. year 1 on October 2015 census less year 1 on October 2014 census . If these extra pupils increase the number of classes needed in that year group, the school will also receive the £3,000 towards extra resources.

(NOTE B)

If the growth requires an **additional site**, the school would receive the split site element of the formula, (£31k in 2015/16).

In the first year of increased intake funds can be released for the start of September, for subsequent years information will be required from the October census therefore funds will be released by end of December.

Please note, there is no need to apply for this growth funding. If it is planned and authorised by the LA, the LA will track and pay each year.

2. Brand new schools - start up

Where a school or a new academy is established for basic need purposes, the responsibility for start-up funding and diseconomies lies within the Local Authority. Start-

up costs apply to the period between the capital work being completed and the school opening.

A one- off payment will be made as follows:

£50,000 1 form entry school

£70,000 2 form entry school (or larger)

Please note, there is no need to apply for this growth.

3. Brand new Schools – Post opening funds

Where a school or a new academy is established for basic need purposes, the responsibility for start-up funding and diseconomies lies with the Local Authority. Post opening funds relate to the need to incur some fixed management and premises costs as new schools build up their numbers.

In the financial year after opening (i.e. school opened September 2014, post opening funds commence 2015/16 local authority financial year) the school will be eligible for post-opening funds as per the details below:

- An allocation for non staffing resources is paid whilst the school is building up to capacity, an amount of £250 is multiplied by the number of **new** pupils expected to be on roll at September. For example, if 30 pupils are on October 2014 census and 60 are expected on the October 2015 census, the non staffing element would be:

$$30 \times £250 = £7,500.$$

- An allocation for leadership is based on the number of year groups that the school will ultimately have but do not yet have pupils. For example, a primary school would have 7 year groups but in the first year of opening, 6 would be empty. A lump sum allocation would be given as per below:

| Empty Cohorts | 6 | 5 | 4 | 3 | 2 | 1 |
|--------------------|---------|---------|---------|---------|---------|---------|
| Primary allocation | £80,500 | £67,500 | £54,000 | £40,500 | £27,000 | £13,500 |

Overall, if the primary school opened in September 2014 with 30 pupils in Reception there would be 6 empty year groups which would initiate an allocation of £80,500 and if the school expects to have 60 pupils in total by September 2015 (30 in reception and 30

in year 1) then they would also receive £7,500 in respect of non staffing resources. Hence their total post opening allocation would be £88,000.

This funding would need to be applied for on an annual basis. **The deadline for applications is 1st December.**

A form is available from the DSG finance team BristolDSGmailbox@bristol.gov.uk.

4. Infant Class size Regulation

Support for infant classes where pupil numbers exceed a multiple of 30 while an ordinary teaching session is conducted by a single teacher (or, where the session is conducted by more than one school teacher, a maximum of 30 pupils for every teacher).

Schools should not have class sizes of more than 30 in KS1 (from reception to Y2) in the infant phase.

This is governed by the Infant Class Size Regulations and is monitored externally by the DfE through the pupil census. A link to the regulation can be found here : [The School Admissions \(Infant Class Sizes\) \(England\) Regulations 2012](#)

There are exceptions to this, the Infant class size legislation makes allowance for the entry of an additional child in very limited circumstances where it would be prejudicial to his or her interests not to admit them ('excepted pupils').

The main circumstances where a child can be admitted as an 'excepted pupil' are:

- a) Children admitted outside the normal admissions round with statements of special educational needs specifying a school
- b) Looked after children and previously looked after children admitted outside the normal admissions round
- c) Children admitted, after initial allocation of places, because of a procedural error made by the admission authority or local authority in the original application process
- d) Children admitted after an independent appeals panel upholds an appeal
- e) Children who move into the area outside the normal admissions round for whom there is no other available school within reasonable distance (the local authority has to confirm that the child qualifies under this category)
- f) Children of UK service personnel admitted outside the normal admissions round
- g) Children whose twin or sibling from a multiple birth is admitted otherwise than as an excepted pupil

- h) Children with special educational needs who are normally taught in a special educational needs unit attached to the school, or registered at a special school, who attend some infant classes within the mainstream school

These children will remain an 'excepted pupil' for the time they are in an infant class or until the class numbers fall back to the current infant class size limit. Excepted pupils will not attract additional funding from the Growth Fund.

Where there would be no alternative to having a class size of more than 30, and in order to comply with the Regulations, funding will be paid to reflect the costs of an additional teacher. This funding would be used to either enable the formation of another class or simply teach the bigger class with 2 teachers.

Examples:

Total KS1 pupils on the October census are 154.
154 divided into 30 = 5.133 classes, so 6 classes are needed.
The difference between 6 and 5.133 = 0.867.
Therefore would be funded 86.7% of an average teacher.
 $£35,000 \times 0.867 = £30,345$.

Total KS1 pupils on the October census are 175.
175 divided into 30 = 5.833, so 6 classes are needed.
The difference between 6 and 5.833 = 0.167.
Therefore would be funded 16.7% of an average teacher.
 $£35,000 \times 0.167 = £5,845$.

Schools with fewer than 30 KS1 pupils will not be eligible as the lump sum on the funding formula is deemed to provide sufficient resources for an infant class.

Schools with more than 6 classes $30 \times 6 = 180$ pupils in KS1 would also not be eligible as they would be deemed to have sufficient resources in their funding formula.

Infant class size funding would need to be applied for on an annual basis. A form is available from the DSG finance team BristolDSGmailbox@bristol.gov.uk.

The deadline for applications is 1st December.

5. Application for exceptional circumstance

Schools can submit an application into the LA for extra funding from the growth fund **due to basic need growth**, the case for the exceptional circumstance (that requires funding over and above the funding formula and the planned basic need growth) should be clearly stated with evidence supporting the claim for which the outcome will be decided by the Service Director for Education and Skills and the Chair of the Schools Forum.

A form is available from the DSG finance team BristolDSGmailbox@bristol.gov.uk.

The deadline for applications is 1st December.

Unspent Funds

Any unspent growth funds as at 31st March will be used to support the overall DSG fund as directed by the Service Director of Education and Skills in consultation with the Head of Finance (People).

Ends

***(NOTES A&B:** Notes A&B do not form part of the current policy. It is here that the suggested additional clauses be added, should Schools Forum agree them).*