

MEETING OF THE SCHOOLS FORUM

**Tuesday 15th January 2019, 1pm to 3pm
at Whitmore High School**

AGENDA

Item	Title	Attachments
1	Apologies & Order of Agenda	
2	Minutes of the Last Meeting – 20 November 2018	Attached
3	Matters Arising	
4	DSG Budget Setting 2019-20	Report by Jo Frost attached
5	AOB	

Date of Next Meeting: 5th March 2019

Voting Members Circulation:

Mike Baumring (Headteacher-Kenmore Park Junior School)	Patrick O'Dwyer (Special Needs Service)
Jo Daswani (Headteacher-Whitchurch Primary School)	Anna Smakowska (Headteacher-Woodlands School)
David O'Farrell (Headteacher-St Bernadette's Primary School)	Anne Monahan (Headteacher-St Anselm's Primary School)
Sue Hammond (Chair) (Headteacher-Whitmore High School)	Edwin Solomon (Governor-Hatch End High School)
Nigel Hewett (AHGB Representative)	Jonathan Watson (Associate Headteacher – Whitefriars)
Rebecca Hastings (Headteacher-Cedars Manor School)	Pam Virdee (Headteacher-Longfield Primary School)
Sue Maguire (Headteacher-Hatch End High School)	16-19 Representative (Principals Harrow/Stanmore/St Dominic's)
Rutinder Mahil-Pooni (Headteacher-Kenmore Park Inf Sch)	Claudia Calogero (Governor-Hillview Nursery School)
Paa-King Maselino (Headteacher-The Helix Education Centre)	Keven Bartle (Headteacher– Canons High School)
Paul Gamble (Headteacher-Harrow High School)	Louise Browning (Headteacher – Norbury School)
Vacant (PVI representative)	Geraldine Higgins (Headteacher-Sacred Heart Lang College)
Ian Nutch (Academy High School Finance Manager)	Vacant (Governor)

Non-Voting Members Circulation:

Cllr Christine Robson (Portfolio Holder)	Paul Hewitt (Director of Children's Services)
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Copies to:

Johanna Morgan (Divisional Director, People Services)	Atifa Sayani (Harrow School Improvement Partnership)
Barbara Worrall (Schools Finance Manager)	Jo Frost (Finance Business Partner)

SCHOOLS FORUM

Minutes of the Meeting held on Tuesday 20 November 2019 **at 1.00 pm at Whitmore High School**

Members Present: Sue Hammond – Headteacher, Whitmore High School (CHAIR)
Pam Virdee – Headteacher, Longfield School (VICE CHAIR)
Patrick O'Dwyer – Div. Director Education Services (Special Needs Services)
Paul Gamble – Headteacher, Harrow High School
Claudia Calogero – Governor, Hillview Nursery School
Ian Noutch – Academy High School Finance Manager
Louise Browning – Headteacher, Norbury Primary School
Rutinder Mahil-Pooni – Headteacher, Kenmore Park Infant School
Anna Smakowska – Headteacher, Woodlands School
Christine Robson – Portfolio Holder, Young People & Schools
Sue Maguire – Headteacher, Hatch End High School

Officers in Attendance: Jo Frost - Finance Business Partner

SH opened the meeting.

1. Apologies and Order of the Agenda

Apologies were received and accepted from:

Rebecca Hastings – Headteacher, Cedars Manor School
Keven Bartle – Canons High School
Anne Monahan – Headteacher, St Anselm's Primary School
Geraldine Higgins – Headteacher, Sacred Heart Language College
Mike Baumring - Headteacher, Kenmore Park Junior School
David O'Farrell – Headteacher, St Bernadette's Primary School
Jo Deswani – Headteacher, Whitchurch Primary School

The order of the agenda was agreed.

2. Minutes of the Last Meeting held on 16 October 2018

The minutes of the meeting held on 16 October 2018 were agreed as an accurate record

3. Matters Arising

a. Quorum

Due to a number of apologies received for the meeting as well as a number of additional members who did not attend there was query as to whether the meeting was quorate. This has since been checked and the quorum is 9 (40%) – this is equal to the number of voting members who were in attendance.

b. Review of EHCP funding

POD reported that work is still underway with a view to implementing from 1st April 2019. Schools Forum requested data to demonstrate the potential financial impact for each school.

ACTION JF

4. 2018-19 DSG Budget Monitoring Setting 2019-20

JF introduced the report which set out the latest position on the DSG budget setting for 2019-20.

Schools Forum noted the overall response to the consultation undertaken by the LA in respect of three specific areas for decision for the 2019-20 DSG budget setting.

RMP queried whether the factor values will change for 2019-20. JF confirmed that they will remain the same with the exception of the 'lump sum' figure.

Minimum Funding Guarantee

Schools Forum noted the outcome of the consultation which had a 73% response in favour of setting an MFG of -1.5%.

JF explained that the DSG allocation to the LA will increase by 0.5% per pupil. However, as the local flexibility is to set the MFG between -1.5% and +0.5% per pupil the total increases may not be passed onto all schools depending on the impact of the NFF to each school.

IN queried what would happen if there was additional funding after MFG is applied. JF explained that this could be distributed across to all schools as a one off adjustment. It was agreed that this can be reviewed in January 2019 when the 2019-20 DSG settlement is known.

It was noted that at present the teachers' pay and pensions grant are excluded from the NFF.

Growth Fund

Schools Forum noted the indicative growth fund allocation and commitment. JF explained that it is projected that the allocation will be sufficient to cover the commitments in 2019-20. It was agreed that this can be reviewed in January 2019 when the 2019-20 DSG settlement is known.

High Needs Block – Transfer from Schools Block

A number of queries were raised in respect of the data provided in the report to demonstrate the increase in high needs spend and activity.

Schools Forum acknowledged that there had been a growth in numbers and spend since 2015. PG queried the growth in baseline budget between 2015-16 and 2018-19 to understand whether the growth in spend had been funded. JF explained whilst the budget had increased between years (figures not available in the meeting) the baseline starting point was already too low and the rate of growth has not kept up with the growth in numbers and spend.

