



THE LONDON BOROUGH
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To: Members of the
SCHOOLS' FORUM

Andrew Downes (Chairman)	Secondary Academy Governor
David Bridger (Vice-Chairman)	Non-School Representative (Church of England)
Dr Martin Airey	Secondary Academy Head Teacher
Colin Ashford	Primary Academy Governor
Geoff Boyd	Primary Maintained Governor
Leah Crawley	Primary Maintained Head Teacher
David Dilling	Primary Academy Governor
Patrick Foley	Primary Maintained Head Teacher
Lee Mason-Ellis	Primary Academy Head Teacher
Neil Miller	PRU Head Teacher
Sam Parrett	Non-School Representative (14-19 Partnership)
Neil Proudfoot	Non-School Representative (Joint Teacher Liaison Committee)
Karen Raven	Secondary Academy Head Teacher
Alison Register	Non-School Representative (Early Years)
Keith Seed	Special Head Teacher/Governor
David Wilcox	Secondary Academy Governor
Aydin Önaç	Secondary Maintained Head Teacher
1 x vacancy	Non-School Representative (Catholic Church)

A meeting of the Schools' Forum will be held at the Bromley College of Further and Higher Education, Rookery Lane, Bromley, BR2 8HE on **THURSDAY 26 NOVEMBER 2015 AT 4.30 PM** *

*** PLEASE NOTE STARTING TIME AND VENUE**

MARK BOWEN
Director of Corporate Services

A G E N D A

- 1 APOLOGIES FOR ABSENCE
- 2 DECLARATIONS OF INTEREST
- 3 MINUTES OF THE MEETING HELD ON 24TH SEPTEMBER 2015 (to follow)
- 4 ALTERNATIVE PROVISION FUNDING (Pages 3 - 4)

- 5 **MAINTAINED PRIMARY SCHOOLS DE- DELEGATION 2016-17** (Pages 5 - 6)
- 6 **UPDATE OF EARLY YEARS FUNDING FOR 2016/17** (Pages 7 - 16)
- 7 **OUTCOME OF CONSULTATION - BULGE CLASS FUNDING** (Pages 17 - 20)
- 8 **REVIEW OF FUNDING FORMULA - 2017/18** (Pages 21 - 30)
- 9 **ANY OTHER BUSINESS**
- 10 **DATE OF NEXT MEETING**

The next meeting is scheduled for 14th January 2016 at 4.30pm.

All meetings are at the Bromley College of Further and Higher Education unless otherwise stated.

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Report No.
Please obtain
a report
number

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **SCHOOLS' FORUM**

Date: **Thursday 26 November 2015**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **ALTERNATIVE PROVISION FUNDING**

Contact Officer: Amanda Russell, Head of Schools Finance Support
Tel: 020 8313 4806 E-mail: Amanda.Russell@bromley.gov.uk

Chief Officer:

Ward: (All Wards);

1. Reason for report

This report seeks the views of the Schools Forum regarding the funding arrangements with Bromley Trust Academy (BTA) for the provision of services at the Pupil Referral Unit.

2. **RECOMMENDATION(S)**

The Schools Forum is asked to comment on the proposed funding arrangements.

3. COMMENTARY

3.1 The LA is currently finalising the contract with BTA for the provision of the Pupil referral Service across the Hayes and Midfield campuses.

3.2 Funding for AP settings and special schools is paid on the place plus approach, ie settings are funded for an agreed number of places, which is negotiated annually, plus top up funding which is based round the actual number of pupils.

3.3 The DfE regulations state that “ Top-up funding rates should be determined fairly and both local authority maintained schools, academies, free schools and independent schools should be treated on a fair and equivalent basis”. The guidance then goes on to suggest that top up funding could be estimated at the start of the year, and then reconciled to actual on either a termly or year-end reconciliation.

3.4 At present the top up funding for all special schools and units is reconciled to actual pupil numbers on a termly basis. As part of the initial contract negotiations with BTA it was agreed that the AP places would not be adjusted in the first year (ie Sept 14 –Aug 15) but would be adjusted in subsequent years.

3.5 BTA has expressed some concern around the financial viability of managing it’s budget in this way and the LA has therefore proposed a compromise to this as follows :

- BTA funded for 135 places being 45 at Midfield Campus and 90 at Hayes Campus.
- Hayes Campus places are funded at £10k plus £8k top up
- Midfield Campus places are funded at £10k plus top up of £14k for statemented pupils and £17k for non statemented pupils (as transport costs are funded form RSG for statemented pupils)
- LA is proposing that top up funding will be reconciled annually based on May census date, being the point at which pupil numbers are likely to be at their highest.
- Funding will be adjusted only where pupil number fall below 80% of agreed place numbers, at which point funding will be adjusted by 50%.

