

GATESHEAD SCHOOLS FORUM AGENDA

Thursday, 28 September 2017 at 2.00 pm in the Cowen Room, Dryden Centre

From the Chief Executive, Sheena Ramsey

Item	Business
1	Apologies
2	Minutes (Pages 3 - 10) The Forum is asked to approve as a correct record the minutes of the last meeting held on 6 July 2017
3	Contingency Fund Applications (Pages 11 - 14) Carole Smith, Corporate Resources
4	School Funding Update (Pages 15 - 18) Carole Smith, Corporate Resources
5	Early Years Inclusion Fund (Pages 19 - 30) Carole Smith, Corporate Resources and Jan Batchelor, Children and Family Support
6	School Surplus Balance Procedure (Pages 31 - 32) Carole Smith, Corporate Resources
7	Date and Time of Next Meeting Thursday 2 November 2017 at 2.00pm

Contact: Rosalyn Patterson - email: rosalynpatterson@gateshead.gov.uk,
Tel: 0191 433 2088, Date: Thursday, 21 September 2017

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GATESHEAD METROPOLITAN BOROUGH COUNCIL

GATESHEAD SCHOOLS FORUM MEETING

Thursday, 6 July 2017

PRESENT:	Ken Childs (Chair)	Special Schools Governor
	Sarah Diggle	Primary Governors
	Steve Haigh	Secondary Academy Headteachers
	Denise Henry	Nursery Sector Representative
	Peter Lague	Trade Union Representative
	Mustafaa Malik	Primary Headteachers
	Elaine Pickering	Secondary Governors
	Andrew Ramanandi	Primary Headteachers
	Chris Richardson	Secondary Headteachers
	Allan Symons	Primary Governors
	Clive Wisby	Primary Headteachers
	Matthew Younger	Primary Headteachers
IN ATTENDANCE:	Alan Foster	Corporate Resources
	Carole Smith	Corporate Resources
	Rosalyn Patterson	Corporate Services and Governance

1 APOLOGIES

Apologies for absence were received from Steve Williamson, Julie Goodfellow, Christine Ingle, Michelle Richards, Ethel Mills and Cllr Chris McHugh.

2 MINUTES

The minutes of the meeting held on 9 March 2017 were agreed as a correct record.

3 SCHOOLS YEAR END BALANCES 2016/17

The Forum received a report updating on the 2016/17 year end position in relation to school balances and the number of schools in a deficit position.

It was reported that at the end of the financial year 2016 the maintained schools revenue balances were £7.045m and at the end of March 2017 this had reduced by £1.542m to £5.503m. There are six schools which had a deficit at the end of the year, totalling £0.242m compared to five schools in 2016/17 and a deficit balance of £0.227m.

It was questioned what happens to those schools with a deficit balance. It was confirmed that those schools are subject to challenge and support procedures,

recovery plans are set. It was also queried the position of schools which are in deficit and which are subject to academy orders. Forum was advised that if it is a sponsored academy the deficit stays with the local authority, however if a convertor academy the deficit would transfer to the new school. All transactions of schools undergoing the conversion process are monitored to ensure none belong to the new school.

It was queried as to what advice is provided throughout the year to those schools which are in a deficit at the end of the year. It was acknowledged that this would need to be looked at on an individual basis as some are due to unpredictable situations that occur at the year end. Forum was reassured that if a school had done something which was not prudent and it was within the Governors control it would not be eligible for contingency funding.

- RESOLVED -
- (i) That Schools Forum noted the value of maintained school balances and the in-year reduction of balances by £1.542m to the year-end value of £5.503m.
 - (ii) That Schools Forum noted the number of schools with a deficit balance at the end of 2016/17.
 - (iii) That Schools Forum noted the increase by £0.015m of the value of deficit balances at the end of 2016/17.

4 SCHOOLS SURPLUS BALANCE REVIEW

Forum received a report on the use of Schools Surplus Balances licences granted in 2015/16. It was reported that at the end of the financial year 2016/17, the total amount of surplus balances held under the previous year's licences was £33,760, a reduction of £420,559.

- RESOLVED - That Schools Forum noted that Surplus Balance licences have reduced by £420,559 during 2016/17.

5 SCHOOLS SURPLUS BALANCES 2016/17

A report was presented on the level of schools surplus balances and the number of licence applications for the use of 2016/17 surplus balances.

The total amount of surplus balances for 2016/17 totalled £129,312, with £20,554 in the nursery sector and £108,758 in the primary sector. There were no surplus balances in the secondary or special sectors.

Five schools were granted licences for the use of their surplus balances.

- RESOLVED - That Schools Forum noted the details of the surplus balance amounts.

6 SCHOOLS SURPLUS BALANCE CHANGE REQUEST

The Forum received a report outlining the outcome of a request from St Joseph's Infant School to alter their Surplus Balance Licence. The request was granted to change the use of the surplus balance licence so that it could be used for SEN interventions for the academic year 2017/18.

RESOLVED - That Schools Forum noted the change in surplus balance licence.

7 CONTINGENCY FUND APPLICATIONS

The Forum received a report on the decision to provide contingency funding to Bede Primary School.