In respect of the tribunal data JF confirmed that 'successful' referred to the outcome in relation to the LA and not the parent/family.

Schools Forum noted the outcome of the consultation which had a 77% response not in favour of transferring 0.5% of the Schools Block into the High Needs Block.

SH queried whether Schools Forum wanted to consider a vote to transfer 0.25% in 2019-20 to offer transitional protection. This was not agreed.

Schools Forum took a vote to decide whether to transfer 0.5% of the Schools Block into the High Needs Block in 2019-20.

No – 7

Yes – 1

Abstain – 1

Schools Forum did not agree to the transfer.

High Needs Block – overspend in 2018-19

Since the start of the financial year there has been a projected overspend on the High Needs Block. At its meeting in October Schools Forum considered a report which showed the projected DSG overspend at the end of 2018-19 to be £1.754m (High Needs Block overspend of £2.129m partially mitigated by an underspend in the growth fund of £0.375m). The LA has asked Schools Forum to consider using the uncommitted brought forward contingency of £2.663m to offset the projected deficit. Schools Forum discussed the use of the contingency to fund the deficit. It was acknowledged that a significant proportion had arisen as a result of underspends in early years and high needs in 2017-18.

Schools Forum took a vote on the options set out in the paper

Option 1 – 7

Option 2 – 1

Option 3 – 0

Abstain – 1

Schools Forum agreed to Option 1, funding up to £1.754m projected net overspend from the contingency, with the unspent contingency of £0.909m to be applied to the school funding formula for 2019-20.

High Needs Block – Transfer of first two £6000s into Schools Block

Schools Forum noted the outcome of the consultation which had a 69% response rate in favour of not funding the place element of the first two EHCPs.

Any Other Business

Schools Forum requested that dates of future meetings be recirculated to members

ACTION JF

Next Meeting and Agenda Items

The next meeting will take place on 15 January 2019 at 1pm at Whitmore High School.

The meeting closed at 2.40pm

Meeting:	Schools Forum
Date:	15 January 2019
Subject:	Item 4: 2019-20 Budget Setting
Responsible Officer:	Jo Frost, Finance Business Partner – Children’s Services

Section 1 – summary

1. Schools Forum at its meeting on 16 November 2018, considered a report setting out the outcome of the Harrow schools funding consultation 2019-20 and indicative budget setting intentions. This report was considered in advance of the notification of the 2019-20 Dedicated Schools Grant allocation. This was announced by the DfE on 17 December 2018.
2. This report outlines the latest 2019-20 settlement and details the proposed 2019-20 school budget to be submitted to the DfE by 20 January 2019.
3. Schools Forum is asked to:
 - Note the 2019-20 DSG allocation at Table 1
 - Agree the final position on the Growth Fund at Table 2
 - Note the changes to Low Prior Attainment as set out at paragraphs 20-22
 - Note the position on the Mobility factor at paragraphs 23-25
 - Note the position on the Lump Sum at paragraphs 26-29
 - Agree the proposed MFG at paragraph 31-36
 - Note indicative formula derived 2019-20 budgets at school level at Appendix A
 - Note the additional funding at paragraphs 39-41 and proposals for distribution at paragraphs 46-49
 - Note indicative additional funding at Appendix B
 - Note the High Needs Block funding at Tables 7 & 8
 - Reconsider transferring 0.5% of the schools block to the High Needs Block in 2019-20 at paragraph 59
 - Note the indicative position on Early Years funding for 2019-20 at paragraphs 60-65
 - Note other sources of funding available in 2019-20 as set out at paragraphs 66-70

Section 2 – report

Dedicated Schools Grant 2019-20

4. The 2019-20 DSG is based on the number of pupils on the October 2018 school census. The total DSG for 2019-20 is £216.525m. This is subject to amendments to the allocations for the Early Years Block which will be updated to reflect the January 2019 Early Years Census data and recoupment of place funding for academies and post 16 providers in the High Needs Block.
5. Table 1 below shows the breakdown of the 2019-20 DSG across the four blocks. The sections following the table provide a detailed explanation for each funding block.

Table 1 – 2019-20 Dedicated Schools Grant allocation

Blocks	Unit of funding		Pupil numbers		Total
	Primary	Secondary	Primary	Secondary	
Schools Block – per pupil	£4,137.79	£5,637.69	21,574	11,863	£156,145,779
Schools Block – lump sum premises & mobility					£3,508,503
Schools Block – growth fund formula					£3,235,390
Schools Block – growth fund ONE OFF					£2,905,196
Total Schools Block					£165,794,767
Central Schools Block	£36.64		33,437		£1,225,132
High Needs Block					£32,006,781
Early Years Block					£17,498,814
Total Dedicated Schools Grant Allocation 2019-20					£216,525,494

Schools Block

6. The schools block is funded on three different methodologies. Primary and secondary NFF units of funding cover core schools funding which includes:
 - Pupil-led factors - basic per-pupil, deprivation, low prior attainment, English as an additional language, minimum per pupil funding, funding floor and transitional protections.
 - School-led factors - lump sum, sparsity.
 - The area cost adjustment – this is a multiplier that applies to both pupil-led and school-led factors.
7. The Primary and Secondary units of funding (PUF/SUF) have been calculated using the NFF and based on the 2018-19 pupil and school characteristics, including MFG but excluding mobility, business rates and growth fund items (covered later), and divided by the adjusted number of pupils on roll on the October 2018 school census.

8. The allocation for 2019-20 is then based on the PUF/SUF multiplied by the NOR on the October 2018 school census. This has yielded per pupil funding of £156.146m.
9. In addition there is a Schools Block lump sum. This is funding for business rates and mobility and is based on the 2018-19 allocations totalling £3.509m.