3.6 The Schools Forum powers and responsibilities states that SFs should be consulted on the number of places commissioned by the LA and the arrangements for paying top up funding and therefore is invited to discuss these proposals and to give a view on them.

4. FINANCIAL IMPLICATIONS

4.1 At present this funding is contained within the High Needs funding element of the Dedicated Schools Grant.

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London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **SCHOOLS' FORUM**

Date: **Thursday 26 November 2015**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **MAINTAINED PRIMARY SCHOOLS DE- DELEGATION 2016-17**

Contact Officer: Amanda Russell, Head of Schools Finance Support
Tel: 020 8313 4806 E-mail: Amanda.Russell@bromley.gov.uk

Chief Officer: Director: Education (ECHS)

Ward: (All Wards);

1. Reason for report

This report provides details of a proposal to review the de-delegation of funding relating to facilities time for maintained primary schools.

2. **RECOMMENDATION(S)**

The Primary Maintained Representatives are asked to discuss and agree the proposal.

3. COMMENTARY

3.1 Maintained schools have the option to de-delegate (ie to hand back to the LA to manage on their behalf) specific area of funding in line with the DfE regulations. The two areas that are currently de-delegated in Bromley are:

- Supply Staff Costs (which covers maternity, jury service, suspension and union/facilities time)
- Free School Meal eligibility

3.2 The JTLC (Joint Teacher Liaison Committee) has requested that the Schools Forum review the de-delegation for supply staff costs for 2016/17. At present the funding for all areas of supply costs, including maternity, jury service, suspension and facilities time are all de-delegated. In 2015/16 the total budget for all these areas is £177,000 which is calculated at £18.50 per pupil. However, of this total only around £3,000 relates to facilities time related expenditure, being around £0.31p per pupil.

3.3 The JTLC are requesting that the facilities time related expenditure should be disaggregated from the budget and that alternative arrangements would then be made for maintained primary schools to contribute to a separate “pot” along with academies. This means that the amount to be de-delegated would reduce to around £18.19 per pupil. The Schools Forum should be aware that these figures relate to 2015/16 and may be subject to change in future years depending on actual spend against these budgets.

3.4 The decision regarding de-delegation rests solely with the SF representatives for that group of schools ie maintained primary schools, although it is expected that these representatives should consult with their colleagues before any decisions are made.

3.5 At present there are no plans to change the de-delegation arrangements for the other areas however The Schools Forum should note that with the increasing number of schools converting to academy status that at some point it may no longer be financially viable to de-delegate funding in this way.

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London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **SCHOOLS' FORUM**

Date: **Thursday 26 November 2015**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **UPDATE OF EARLY YEARS FUNDING FOR 2016/17**

Contact Officer: Amanda Russell, Head of Schools Finance Support
Tel: 020 8313 4806 E-mail: Amanda.Russell@bromley.gov.uk

Chief Officer: Director: Education (ECHS)

Ward: (All Wards);

1. Reason for report

This report provides an update on changes to Early Years and the impact on the related funding.

2. **RECOMMENDATION(S)**

The Schools Forum is asked to consider the proposal to align Maintained and PVI Early Years Funding for 2016/17.

3. COMMENTARY

3.1 In a previous report the Schools Forum were advised of some changes to the OFSTED registration processes for Early Years settings which could potentially impact on their funding.

3.2 At present, Bromley has a similar but different funding formula for maintained and PVI settings. This is in line with DfE regulations and has reflected the different staffing requirements and premises related expenditure.

3.3 Historically, when schools with maintained nurseries have converted to academies they have continued to be viewed as maintained settings as opposed to PVI and have been funded accordingly. This was based on advice provided by DfE at the time of the first such conversion back in 2011.

3.4 DfE have recently issued some further guidance which now appears to address the ambiguities in their original guidance, particularly with regard to staffing requirements in maintained school nursery settings. A copy of the guidance note is attached at appendix 1. If this is the case, it would follow that EY settings at academies should be funded as PVI settings. At present, there are seven primary academies being funded as maintained settings, plus only four nurseries at the remaining maintained schools.

3.5 In view of this and to ensure that no settings are financially disadvantaged by this, the LA is proposing that the EY funding formula should be rationalised and that the maintained funding levels, being the lower of the two, should be increased to match the PVI funding levels.