It was reported that the school has come under cost pressure due to an increase in pupil numbers as a result of a traveller site and a women's refuge within the catchment area. The increasing numbers has caused financial difficulty for the school as often children receive no funding due to the timing of their arrivals and departures from the school. The school has a high turnover of pupils, with only six pupils of the 25 who started in reception still at the school in year six. This pattern is repeated throughout the school.

It was noted that the school as the highest percentage of pupils from the Fair Access Panel and the highest proportion of FSM and IDACI band A (the most deprived banding) as well as a high proportion of English as an Additional Language pupils.

The school the school could not set a balanced budget without this funding. The application was approved and the school was awarded £36,530.

It was questioned whether this was a one off payment. It was confirmed that this is not intended to be year on year but future applications could not be predicted. It was suggested that there are a number of schools in a similar position and that this should be built into the funding system. It was confirmed that there is a mobility factor, however this is not always able to capture the situation Bede School has found its self in. In addition the school has a high proportion of children with high levels of need which has caused additional costs.

RESOLVED - That Schools Forum noted the funding provided to the school.

**Sarah Diggle declared a personal interest as Chair of Governors of Bede Primary School.*

8 UNIVERSAL CREDIT AND FREE SCHOOL MEALS

The Forum received a report on the roll out of Universal Credit in Gateshead and the possible impact on free school meals (FSM).

Universal Credit is a national benefit which will replace existing benefits such as Housing Benefit, Job Seekers Allowance, Child Tax Credits and Working Tax Credits. It was reported that although Universal Credit has been implemented in small numbers in Gateshead, this will be rolled out fully from October 2017 and include families.

It is anticipated that this will impact on FSM and financial inclusion, as there are concerns due to the benefit being paid in arrears with a likely 6-8 week wait before payment. It was noted that this could lead to significant rent arrears and schools should therefore be aware that more families could experience financial hardship.

It was reported that anyone in receipt of Universal Credit will be entitled to FSM, this is a change to the current position, where being in receipt of Working Tax Credits does not necessarily entitle a child to FSM. Therefore, schools could see an increase in FSM.

Newcastle has been operating full Universal Credit for eight months, Gateshead officers have spoken to Newcastle's FSM service which has reported that FSM take up is currently low despite an increase in FSM entitlement. The Forum was advised that further discussions would be ongoing to gain more information on the position in Newcastle so that this can be passed on to Gateshead schools.

The Forum was advised that eligibility for FSM will not be confirmed until the Universal Credit award is made, which could be 6-8 weeks, however schools could make the decision to give a FSM before the entitlement is officially confirmed.

It was questioned who would pay the schools back which cover FSM for the period prior to Universal Credit being awarded. It was noted that at this stage it is not clear who would pick up the cost and it would be the decision of individual schools as to whether it provides FSM from the date parents make an application for Universal Credit.

It was queried why there is a 6-8 week delay in awarded the benefit. It was clarified that there is a one month assessment period when a case is looked at to see if any income has been received during that period, then an assessment of the amount of Universal Credit will be made. Payment will then be made within 3-5 days from the date of award.

The Forum agreed that a consistent message, in terms of whether to pay for FSM prior to confirmation of eligibility, is required from the local authority.

It was agreed that regular updates should be made to cluster school managers, business managers and Headteachers, and information should also be included in the Governors Directory. It was also agreed that an update will be brought back to the Schools Forum at the end of the year. Universal Credit guidance when available will also be circulated to schools.

RESOLVED - (i) That Schools Forum noted the contents of the report, the possible increase in children eligible for FSM and the

possible impact on new claimant families.

- (ii) That further updates be provided to schools on a regular basis and an update report be brought back to Schools Forum at the end of the year.

9 HIGH NEEDS BLOCK FUNDING REVIEW

A report was provided on the strategic review of the High Needs Block of the Dedicated Schools Grant (DSG).

It was noted that in December 2016 funding was provided to enable a review of the use of high needs funding to be undertaken.

An officer group has been established to look at the highest areas of spend, Special Schools, Behaviour Support Service, high needs top up funding including post 16 provision. Proposals will be brought to Schools Forum, and consulted on with all stakeholders. Regular updates will be brought to the Forum when proposals have been established.

RESOLVED - That Schools Forum noted a strategic review of the high needs block has commenced and information, proposals and any consultation information will be the subject of future reports to the Forum.

10 DSG OUT TURN

The Forum received a report on the outturn position of DSG for 2016/17. The final outturn is £97.260m against the budget of £96.953m, an over spend of £306,000. However, this over spend has been offset by additional Early Years settlement of £117,000 for 2015/16 received in 2016/17.

The overall over spend of £190,000 is deducted from the reserve balance of £3.357m to give a carry forward balance of £3.167m,

It was noted that the biggest over spend, £452,000, is from the High Needs block, which has been offset by the early years funding. The early years (PVI and academies) overspend of £418,000 has been offset by the reduction in maintained schools early years funding.

It was confirmed that the quarter one position would be brought back to the next meeting.

RESOLVED - That Schools Forum noted the content of the report.