Growth Fund

10. From 2019-20 growth funding is allocated to LAs using a new formulaic method based on lagged growth data.
11. Growth funding can only be used to:
 - Support growth in pre-16 pupil numbers to meet basic need
 - Support additional classes needed to meet the infant class size regulation
 - Meet the costs of new schools
12. Growth funding may not be used to support:
 - Schools in financial difficulty
 - General growth due to popularity; which is managed through lagged funding
13. Despite the change to the allocation of growth funding, LAs are not expected to change the method of allocating funding locally.
14. Harrow's current growth fund for primary expansions and bulge classes allocates £63k lump sum to each school in the September which expand/take a bulge class. This figure is approximately based on the 2017-18 primary school AWPU of £3,268 plus a small sum for resources & equipment, pro-rated for September to March when the pupils will be included in the following financial year's schools budget.
15. In the new funding formula the growth fund is based on pupil data from the October 2018 census. Funding is allocated to LAs based on the actual growth in pupil numbers in the previous year.
16. Growth is measured at middle layer super output area (MSOA) levels as these are small enough geographical areas to detect 'pockets' of growth within LAs. Growth is measured by counting the increase in pupil numbers in each MSOA between the two most recent October censuses. Only positive increases in pupil numbers will be included, so an LA with positive growth in one area and negative growth in another will not be denied growth funding.

17. Table 2 below shows the 2019-20 growth fund allocation based on changes between the October 2018 and 2017 census. In addition is a list of commitments against this funding for 2019-20.

Table 2 – growth fund 2019-20 and commitments

Funding	£'000
True calculation of growth fund based on changes between censuses	£2,284
Floor protection 2019-20	£951
Total growth fund 2019-20	£3,235
Estimated Commitments	
Primary Expansions	£1,186
Bulge Classes (contingency x2)	£126
Trigger Funding	£121
Whitefriars age range extension	£102
Variation to pupil numbers growing schools	£1,185
Total commitments 2019-20	£2,720
Uncommitted	-£350

18. Based on the above, the commitments against the growth fund in 2019-20 are affordable. However there is floor protection of £0.951m built into the funding formula. If this is removed in subsequent years then it could impact on the overall affordability. It may not be an issue as commitments in relation to the primary expansions start to drop out as the expansions move through the schools and growing schools have pupils in each year groups. However, if there is an issue the LA would have to look at either reducing the commitments or top slicing the schools block. This is a decision for future years.

Proposed Schools Funding Formula 2019-20

19. The NFF continues to be the method of distributing funding for 2019-20. The NFF factor values have remained the same as 2018-19 with the following exceptions:

Prior Attainment

20. The factor value for the primary low prior attainment has reduced (nationally) from £1,152.93 per pupil to £1,122.19. In the primary sector this applies to pupils identified as not achieving the expected level of development in the early years foundation stage profile (EYFSP).

21. The EYFSP changed in 2013 and since then the cohort measured in primary schools has increased year on year. This increase comes from changes to the assessment rather than changes to the underlying level of need. Therefore, the total proportion of spend on primary LPA through the NFF will

remain but in order to balance the increase in the eligible cohort, the factor value will reduce.

22. From the October 2018 census there are an additional 126 pupils in Harrow eligible for funding from this factor however as a result of the change in factor value there will be £68k less funding distributed through this factor.

Mobility

23. Funding for mobility is currently allocated to the Schools Block as a lump sum based on historic spend as the DfE has not yet identified an appropriate mechanism to allocate through the NFF.
24. In 2019-20 there is an additional 140 children eligible for this factor at an increased cost of £441k – an increase of over 40%. It is possible to reduce the factor values to enable the same total level of funding to be distributed however this has significant implications to the MFG.
25. The impact would be that a number of schools would be at MFG where they previously wouldn't and there would be an increase to the cost of the MFG to the overall Schools Block of around £250k. Therefore the net increased cost of keeping the factor values the same as 2018-19 and funding the additional children is £191k which is affordable within the overall Schools Block.

Lump Sum

26. In 2018-19 the only exception to the NFF is that the lump sum has been increased by £12,000 being the place element of 2x £6,000 for pupils with EHCPs in mainstream schools.
27. The LA carried out a consultation in the Autumn Term 2018 which sought views on transferring this funding to the High Needs Block. However 69% (18) respondents did not agree to this transfer, instead agreeing that schools would not receive funding for the place element for the first two EHCPs.
28. At its meeting in November 2018 Schools Forum took a vote and 77% voted against agreeing the transfer.
29. This means that schools will no longer be funded for the first two £6,000s. This will be a real reduction of £12k to each school and will not be smoothed by the MFG as the MFG does not take into account changes to the lump sum.
30. The proposed Schools Funding Formula is shown at Table 3

Table 3 – 2019-20 Proposed Schools Funding Formula

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 (%)
	Primary (Years R-6)	£3,016.28		21,609.58		£65,180,554	£119,011,468	0.00%
	Key Stage 3 (Years 7-9)	£4,241.31		7,364.00		£31,233,007		0.00%
	Key Stage 4 (Years 10-11)	£4,815.75		4,692.50		£22,597,907		0.00%
	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 (%)
2) Deprivation	FSM	£483.13	£483.13	1,787.40	1,391.63	£1,535,895	£10,358,126	0.00%
	FSM6	£592.94	£861.95	3,030.39	3,478.20	£4,794,875		
	IDACI Band F	£219.61	£318.43	2,392.74	1,413.88	£975,679		
	IDACI Band E	£263.53	£428.23	2,876.47	1,764.24	£1,513,532		
	IDACI Band D	£395.29	£565.49	466.21	502.53	£468,460		
	IDACI Band C	£428.23	£614.90	584.40	499.12	£557,164		
	IDACI Band B	£461.17	£658.82	528.62	387.08	£498,799		
	IDACI Band A	£631.37	£889.40	2.00	14.01	£13,722		
	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 (%)
3) Looked After Children (LAC)	LAC X March 17	£0.00		62.15		£0	£7,483,009	0.00%
4) English as an Additional Language	EAL 3 Primary	£565.49		7,905.56		£4,470,515		0.00%
	EAL 3 Secondary		£1,520.77		1,049.24	£1,595,650		
5) Mobility	Pupils starting school outside of normal entry dates	£2,980.90	£2,668.82	377.80	108.91	£1,416,844		0.00%
	Description	Weighting	Amount per pupil (primary or secondary respectively)	Percentage of eligible pupils	Eligible proportion of primary and secondary NOR respective ly	Sub Total	Total	Proportion of total pre MFG funding (%)
6) Prior attainment	Primary Low Attainment		£1,122.19	32.32%	6,984.51	£7,837,946	£11,903,836	0.00%
	Secondary low attainment (year 7)	63.59%	£1,701.95	20.01%	2,388.96	£4,065,890		
	Secondary low attainment (year 8)	58.05%		21.21%				
	Secondary low attainment (year 9)	48.02%		21.48%				
	Secondary low attainment (years 10 to 11)			18.13%				
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 (%)
7) Lump Sum			£120,783.30	£120,783.30			£8,328,420	0.00%

Minimum Funding Guarantee

31. In 2019-20 the Minimum Funding Guarantee will continue to protect schools from per pupil losses between years. For the first time, in 2018-19, LAs were able to set an MFG between +0.5% and -1.5%. This is calculated on the

whole school unit but excluding business rates and the lump sum and then divided by the total number of pupils on roll.