3.6 The financial cost of this is detailed below:

Rate	Description	PVI	Maintained	Increased cost
Base rate	Basic hourly rate for all pupils	£3.90	£3.80	£27k
Deprivation	Based on post code of individual pupils	0.10p to 0.55p	0.20p to 0.60p	-£8k
Quality	Good/Outstanding Ofsted Outcome	0.40p or 0.50p	0.10p or 0.20p	£47k
SEN	Based on the number of pupils with Special Educational Needs within the setting	0.41p	0.41p	
Maximum Hourly Rate		£5.36	£5.01	
Total				£66k

3.7 No detailed financial modelling has been done as no settings are negatively impacted by these changes. It is proposed that the increased cost would be met from within the Early Years Block.

3.8 LA Officers have met with representatives from maintained schools and academies with a variety of provisions and their views are that this was an acceptable way forward. Some schools had concerns about the quality supplement, and what judgement this would be measured by and it was agreed that it would be based on the EY judgement as opposed to the overall school judgement.

3.9 Regardless of the funding levels, the LA may need to review the payment methodology for schools and whether this will sit with the Early Years team or the Schools Finance Team.

3.10 Aside from the payment issues, the DfE and Ofsted need to issue further joint guidance on proposed revisions to the Early Years Foundation Stage and impact on registration requirements. We also need to ensure that all settings include their Nursery age pupils on either the Early Years or Schools Censure to avoid potential loss of DSG monies.

3.11 The Schools Forum is asked to discuss this proposal with a view to agreeing the financial changes for 2016/17.

4. FINANCIAL IMPLICATIONS

4.1 Increased cost of £66k to be met from within the Early Years Block..

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EXEMPT EARLY-YEARS (EY) PROVISION IN SCHOOLS: “GOVERNOR-RUN EARLY YEARS PROVISION” IN MAINTAINED SCHOOLS

Issue:

Our work with schools on expanding their early years (EY) provision has revealed a historical anomaly caused by legislative changes, which means that some governor-run early years provision (often known as governor-run pre-schools) set up under section 27 of the Education Act 2002 ('s27 community powers'), have continued to be separately registered with Ofsted. These provisions have, therefore, been using the staffing ratios and qualification requirements appropriate to registered EY providers.

It is our intention to amend the statutory framework for the Early Years Foundation Stage (EYFS Framework) to allow all governor-led early years provision for three and four-year-olds established by schools under section 27 community powers to operate with a ratio of 1:8, where at least one member of staff holds a full and relevant L3 qualification, and at least half of all other staff hold a L2 qualification. Schools may continue to use these ratios and, therefore, do not need to make any changes to their staffing mix as a result of becoming exempt from Ofsted registration.

Q&A Briefing

Why is governor-run early years provision (such as pre-schools) exempt from separate registration?

If a school's EY provision meets the criteria for exemption from registration with Ofsted, it should not be registered on the EY register. The criteria for a school's exemption from registration are set out in the Childcare Act 2006.

As governor-run EY provision, this type of provision automatically meets the requirement to be directly run by the school (under the auspices of the governing body) and linked to the school's activities. The other requirement is for at least one child attending the school's EY provision to be a registered pupil of the school. For most primary and infant schools the presence of reception pupils means that the school will meet this requirement. There is no requirement for the reception pupils to be in the same room.

What is the impact of being 'exempt provision'?

This depends on the type of school and the age of the child. For children aged two, the staffing ratios and requirements in the EYFS Framework are the same for all provider types.

For academies and free schools the staffing ratios and qualification requirements for children aged three are the same as for registered EY providers (paragraphs 3.33-3.36 of EYFS Framework). So, there is no impact other than academies and free schools will no longer be inspected twice. The inspection will cover all of the EY provision run by the governing body and will include a separate judgement on the effectiveness of early years provision.

For maintained schools, for children aged three, exempt EY provision in a maintained school would come under the requirements set out in paragraph 3.37 (that is 1:13 ratio led by school teacher with at least one other member of staff holding a L3). There is currently no flexibility to allow a 1:8 ratio and so this is the issue we are addressing.

As with academies and free schools, the school inspection will cover all of the early years provision run by the governing body and will include a separate judgement on the effectiveness of early years provision.

Why are we telling schools and LAs that they can use these ratios now?

If governor-run EY provision had to follow the ratio and qualification requirements set out in paragraph 3.37 of the EYFS Framework, they will have to make staff redundancies and recruit school teachers. This would have had a significant impact on provision, particularly in some areas, where there are large numbers of these pre-schools.

As we have signalled our intention to amend the EYFS Framework in this way, we would not want schools to make such staffing changes for an interim period. As governor-run EY provision it will be meeting the requirements for registered early years providers, so we do not consider that this poses a safeguarding risk. However, any provision for registered pupils in maintained schools will still have to be led by a school teacher as laid out in the EYFS Framework.