32. In 2018-19 Schools Forum agreed to set the MFG at -1.5% in order that schools reach the NFF as soon as possible so as to ensure there won't be significant losses if the MFG protection is no longer applied.
33. In the consultation with all schools in Autumn Term 2018 the LA sought views on the value of the MFG for 2019-20. 73% (19) of respondents support a MFG of -1.5% and those in favour of -1.5% expressed a need to get all schools as near to the NFF funding formula as possible.
34. Therefore the schools budgets will be prepared using -1.5% MFG in the funding formula for 2019-20. It is not planned to cap gains in the formula. Both of these approaches are consistent with 2018-19.
35. In 2018-19 there are 14 schools protected at MFG. In the proposed 2019-20 funding formula there will be 16 schools protected at MFG and no school will be capped on gains.
36. The MFG changes are as follows:
 - 5 primary schools cease being protected at MFG because they all benefit from changes to the LPA criteria (despite reduction in factor value) and in addition 2 schools become newly eligible for mobility funding
 - 7 primary schools will be newly protected at MFG because they all lose out by changes to the LPA criteria and the reduction in the factor value. In addition a number of schools have reduced eligibility for EAL and in some cases mobility, FSM and IDACI
 - 7 primary and 2 secondary schools will remain protected at MFG

Indicative School Budgets 2019-20

37. Indicative Individual School Budgets for 2019-20 are shown at Appendix A which includes a crude analysis of the changes between years. Note, these are the budgets derived through the formula and do not include funding for early years nurseries, EHCPs, SEN units, Pupil Premium, Universal Infant Free School Meals or Devolved Formula Capital.
38. These budgets are indicative and subject to Harrow Cabinet ratification and DfE approval of the school funding formula in February 2019.

Additional funding

39. In 2018-19 in the calculation used by the DfE to set Primary and Secondary units of funding, the October 2016 census figures were adjusted to take account of opening and closing schools. The pupil count was adjusted to

reflect the closing of Avanti House All Through school from September 2017 but was not adjusted to reflect the subsequent opening of Avanti House Primary and Secondary schools. Therefore the pupil numbers were reduced below those in the actual census. This meant that in order to determine the units of funding for 2018-19, the total requirement for 2017-18 (which included the full Avanti House budget) was divided by the pupil numbers (which did not include all of the Avanti House pupils), thus increasing the per pupil amounts. This generated an additional £3m in funding.

40. This was treated as a one off adjustment since there has been no opening or closing schools in 2018-19 and therefore the PUF/SUFs have been rebased.

41. On 7th December 2018 the ESFA wrote to the LA to confirm that the allocation in 2018-19 had been an error which will subsequently be rectified for 2019-20. However a number of LAs which had also been in the same position had not realised that they had been overfunded in error in 2018-19 and therefore had been planning for a similar level of funding for 2019-20. As a result of this and to acknowledge that this had been an ESFA error, the ESFA has agreed to honour this additional funding for one more year in 2019-20. This equates to £2.9m for Harrow.

Schools Block Allocation and Commitments

42. Table 4 shows the 2019-20 schools block allocation and commitments as set out at the above paragraphs.

Table 4 – schools block allocation and commitments 2019-20

Schools Block	Allocation	Distributed	Implicit Growth	Total Distributed	Difference
ISB	£159,654,282	£158,590,136	-£1,185,135	£157,405,001	-£2,249,280
Growth Fund	£6,140,485	£1,700,195	£1,185,135	£2,885,330	-£3,255,155
Total	£165,794,767	£160,290,331	£0	£160,290,331	-£5,504,436

43. A summary of the assumptions in these figures is as follows:

- NFF continues to be method of distribution
- Lump sum does not include first 2x £6,000s for place funding
- MFG set at -1.5%, growth on gains not capped
- Growth Fund committed as per Table 2
- Transfer from the schools block to the high needs block 0.5% not agreed

44. There is in total £5.5m uncommitted compared with the Schools Block allocation. The breakdown of this is shown in Table 5.

Table 5 – analysis of uncommitted schools block funding

Description	On-going / One off	Value
MFG capacity 2018-19 – funded at +0.5% but distributed at -1.5%	On-going	£932,151
MFG capacity 2019-20 – funded at +0.5% but distributed at -1.5%	On-going	£1,695,692
Pressure on mobility funding – para 23-25	On-going	-£440,809
Growth fund capacity – Table 2	One off	£349,960
One off growth fund – para 39-42	One off	£2,905,196
Other ups and downs (various formula changes)	One off	£62,247
Total Schools Block		£5,504,436
Remainder of contingency	One off	£900,000
Total uncommitted funding 2019-20		£6,404,436

45. In 2018-19 and 2019-20 the aggregate of all the Schools Block funding to the LA includes an uplift of +0.5%. However in 2018-19 the MFG locally was set at -1.5%. As the MFG is proposed to be set at -1.5% again in 2019-20 there is capacity within the overall Schools Block. The Government has only committed to funding +0.5% up to 2019-20 and there are no announcements beyond that date, including whether there will be any MFG at all. The MFG capacity for 2019-20 is broken down at Table 6.

Table 6 – cost of MFG

MFG %	Cost of MFG	Difference
MFG -1.5%	£624,160	
MFG +0%	£1,707,559	£1,083,399
MFG +0.5%	£2,319,852	£612,293
Total MFG capacity		£1,695,692

46. The options for distributing this funding through the formula are as follows:

- Increase the MFG above -1.5% (to a maximum of +0.5%)
- Increase the AWPU amount and distribute the funding as a technical adjustment so that it does not impact on MFG

47. By increasing the MFG above -1.5% this only benefits those schools which are currently protected at MFG or set to lose any funding through the formula. For example if a school is set to lose -5% through the NFF it will currently be protected by -3.5% in order that it doesn't lose more than -1.5%. If the MFG is increased to say +0.5% then that school will be given funding to the value of +5.5% to get it from its current 'loss' position up to a positive position. If a school is already set to receive +0.5% (or more) through the NFF it will not receive any additional benefit by increasing the MFG.

48. By increasing the AWPU amount all schools will see additional funding in 2019-20 regardless of their NFF or MFG position. It will also be easier for

schools to identify what their true NFF budget will be albeit including protection of -1.5% MFG for relevant schools.

49. It is therefore proposed to allocate all of this funding, both one off and ongoing, to schools through the AWPU but as a one off adjustment so that each school will see a benefit. This will be considered a one off adjustment and any impact it may have on artificially increasing MFG baselines for future years will be adjusted the following year. The potential additional funding is shown at Appendix B. These budgets are indicative and subject to Harrow Cabinet ratification and DfE approval of the school funding formula in February 2019.

High Needs Block

50. Table 7 shows the provisional High Needs Block allocation for 2019-20. This will be updated in year to reflect the revised import/export adjustments.

Table 7 – 2019-20 High Needs Block

Description	Basic entitlement rate	No. of pupils in special schools	Value
High Needs Block Allocation (excl basic entitlement factor)			£30,442,441
Basic Entitlement Factor	£4,446	548	£2,436,657
Import/Export Adjustments (2018-19 figure)			-£1,479,000
Additional HNB allocation announced December 2018			£606,683
Total HNB before academy recoupment			£32,006,781
Academy recoupment for SEN units, special schools and FE			-£1,432,649
Net High Needs Block 2019-20			£30,574,132

51. It should be noted that the import/export adjustment figure will be updated in June 2019 to reflect the January census. There is a net increase in funding between years is shown at Table 8.

Table 8 – High Needs Block movements

Description	Value
HNB 2018-19 (before recoupment)	£31,735,153
Movements:	
0.5% schools block transfer 2018-19 only	-£809,730
Increased allocation for RNOH school	£38,676
Changes in demographics	£220,525
Funding Floor Increase	£148,777
HNB growth 2019-20 only	£606,683
Additional Pupil Numbers	£66,694
Total Movement	£271,626
HNB 2019-20 (before recoupment)	£32,006,779

52. Funding for RNOH School was increased from October 2017 to reflect the expansion of the school. This additional funding is the full year effect of this and is committed to hospital education.
53. Changes in demographics and Additional Pupil numbers reflect the variable element of the HNB allocation which is based on actual pupil data. There has been an increase in eligibility for KS2 low attainment as well as some small increases for IDACI, disability and Bad Health. There are an additional 15 children recorded as attending special schools and academies.
54. The Funding Floor ensures local authorities do not fall below a minimum level of funding. The factor is applied to the funding calculated through historic spend factor and proxy factors. There are two elements:
- a per head floor ensuring relevant elements of the funding increase on a per head basis from the 2017 to 2018 baseline year by at least 1% in 2019 to 2020, based on the ONS estimated population of 2-18 year olds
 - an absolute floor ensuring funding does not drop below the 2017 to 2018 baseline. This prevents local authorities with a shrinking population receiving an allocation of less than their 2017 to 2018 baseline.
55. HNB growth refers to the additional funding announced by the Government in December 2018. The total for Harrow is £1.213m spread over two financial years 2018-19 and 2019-20. There are no further announcements about whether this funding will continue beyond these years.
56. The additional SEN Funding is welcomed although the uncertainty about funding for future years is not helpful. In addition the allocation is arbitrary and does not reflect what is happening in reality. The pressure on the High Needs Block in 2018-19 is £2.1m and this is projected to continue and to grow as growth in demand continues and the LA becomes even more reliant on expensive out of borough provision. Whilst there are plans in place to increase in-borough provision this takes time.
57. In the consultation with all schools in Autumn Term 2018 the LA sought views on whether schools would consider agreeing to top-slice the schools block by 0.5% (£829k) and transfer to the HNB to help mitigate some of the pressures.
58. In the response 77% (20) did not support a transfer from the Schools Block into the High Needs Block. The main reason stated for not agreeing the transfer were concerns about the working group and the review of spending across all areas of HNB and that any overspend should be shown as a deficit so the underfunding of the HNB is visible at both local and national level.

59. Given the overall capacity within the Schools Block in 2019-20 after implementing the NFF the LA is requesting Schools Forum to reconsider its decision to not agree the transfer of 0.5% of the Schools Block into the HNB in 2019-20.

Early Years Block

60. The government introduced a new National Funding Formula for Early Years from April 2017.

61. In 2019-20 the hourly rate per part time pupil on the January Early Years census that the Local Authority (LA) receives will be the same as in 2018-19.

62. The key points on LA funding of providers are that local authorities:

- Continue to set a single funding rate for both entitlements for three and four year olds (that is, both the universal 15 hours and the additional 15 hours for working parents).
- Must plan to spend at least 95% of the three and four year old funding on the delivery of the entitlements for three and four year olds. We intend to continue to pass on 95% of the 3 and 4 year old funding to settings.
- May request that 95% requirement be dis-applied in specific, exceptional circumstances. We are not in a position to do this.
- Harrow provides a universal base rate for all types of provider in the formula.
- Must use a deprivation supplement in the funding formula, and any other supplements must fall within one of the allowable categories. The supplements we have chosen remain the same.
- Must not channel more than 10% of funding through funding supplements.
- Must provide a SEN Inclusion Fund (SENIF) for three and four year olds.
- Must pass on Early Years Pupil Premium (EYPP) in full to providers for eligible three and four year olds.
- Must pass on Disability Access Fund (DAF) funding in full to providers for eligible three and four year olds.