How can schools set up provision for two, three and four-year olds?

In summary, schools are able to set up nursery provision in the following ways:

- a. section 27 community powers – these powers allow schools to provide any charitable purpose (such as early education) for the benefit of families of pupils at the school, or families who live or work in the locality of the school. The children attending this provision are not usually registered as pupils.
- b. As pupils – schools who have altered their age-range to include early years, can register the children as pupils.

How can we justify letting maintained schools operate without a teacher leading provision?

This flexibility (to operate with a L3 leading provision) will only apply where the children are not registered pupils – so it will only apply to community provision and schools will be able to choose which staffing model is most appropriate to their situation. We expect that as the governor-run EY provision is part of the school, and will be inspected as part of the school, that the head and governing body will ensure that the provision is adequately supervised and run, even if a school teacher is not working directly with the children. Furthermore, independent schools, academies and free schools already have the option to choose a 1:8 ratio, led by Level 3. So, giving this degree of flexibility to maintained schools does not set a precedent. It could also allow maintained schools in rural areas to operate small-scale nurseries that would not be viable using a 1:13 teacher-led model. We have been advised by some LAs that this would be a valuable delivery model.

Why do you think it is important to give schools this additional flexibility now rather than waiting until EYFS is updated?

It will ensure that early education of the children attending these schools is not disrupted. As we set out above, we would not want to cause individual staff the distress of potential unnecessary redundancies.

How will exempt provision be inspected?

Ofsted will inspect all exempt EY provision at a school when they carry out a whole school inspection. So the early years (whether for pupils or non-pupils) will be covered in the separate EY judgement.

What is the difference between pupils and non-pupils for early years children?

A young child becomes a pupil of the school when their name is on the register of pupils. If a school is operating early years provision under S27 community powers, even if the child is within the school's published age range, they do not become a pupil just because they are receiving early education at the school. Schools should amend their Edubase record to indicate that there is nursery provision at their school. Schools should follow the School Organisation Guidance if they need to lower their age range.

What will be the impact on admissions?

Admission to any nursery provision is independent of the Admissions Code but should be fair and transparent. The governing body will be responsible for setting any published criteria and ensuring the system is operated responsibly. All children attending nursery provision at a school still to have apply through the normal admissions process to gain a reception place at that school.

Funding for exempt provision in maintained schools

Who sets the funding rate for governor-run exempt provision in maintained schools?

Funding rates for all types of early years providers are set locally, by LAs in conjunction with the Schools Forum, who may apply different funding criteria to different types of provider to reflect unavoidable costs.

If governor-run exempt provision doesn't meet the required quality as judged by Ofsted, can local authorities refuse to fund places for 2, 3 and 4 year olds or withdraw funding?

No. Although local authorities are required to base their funding decisions on the provider's Ofsted inspection judgement, this does not apply to early years provision in maintained schools. This is because funding arrangements between a local authority and a maintained school are not governed by contract but by statute, in particular the School Standards and Framework Act 1998 and the finance regulations made under that Act. The school's EY provision will be included in the whole school inspection – although the separate effectiveness of the early years provision judgement will now include all exempt provision. Governor-run exempt provision must therefore be treated in the same way as maintained school provision. There are a range of measures that local authorities can take to improve the quality of provision at a local authority maintained school [Guidance on schools causing concern](#) can be found on GOV.UK.

Can local authorities place conditions on the funding they provide to exempt governor-run provision?

No. The legislation does not allow local authorities to place funding conditions on the governing body of a maintained school.

Which census should be completed?

Schools with onsite early years funded provision make their return via **either** the school census **or** the early years census, **but not both**. This paragraph sets out which census is to be used to return data on children receiving funded early education:

- registered pupils of the school (2, 3 and 4 year olds depending on the statutory age range of the school) are recorded via the school census (and not the early years census)

- children (aged 2, 3 and 4) attending a separate Ofsted registered PVI provider on a school site, are recorded via the early years census (and not the school census)
- children attending s27 (governor run) provision should be either be:
 - recorded via the school census if they are registered pupils of the school (can include 2 year olds if the school's statutory age range covers 2-year-olds); or
 - recorded via the early years census if they are not registered pupils of the school

Children may, of course, appear on the two different censuses if their free entitlement is split between two different settings. In which case, of course, the number of funded hours for each child across all provision is limited to 15 (or 25 if they are aged 4 at the start of the academic year and attending full-time).