63. Harrow has already implemented all of the above principles in its EYSFF.

64. At the time of writing a short consultation is underway which seeks views on the quality supplement and the creation of a new central fund to support system leadership and workforce development.

65. The results of the consultation will be reported to Cabinet in February 2019 and to Schools Forum in March 2019.

Other School Budgets

Capital

66. The DfE have yet to confirm the 2019-20 capital allocation. This is expected later in January and any Devolved Formula Capital will be included in the final school budgets.

Pupil Premium

67. Schools will continue to receive the Pupil Premium. Eligibility and funding rates are shown at Table 9.

Table 9 – Pupil Premium rates 2019-20

Category	Per pupil value
Pupils in year groups reception to year 6 recorded as Ever 6 FSM	£1,320
Pupils in years 7 to 11 recorded as Ever 6 FSM	£935
Looked-after children (LAC) defined in the Children Act 1989 as one who is in the care of, or provided with accommodation by, an English LA	£2,300
Children who have ceased to be looked after by a local authority in England and Wales because of adoption, a special guardianship order, a child arrangements order or a residence order	£2,300
Pupils in year groups reception to year 11 recorded as Ever 6 service child or in receipt of a child pension from the Ministry of Defence	£300

Universal Infants Free School Meals (UIFSM)

68. The grant for universal infant free school meals (UIFSM) will continue at a meal rate of £2.30 into 2019-20.

Year 7 Catch Up

69. This grant will continue into 2019-20. Further announcements will be made in 2019.

Primary PE and Sports Premium

70. There have been no announcements in respect of these beyond the 2018-19 academic year

Section 3 - Contact Details

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Background Papers

Schools Forum Report – 11 September 2018

- Item 4 – 2019-20 Budget Setting and Funding Formula Review

Schools Forum Reports – 16 November 2018

- Item 4 – DSG Budget Setting 2019-20

APPENDIX A - INDICATIVE SCHOOL BUDGETS 2019-20

School	Budgets 2018-20		
	2018-19 post MFG budget	2019-20 indicative post MFG budget	Increase/ - decrease
Avanti House Primary School	£1,529,831	£1,611,373	£81,541
Avanti House School	£3,800,956	£4,362,456	£561,500
Aylward Primary School	£2,077,463	£2,085,593	£8,129
Belmont School	£2,575,767	£2,598,497	£22,730
Bentley Wood High School	£5,724,015	£5,848,439	£124,424
Camrose Primary With Nursery	£2,060,466	£2,172,621	£112,154
Cannon Lane Primary School	£2,832,208	£2,869,378	£37,170
Canons High School	£5,557,758	£5,651,426	£93,668
Cedars Manor School	£2,549,596	£2,438,680	-£110,915
Earlsmead Primary School	£1,554,142	£1,445,360	-£108,782
Elmgrove Primary School & Nursery	£3,295,091	£3,268,336	-£26,755
Glebe Primary School	£2,642,742	£2,654,144	£11,402
Grange Primary School	£2,670,581	£2,631,239	-£39,342
Grimsdyke School	£2,172,068	£2,256,862	£84,794
Harrow High School	£4,778,300	£5,021,304	£243,004
Hatch End High School	£5,991,882	£5,598,280	-£393,601
Heathland School	£2,651,371	£2,601,532	-£49,838
Kenmore Park Infant and Nursery School	£1,433,516	£1,239,426	-£194,090
Kenmore Park Junior School	£1,780,777	£1,667,033	-£113,744
Krishna Avanti Primary School	£1,449,295	£1,560,762	£111,467
Longfield Primary School	£2,814,257	£2,892,460	£78,203
Marlborough Primary School	£2,951,069	£2,814,968	-£136,101
Newton Farm Nursery, Infant and Junior School	£1,383,368	£1,470,225	£86,857
Norbury School	£2,591,963	£2,593,276	£1,313
Nower Hill High School	£7,808,626	£7,912,776	£104,150
Park High School	£6,923,411	£7,205,742	£282,331
Pinner High School	£2,151,725	£3,109,185	£957,460
Pinner Park Infant and Nursery School	£1,472,660	£1,456,324	-£16,337
Pinner Park Junior School	£1,910,738	£1,875,664	-£35,074
Pinner Wood School	£2,284,663	£2,482,917	£198,254
Priestmead Primary School and Nursery	£3,033,960	£3,118,614	£84,654
Rooks Heath College	£5,422,714	£5,697,800	£275,086
Roxbourne Primary School	£2,011,688	£2,053,151	£41,464
Roxeth Primary School	£1,860,008	£1,873,647	£13,639
Saint Jerome Church of England Bilingual School	£692,496	£896,762	£204,266
Salvatorian Roman Catholic College	£2,464,814	£2,129,460	-£335,354
St Anselm's Catholic Primary School	£1,610,418	£1,615,292	£4,874
St Bernadette's Catholic Primary School	£1,671,010	£1,627,631	-£43,378
St George's Primary School	£1,656,455	£1,649,914	-£6,541
St John Fisher Catholic Primary School	£2,029,105	£2,147,287	£118,182
St John's CofE School Stanmore	£1,718,602	£1,685,201	-£33,402
St Joseph's Catholic Primary School	£1,699,553	£1,692,784	-£6,768
St Teresa's Catholic Primary School and Nursery	£1,684,457	£1,696,632	£12,174
Stag Lane Infant and Nursery School	£1,483,575	£1,559,706	£76,132
Stag Lane Junior School	£1,658,950	£1,641,218	-£17,732
Stanburn Primary School	£3,236,123	£3,192,187	-£43,936
The Moriah Jewish Day School	£829,243	£726,089	-£103,154
The Sacred Heart Language College	£3,967,448	£4,075,179	£107,731
Vaughan Primary School	£2,413,254	£2,499,594	£86,339
Weald Rise Primary School	£2,445,228	£2,030,814	-£414,414
Welldon Park Primary School	£2,128,361	£2,235,578	£107,217
West Lodge Primary School	£2,530,879	£2,536,831	£5,952
Whitchurch Primary School & Nursery	£3,070,943	£3,141,962	£71,019
Whitefriars School	£4,591,340	£5,541,022	£949,682
Whitmore High School	£8,099,396	£8,053,434	-£45,961
Grand Total	£155,430,323	£158,514,068	£3,083,745