Annex: A Summary of the Legislative Framework

2. The Childcare Act 2006 sets out when and how early years providers should register. Section 34(2) allows institutions exemption from separate registration with Ofsted, in relation to early years provision for a child or children over 2, if:

- a. the provision is made at the school as part of the school's activities;
- b. the provision is made by the proprietor or a person employed to work at the school, and
- c. there must be at least one registered pupil of the school present in the EY provision.

3. The 2006 Act does not impose a requirement on schools to register children receiving EY provision as pupils. The exemption is for a school's EY provision, which is defined in the Act as provision of childcare for a young child. A young child is defined in section 19 as a child up to the 1st September following a child's 5th birthday. This means that the requirement for 'at least one pupil' can be satisfied by reception pupils, and there is no requirement for the pupils to be in the same room.

4. Section 27 of the Education Act 2002 enables maintained schools to set up and run community facilities and services whose provision furthers any charitable purpose for the benefit of (a) pupils at the school or their families, or (b) people who live and work in the area in which the school is situated. This is the power under which school governor-run community provision has been set up.

5. The EYFS Framework sets out requirements that all EY providers, including schools, must follow. General guidance on staffing states that the staff must be available to work directly with children. From age 3, there are different staffing ratios and qualifications based on the type of provider.

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Agenda Item 7

Report No.
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London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **SCHOOLS' FORUM**

Date: **Thursday 26 November 2015**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **OUTCOME OF CONSULTATION - BULGE CLASS/EXPANSION FUNDING**

Contact Officer: Amanda Russell, Head of Schools Finance Support
Tel: 020 8313 4806 E-mail: Amanda.Russell@bromley.gov.uk

Chief Officer: Director: Education (ECHS)

Ward: (All Wards);

1. Reason for report

This report provides detailed feedback on the consultation with schools regarding bulge class/expansion funding

2. **RECOMMENDATION(S)**

The Schools Forum is asked to discuss and agree the funding methodology for 2016/17.

3. COMMENTARY

3.1 At their meeting on the 24th September, the Schools Forum considered the finding of the Sub Group and agreed to a full consultation with Schools.

3.2 Prior to the release of the consultation, Mandy Russell Head of Schools Finance Team was invited to attend the Primary Head Teachers Group to provide a detailed outline of the proposals and to invite questions and comments from the audience. This meeting was held on the 1st October, and discussions were led by Mandy Russell and Primary HT Schools Forum reps. There was no overall consensus of opinion from the Head Teachers present.

3.3 A circular outlining the proposals in detail was sent out to all schools however only ten responses were received. A detailed analysis of the responses and comments is attached at appendix 1.

3.4 From the consultation results, there is a very small split in favour of the current funding process. The Schools Forum regulations state the central spend level and the method for allocating growth funding is proposed by the LA and decided by the Schools Forum. In view of the lack of clear guidance from the consultation responses, it is very difficult for the LA to recommend either of the options before there has been an opportunity for full discussions with the Schools Forum.

3.5 The Schools Forum is invited to discuss this issue, but is reminded that if the preferred option is no change ie to continue to fully fund classes at 30 pupils then this could put significant pressure on the Schools Block Budget in future years and discussion should explore how this might be addressed.

3.6 However, it should be noted that even if the LA moves towards banded funding, if the additional classes continue to fill as expected ie to achieve more than 21 pupils then the pressure on this budget moving forwards will be inevitable.

4. FINANCIAL IMPLICATIONS

4.1 The current budget agreed by the Schools Forum is £1.5m, which includes an additional £0.5m for 2015/16 and 2016/17, funded from general DSG underspend carried forward from previous years.

4.2 Current projections show that costs are likely to increase to around £1.8m in 2019/20, therefore leaving a shortfall of up to £0.8m that will need to be found in future years.

Analysis of responses to consultation

Number of responses received 8 Primary / 2 Secondary

Q1 Do you agree that schools which take on a bulge class/expansion should receive additional funding outside the funding formula?

Yes 10

No 0

Comments:

- Having a bulge class has huge implications for the school. Extra staff have to be recruited including teachers, TAs and midday staff
- It is the most controllable and fairest way of funding this

Q2 If yes, should funding remain at current level ie based on 30 pupils regardless of actual number

Yes 6

No 4

Comments

- The alternative of 11-20 still provides a suitable amount with which to employ a teacher (no)
- However many pupils there are you have to have the teacher, TA and midday staff (yes)
- It is not fair for all schools and will mean the budget and cost is not controllable

Q3 Should the LA move to a banded model where funding is based on the actual number of pupils on roll

Yes 4

No 6

Comments

- This is the best compromise for all schools with bulge classes and those without
- 11-20 is adequate funding – funding for more than the actual number disadvantages all other children in all other schools
- We would want to continue the banded model where more than 30 additional pupils on roll – 30 - 40 – 50 etc

Q4 If yes to q3, at what point should the pupils be counted

October 3

January 1

May 0

Comments

- As they will presumably be there for the whole academic year
- This is when pupils are counted and funded from so this is the fairest way.