Analysis of budget changes between years									
Pupil number changes	Free School Meal Eligibility	IDACI	English as an Additional Language	Low Prior Attainment	Mobility	Lump Sum	MFG	Total change	
£87,472	£4,249	£2,949	-£1,957	-£8,980	£0	-£12,000	£9,809	£81,541	
£534,722	£9,888	£1,587	-£1,521	£28,823	£0	-£12,000	£0	£561,500	
£27,146	£14,439	-£1,581	-£6,536	-£10,431	-£47,396	-£12,000	£44,489	£8,129	
£24,120	-£892	£3,645	-£6,306	£4,624	£9,539	-£12,000	£0	£22,730	
£156,050	-£9,612	£5,951	-£6,083	-£9,883	£0	-£12,000	£0	£124,424	
£87,421	£7,490	£5,369	£6,270	£7,853	-£11,626	-£12,000	£21,376	£112,154	
£42,209	£7,986	£1,131	-£16,129	£13,973	£0	-£12,000	£0	£37,170	
£136,653	£4,800	£7,395	-£10,645	-£9,549	£0	-£12,000	-£22,985	£93,668	
-£60,283	£4,339	-£3,484	-£7,453	-£16,790	-£8,943	-£12,000	-£6,301	-£110,915	
-£72,391	£839	-£1,729	-£4,715	-£18,785	£0	-£12,000	£0	-£108,782	
£12,064	£4,836	-£6,358	-£10,652	-£2,003	£82,273	-£12,000	-£94,915	-£26,755	
£24,121	£5,949	£1,194	£10,841	-£39,661	£33,386	-£12,000	-£12,428	£11,402	
£2,982	£2,982	-£3,212	-£9,591	£11,224	-£16,693	-£12,000	£0	-£39,342	
£78,380	£795	£1,164	£4,218	£17,887	£5,068	-£12,000	-£10,718	£84,794	
£203,412	-£11,643	£10,530	-£9,125	£11,656	£50,174	-£12,000	£0	£243,004	
-£247,363	-£33,245	-£22,290	-£3,970	-£45,110	-£29,624	-£12,000	£0	-£393,601	
-£9,049	-£13,518	£6,105	-£322	£9,545	£27,722	-£12,000	-£58,321	-£49,838	
-£138,660	-£5,356	-£2,723	-£28,389	-£6,961	£0	-£12,000	£0	-£194,090	
-£69,328	-£4,972	-£2,334	£4,524	-£34,003	£0	-£12,000	£4,370	-£113,744	
£108,586	£562	£1,274	-£15,944	£12,557	£0	-£12,000	£16,432	£111,467	
£66,323	£8,888	£3,832	-£6,637	£10,046	£7,750	-£12,000	£0	£78,203	
-£69,326	-£19,085	-£1,241	-£21,696	-£21,634	-£49,781	-£12,000	£58,660	-£136,101	
£87,421	£3,339	£2,119	-£677	-£1,513	£0	-£12,000	£8,169	£86,857	
-£12,052	-£11,346	-£7,664	-£7,487	£2,976	£48,887	-£12,000	£0	£1,313	
£130,689	-£321	£3,873	-£24,117	£6,026	£0	-£12,000	£0	£104,150	
£224,706	£29,745	£13,440	£18,249	£8,191	£0	-£12,000	£0	£282,331	
£894,850	£33,336	£17,479	£10,026	£13,769	£0	-£12,000	£0	£957,460	
-£12,054	£957	£867	£18,670	-£347	£0	-£12,000	-£12,430	-£16,337	
-£21,097	£6,081	-£3,283	-£14,246	£9,471	£0	-£12,000	£0	-£35,074	
£177,855	£4,091	£3,206	-£3,248	-£6,452	£56,339	-£12,000	-£21,536	£198,254	
£93,453	-£2,395	£209	-£10,507	£15,894	£0	-£12,000	£0	£84,654	
£291,331	£39,351	£18,018	-£8,058	£12,354	£0	-£12,000	-£65,910	£275,086	
-£39,183	£9,197	-£2,020	-£8,415	£9,526	£84,359	-£12,000	£0	£41,464	
£3,018	£3,548	-£2,608	-£1,588	£2,700	£20,568	-£12,000	£0	£13,639	
£176,704	£2,385	£7,626	£13,411	£15,577	£0	-£12,000	£564	£204,266	
-£274,804	-£15,911	-£5,139	-£2,943	-£24,558	£0	-£12,000	£0	-£335,354	
£9,047	-£1,530	-£1,746	-£2,700	£13,804	£0	-£12,000	£0	£4,874	
-£24,131	-£4,736	-£1,526	£1,829	-£2,814	£0	-£12,000	£0	-£43,378	
-£6,025	-£3,100	-£3,777	£3,350	£15,010	£0	-£12,000	£0	-£6,541	
£93,452	£10,594	£2,372	£2,583	£21,182	£0	-£12,000	£0	£118,182	
-£36,169	£16,059	-£1,856	-£307	-£2,705	£3,577	-£12,000	£0	-£33,402	
-£12,054	-£591	£231	£10,658	£6,988	£0	-£12,000	£0	-£6,768	
£4	£7,492	£1,944	-£7,757	£22,492	£0	-£12,000	£0	£12,174	
£72,349	£2,371	£4,019	£22,181	-£8,074	£0	-£12,000	-£4,714	£76,132	
£3	-£3,939	-£1,197	-£7,917	£7,317	£0	-£12,000	£0	-£17,732	
-£12,050	£2,614	£6,682	£2,295	-£31,476	£0	-£12,000	£0	-£43,936	
-£78,373	-£522	-£1,164	-£4,094	-£14,776	£0	-£12,000	£7,775	-£103,154	
£78,617	£9,141	£13,950	£4,679	£13,344	£0	-£12,000	£0	£107,731	
£96,466	£1,391	£3,184	-£2,844	-£13,145	£4,769	-£12,000	£8,518	£86,339	
-£334,595	-£46,605	-£17,217	-£27,796	-£76,539	£100,337	-£12,000	£0	-£414,414	
£75,365	£19,335	£1,228	£1,605	£9,760	£11,924	-£12,000	£0	£107,217	
£6,035	£3,179	£307	-£5,883	£14,314	£0	-£12,000	£0	£5,952	
£90,439	-£9,940	£2,483	-£10,800	-£12,137	£15,203	-£12,000	£7,771	£71,019	
£725,323	£67,339	£38,074	£21,846	£66,103	£42,996	-£12,000	£0	£949,682	
-£13,277	-£9,740	£4,260	£4,562	-£19,768	£0	-£12,000	£0	-£45,961	
£3,361,488	£140,590	£103,549	-£157,256	-£23,110	£440,809	-£659,999	-£122,325	£3,083,745	