It also avoids the possibility of small bulge classes being taken and then built up through the year to the detriment of other schools

Q5 If yes to q3, should schools already being funded for 30 pupils receive transitional protection

Yes 1 – 1 year only

1 – 2-3 years

No 2

Comments

- Because they will be funded for those students through normal AWPU due to lagged funding the following year.
- Fairness for all schools and controlling the budget and overall cost must be the key focus of this. Transitional protection will not be fair or enable the cost to be controlled.

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PART ONE - PUBLIC

Decision Maker: **SCHOOLS' FORUM**

Date: **Thursday 26 November 2015**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **REVIEW OF FUNDING FORMULA - 2017/18**

Contact Officer: Amanda Russell, Head of Schools Finance Support
Tel: 020 8313 4806 E-mail: Amanda.Russell@bromley.gov.uk

Chief Officer: Director: Education (ECHS)

Ward: (All Wards);

1. Reason for report

This report provides feedback from the Schools Forum Working Group.

2. **RECOMMENDATION(S)**

The Schools Forum is asked to agree to initial consultation with all schools around the scope of the review of the funding formula for 2017/18.

i. COMMENTARY

3.1 At the September meeting, the Schools Forum agreed to establish a working group to undertake a review of the LA Funding Formula. It was agreed that the working group would be made up of the following members:

- Mandy Russell, Head of Schools Finance
- Andrew Downes, SF Chair (Cooper School)
- David Bridger, Vice Chair (C of E Diocese)
- Karen Raven, Head Teacher (Chislehurst School for Girls)
- David Dilling, Governor (Biggin Hill Primary/Charles Darwin)
- Patrick Foley, Head Teacher (Southborough Primary)

3.2 The working group met for the first time on 3rd November, with apologies from Patrick Foley. At the first meeting the group considered the scope of the review.

3.3 It was agreed that it was not feasible to carry out a full and fundamental review of the formula in view of the timescale available and also in view of the constraints around the DfE regulations and the impact of the minimum funding guarantee.

3.4 Members of the WG felt that one of the main areas to focus on was the primary : secondary ratio. Prior to the allocation of the additional Fairer Funding payment that was received for 2015/16 the Bromley primary : secondary ratio was 1 : 1.36, which was one of the highest ratios in the country. Following the allocation of the additional funding the ratio changed to 1 : 1.19, being one of the lowest in the country. It was agreed that this was an unintended consequence of the current formula allocation that was agreed by Members with support from the Schools Forum. Full details of the current allocations can be seen on the Bromley APT proforma at appendix 1.

3.5 The WG discussed this issue at length and the fact that any changes that Bromley may decide to implement for 2017/19 would need to be very mindful of any changes which may also come down from the DfE as part of the National Funding Formula. The WG felt that it was likely that any National Funding Formula would look at average funding levels and ratios, and that as an outlier Bromley could be severely impacted by that. It was therefore agreed that the review should focus on the ratios. The WG also acknowledged that any changes coming out of the review would likely be restricted by the impact of the Minimum Funding Guarantee.

3.6 The WG considered a detailed analysis of the Bromley Funding Formula elements compared to a number of neighbouring local authorities (appendix 2). This table also shows the ratios, total Schools Block spend, % allocation on basic entitlement and % pupil led funding. The WG group felt that they were able to draw a number of conclusions from this data as follows:

- Bromley primary : secondary ratio is low compared to other LAs
- Bromley % basic entitlement is in line with other LAs
- Bromley % pupil led is in line with other LAs
- Bromley AWPU allocations are generally in line with other LAs – if not necessarily in actual values , in terms of the primary : secondary splits.

- The Bromley lump sum was generally in line with other LAs in terms of both its allocation and its spread.

3.7 It was concluded from this that the review should therefore focus on the other elements within the formula, namely Deprivation, EAL and Low Cost/High Incidence SEN, but with particular focus on the last two elements where there is a differential between the primary and secondary amounts.

3.8 Some initial modelling was carried out looking at EAL and Low Cost/High Incidence SEN as follows (appendix 3):

- Primary EAL increased to £1129 in line with secondary
- Primary LC/Hi Sen reduced to £1,000 in line with secondary

3.9 The impact of this is such that it shifts the primary: secondary ratio from 1:1.19 to 1:1.24 which is more in line with other LAs. However, because of the impact of the MFG mechanism, no primary schools can lose more than 1.5% of their budget share/pupil and secondary schools do not benefit from this change. No detailed modelling has been provided at this stage as the Schools Forum is being asked to focus on the principles before looking at the impact on individual schools.

3.10 The Schools Forum is therefore asked to discuss the following specific points before the next meeting of the Sub Group in early December.

- i. Should the primary and secondary values for EAL and LC/Hi SEN be set at the same levels?
- ii. If the impact of this is to move funding around between primary schools, should these schools be protected by the MFG and if so, for how long?
- iii. If the impact of these changes is to adjust the primary secondary ratios, should any funds freed up from the MFG be transferred to secondary schools?
- iv. If yes, which secondary factor should be adjusted to reflect this?

v. FINANCIAL IMPLICATIONS

The impact of any changes to the formula will have to be met from within the overall Schools Budget.

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Local Authority Funding Reform Proforma

LA Name:

Bromley

 LA Number:

305

Pupil Led Factors

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Reception uplift	No	Pupil Units		0.00							
	Description	Amount per pupil		Pupil Units		Sub Total	Total	Proportion of total pre MFG funding (%)	Notional SEN (%)			
	Primary (Years R-6)	£2,938.00		25,680.00		£75,447,840	£146,256,863	39.25%	4.00%			
	Key Stage 3 (Years 7-9)	£4,168.00		9,961.00		£41,517,448			21.60%	4.00%		
	Key Stage 4 (Years 10-11)	£4,559.00		6,425.00		£29,291,575			15.24%	4.00%		
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)		
2) Deprivation	FSM6 % Primary	£1,500.00		5,425.10		£8,137,654	£13,579,906	7.06%	50.00%			
	FSM6 % Secondary		£1,500.00		3,628.17	£5,442,253					50.00%	
	IDACI Band 1			1,307.98	727.83	£0						
	IDACI Band 2			877.30	668.30	£0						
	IDACI Band 3			2,496.60	1,553.85	£0						
	IDACI Band 4			2,424.79	1,785.14	£0						
	IDACI Band 5			1,546.80	999.81	£0						
IDACI Band 6			34.95	39.01	£0							
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)		
3) Looked After Children (LAC)	LAC X March 14			137.86		£0	£2,460,629	0.00%				
4) English as an Additional Language (EAL)	EAL 3 Primary	£1,000.00		2,192.14		£2,192,142		1.28%	0.00%			
	EAL 3 Secondary		£1,129.00		237.81	£268,486				0.00%		
5) Mobility	Pupils starting school outside of normal entry dates			524.76	0.00	£0		0.00%				
	Description	Weighting	Amount per pupil	Percentage of eligible Y1-2 and Y3-6 NOR respectively	Eligible proportion of primary and secondary NOR respectively	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)		
6) Prior attainment	Low Attainment % new E	100.00%	£1,858.00	35.48%	5,903.07	£10,967,899	£13,896,566	7.23%	100.00%			
	Low Attainment % old FSP 73			15.50%								
	Secondary pupils not achieving (KS2 level 4 English or Maths)		£1,000.00		2,928.67	£2,928,666						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	£155,000.00	£155,000.00			£14,415,000	7.50%	0.00%	0.00%
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					£1,632,232	0.85%	0.00%	
12) PFI funding					£0	0.00%		
13) Sixth Form					£0	0.00%		
14) 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 FY15-16					£0	0.00%	0.00%	0.00%
Additional sparsity lump sum for small schools					£0	0.00%		
Exceptional Circumstance3					£0	0.00%		
Exceptional Circumstance4					£0	0.00%		
Exceptional Circumstance5					£0	0.00%		
Exceptional Circumstance6					£0	0.00%		
Total Funding for Schools Block Formula (excluding MFG Funding Total) (£)					£192,241,196	100.00%	£26,536,793	
15) Minimum Funding Guarantee (MFG is set at -1.5%)					#VALUE!			
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)					No			
Capping Factor (%)		Scaling Factor (%)						
Total deduction if capping and scaling factors are applied					£0			
					Total (£)	Proportion of Total funding(%)		
MFG Net Total Funding (MFG + deduction from capping and scaling)					£643,888	0.33%		
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)					£1,500,000.00			
Falling rolls fund (if applicable)					£0.00			
Total Funding For Schools Block Formula					£192,885,084			
% Distributed through Basic Entitlement					76.08%			
% Pupil Led Funding					91.65%			
Primary: Secondary Ratio					1 :	1.19		