APPENDIX B - POTENTIAL DISTRIBUTION OF ONE OFF FUNDING

SCHOOL	NOR OCT 18			ADDITIONAL AWPU			TOTAL
	Primary	KS3	KS4	£162.32	£228.24	£259.15	
Avanti House Primary School	421	0	0	£68,335	£0	£0	£68,335
Avanti House School	0	540	315	£0	£123,250	£81,633	£204,883
Aylward Primary School	471	0	0	£76,451	£0	£0	£76,451
Belmont School	571	0	0	£92,683	£0	£0	£92,683
Bentley Wood High School	0	635	415	£0	£144,933	£107,548	£252,481
Camrose Primary With Nursery	413	0	0	£67,037	£0	£0	£67,037
Cannon Lane Primary School	786	0	0	£127,581	£0	£0	£127,581
Canons High School	0	616	360	£0	£140,596	£93,295	£233,891
Cedars Manor School	529	0	0	£85,866	£0	£0	£85,866
Earlsmead Primary School	326	0	0	£52,915	£0	£0	£52,915
Elmgrove Primary School & Nursery	746	0	0	£121,088	£0	£0	£121,088
Glebe Primary School	628	0	0	£101,935	£0	£0	£101,935
Grange Primary School	551	0	0	£89,437	£0	£0	£89,437
Grimsdyke School	593	0	0	£96,254	£0	£0	£96,254
Harrow High School	0	405	358	£0	£92,437	£92,777	£185,214
Hatch End High School	0	464	465	£0	£105,903	£120,506	£226,410
Heathland School	617	0	0	£100,150	£0	£0	£100,150
Kenmore Park Infant and Nursery School	271	0	0	£43,988	£0	£0	£43,988
Kenmore Park Junior School	390	0	0	£63,304	£0	£0	£63,304
Krishna Avanti Primary School	391	0	0	£63,466	£0	£0	£63,466
Longfield Primary School	734	0	0	£119,141	£0	£0	£119,141
Marlborough Primary School	631	0	0	£102,422	£0	£0	£102,422
Newton Farm Nursery, Infant and Junior School	359	0	0	£58,272	£0	£0	£58,272
Norbury School	581	0	0	£94,306	£0	£0	£94,306
Nower Hill High School	0	948	599	£0	£216,372	£155,233	£371,604
Park High School	0	794	529	£0	£181,223	£137,092	£318,315
Pinner High School	0	496	103	£0	£113,150	£26,758	£139,908
Pinner Park Infant and Nursery School	351	0	0	£56,973	£0	£0	£56,973
Pinner Park Junior School	472	0	0	£76,614	£0	£0	£76,614
Pinner Wood School	591	0	0	£95,929	£0	£0	£95,929
Priestmead Primary School and Nursery	776	0	0	£125,958	£0	£0	£125,958
Rooks Heath College	0	599	388	£0	£136,716	£100,551	£237,267
Roxbourne Primary School	465	0	0	£75,477	£0	£0	£75,477
Roxeth Primary School	443	0	0	£71,906	£0	£0	£71,906
Saint Jerome Church of England Bilingual School	214	0	0	£34,668	£0	£0	£34,668
Salvatorian Roman Catholic College	0	168	196	£0	£38,344	£50,794	£89,138
St Anselm's Catholic Primary School	422	0	0	£68,498	£0	£0	£68,498
St Bernadette's Catholic Primary School	407	0	0	£66,063	£0	£0	£66,063
St George's Primary School	419	0	0	£68,011	£0	£0	£68,011
St John Fisher Catholic Primary School	568	0	0	£92,196	£0	£0	£92,196
St John's CofE School Stanmore	408	0	0	£66,225	£0	£0	£66,225
St Joseph's Catholic Primary School	415	0	0	£67,362	£0	£0	£67,362
St Teresa's Catholic Primary School and Nursery	415	0	0	£67,362	£0	£0	£67,362
Stag Lane Infant and Nursery School	349	0	0	£56,649	£0	£0	£56,649
Stag Lane Junior School	386	0	0	£62,654	£0	£0	£62,654
Stanburn Primary School	801	0	0	£130,016	£0	£0	£130,016
The Moriah Jewish Day School	168	0	0	£27,269	£0	£0	£27,269
The Sacred Heart Language College	0	490	295	£0	£111,838	£76,450	£188,288
Vaughan Primary School	614	0	0	£99,663	£0	£0	£99,663
Weald Rise Primary School	426	0	0	£69,147	£0	£0	£69,147
Welldon Park Primary School	510	0	0	£82,782	£0	£0	£82,782
West Lodge Primary School	651	0	0	£105,668	£0	£0	£105,668
Whitchurch Primary School & Nursery	769	0	0	£124,822	£0	£0	£124,822
Whitefriars School	561	398	128	£91,060	£90,897	£33,236	£215,193
Whitmore High School	0	811	541	£0	£185,103	£140,202	£325,304
TOTALS	21,610	7,364	4,693	£3,507,601	£1,680,761	£1,216,075	£6,404,436

**NOTE - THIS IS INDICATIVE AND SUBJECT TO DFE APPROVAL
IF THIS IS APPROVED, THIS FUNDING IS ONE OFF IN 2019-20 ONLY**