2015/16

	Bromley	Barking and Dagenham	Bexley	Croydon	Greenwich	Lewisham	Merton	Kent
AWPU								
AWPU Primary	3017	3867.5	3040.29	3057.62	3138.1	3725.7	3252.51	2739.66
AWPU KS 3	4247	4608.5	4452.81	3995.24	4290.29	5124.72	4274	3802.57
AWPU KS 4	4638	5596	4452.81	4278.65	5282.19	5124.72	5176.88	4172.82
Deprivation								
FMS6 Primary	1500	335	318.59	986.92	2472.43	1100.72	683.52	359.1
FMS6 Secondary	1500	475	365.98	1027.07	2574.31	1481.31	632.69	334.4
IDAC1 1	0	0	43.29	215.24	0	109.35	20	446.76
IDAC1 2	0	0	86.58	350.62	0	164.09	40	469.1
IDAC1 3	0	0	86.58	490.36	0	205.03	60	504.28
IDAC1 4	0	0	129.87	571.22	0	215.29	80	554.71
IDAC1 5	0	0	129.87	983.58	0	215.29	90	610.18
IDAC1 6	0	0	173.15	1490.49	0	215.29	120	762.72
LAC	0	500	277.83	500	2381.41	0	1000	525.42
EAL								
EAL 3 Primary	1000	585	334.7	521.03	1047.82	634.36	376.5	884.94
EAL 3 Secondary	1129	1400	334.7	1600.7	1495.66	1154.85	906.6	3343.99
Mobility	0	504/700	0	552/975	984/765	710/2428	0	0
Prior Attainment								
Low attain primary	1858	800	1665.73	376.69	0	1340.11	931.54	749.12
Low attain secondary	1000	1400	2576.51	1166.65	549.84	1603.27	1627.69	863.13
Lump sum								
Primary	155000	135000	133446	150000	175000	130900.74	150000	120000
Secondary	155000	135000	150000	100000	175000	130900.74	150000	120000
Sparsity	0	0	0	0	0	0	0	0
Ratio	1 :1.18	1 :1.31	1 :1.34	1 :1.24	1:1.31	1 :1.33	1 : 1.33	1 : 1.27
growth fund	£1,500,000	£3,000,000	£500,000	£3,383,954	£2,200,000	£1,800,000	£1,380,000	£5,000,000
Pupil nos	42066	34744	37401	49355	33561	36150	23843	194,980
total schools block	£195,218,430	£185,602,368	£169,896,194	£228,743,789	£187,062,428	£204,313,317	£111,342,269	£813,129,832
%basic entitlement (AWPU)	76.44	79.5	80.18	74.44	66.2	74.32	79.05	78.02
% pupil led	91.74	91.87	91.93	92.21	89.88	92.95	91.45	89.22

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	Description	Amount per pupil		Pupil Units		Sub Total			Notional SEN (%)		
	Primary (Years R-6)	£2,938.00		25,680.00		£75,447,840	£146,256,863	40.25%	4.00%		
	Key Stage 3 (Years 7-9)	£4,168.00		9,961.00		£41,517,448		22.15%	4.00%		
	Key Stage 4 (Years 10-11)	£4,559.00		6,425.00		£29,291,575		15.63%	4.00%		
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)	
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3) Looked After Children (LAC)	LAC X March 14			137.86		£0	£2,743,415	0.00%			
4) English as an Additional Language (EAL)	EAL 3 Primary	£1,129.00		2,192.14		£2,474,928		1.46%	0.00%		
	EAL 3 Secondary		£1,129.00		237.81	£268,486				0.00%	
5) Mobility	Pupils starting school outside of normal entry dates			524.76	0.00	£0		0.00%			
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6) Prior attainment	Low Attainment % new EFSP	100.00%	£1,000.00	35.48%	5,903.07	£5,903,068	£8,831,734	4.71%	100.00%		
	Low Attainment % old FSP 73			15.50%							
	Secondary pupils not achieving (KS2 level 4 English or Maths)		£1,000.00		2,928.67	£2,928,666					100.00%

Other Factors

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Exceptional Circumstance6					£0	0.00%		
Total Funding for Schools Block Formula (excluding MFG Funding Total) (£)					£187,459,150	100.00%	£21,471,961	
15) Minimum Funding Guarantee (MFG is set at -1.5%)					#VALUE!			
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					#VALUE!			
					Total (£)	Proportion of Total funding(%)		
MFG Net Total Funding (MFG + deduction from capping and scaling)					£5,425,934	2.81%		
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)					£1,500,000.00			
Falling rolls fund (if applicable)					£0.00			
Total Funding For Schools Block Formula					£192,885,084			
% Distributed through Basic Entitlement					78.02%			
% Pupil Led Funding					91.44%			
Primary: Secondary Ratio					1 : 1.24			