11 SCHOOLS FORUM ASSOCIATION

Schools Forum was advised that the Chair of the Forum had been asked to complete a survey asking whether Gateshead Schools Forum would be willing to join a newly established Schools Forum Association.

It was noted that no further information has been received since completion of the survey but that updates would be brought back to the Forum when received. It was confirmed that there is a Schools Forum budget which could potentially cover any nominal costs if the Forum felt belonging to the association would be advantageous.

- RESOLVED -
- (i) That Schools Forum noted the contents of the report.
 - (ii) That Schools Forum noted the information contained in the appendix to the report.
 - (iii) That Schools Forum agreed that any further information or contact will be brought back to Schools Forum for consideration.

12 GROWTH FUND APPLICATION

The Forum received a report to confirm that Ravensworth Terrace Primary School have been successful in an application for Growth Funding. The school has admitted an extra year group due to having a new build school, which has not yet been opened.

In accordance with Growth Funding criteria the allocation was calculated by 7/12's AWPU, this amounted to more than the maximum allocation permitted for primary schools at £42,364.85. Therefore the maximum amount of £35,000 was allocated to the school for this year.

- RESOLVED -
- That Schools Forum noted that funding has been awarded to Ravensworth Terrace Primary School for growth in pupil numbers.

13 SCHOOL FUNDING UPDATE

A report was presented on the direction of travel of school funding reforms. It was reported that the proposed move to a "hard" (all schools funded directly by the DfE) national funding formula by 2019/20 will not be implemented as it would require primary legislation and no such bill has been proposed for the two year period covered by the Queen's speech.

It was suggested that there may be a soft national funding formula with LA's still having a role in mainstream school funding, there could possibly further limits to the discretion the local authority has. However, further information from the DfE is being awaited.

RESOLVED - That Schools Forum noted the contents of the report and that any information or announcements relating to schools funding will be the subject of future reports.

14 ANALYSIS OF LOCAL AUTHORITIES SCHOOLS BLOCK FUNDING FORMULAE

A report was presented to Forum which provided analysis on the values and funding factors used by all other local authorities in England.

It was noted that there has not been a big change in Gateshead's position since last year. 13 regional and 11 statistical neighbours have been used as comparators.

A breakdown of each funding factor was provided to show where Gateshead fits in the national picture. Possible areas for review were indicated as; KS3 and KS4 entitlement, IDACI following the banding changes, FSM6 funding, low prior attainment, EAL and mobility.

It was agreed that a sub group would be set up to be on standby for when information is received from the DfE. The sub group membership was agreed as; Ken Childs, Sarah Diggle, Steve Haigh, Chris Richardson, Mustafaa Malik and Andy Ramanandi.

RESOLVED - That Schools Forum noted the contents of the report and agreed the suggested areas to be reviewed for Gateshead's mainstream Schools Fair Funding Formula for the financial year 2018/19, dependent on any funding announcements by the DfE.

15 DATE AND TIME OF NEXT MEETING

The date and time of the next meeting is Thursday 28 September at 2.00pm.

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TITLE OF REPORT: Contingency Funding Application

Purpose of the Report

1. The purpose of this report is to inform Schools Forum of the decision to provide contingency funding to Eslington Primary School.

Background

Eslington Primary School – Rose Street Site

2. The school applied for contingency funding under criteria 3 as detailed below. The full list of Updated Contingency Funding Criteria is shown in appendix1.
3. “Emergency costs arising from incidents outside the control of the governing body of the school (e.g. flood or fire damage). The money allocated for these purposes will be earmarked for specific use.”
4. The school expanded onto a second site from September 2015 to increase the number of Social Emotional Mental Health (SEMH) special school places. Prior to the school moving into the new site, work had been undertaken to convert the building back into a school.
5. However it was only when the building started being used as a school again (Tyne View as a school closed July 2007) a number of issues came to light:-
 - A wall bordering the school had been uplifted by tree roots and was in danger of collapse
 - Tree roots had penetrated children’s toilets drains, blocking the drains
 - Leaking roof in the IT room
 - Hot water boiler issues
 - Boiler House repairs
 - Trip hazard in the carpark
6. The total cost of all work required totalled £18,381, which was a much reduced cost from the original estimates.
7. The school did not have sufficient revenue funding to fund the repairs, the Local Authority could not provide funding as the only funding available was capital funding and all the above items are repairs and maintenance and therefore a revenue cost.
8. The majority of the repairs would not be needed if the site had not been converted back to a school.

Process

9. The application was reviewed against the Contingency Criteria and colleagues in EducationGateshead, Council Housing, Design and Technical Services and Corporate Asset Strategy Team had input into the review process of the contingency application, and fully support the application.

Proposal

10. It is proposed that Schools Forum notes that £18,381 funding was provided to Eslington Primary School to address the specific revenue repairs and maintenance issues.

Recommendations

11. It is recommended that School Forum notes the funding provided to Eslington Primary School.

For the following reasons:

- To provide funding to Eslington Primary School for repairs to their new site at Rose Street.

CONTACT: Carole Smith ext. 2747

Appendix 1

Updated Contingency Funding Criteria

The LEA will retain centrally contingency funding that **could** provide in-year support to schools for:

1. Cost pressures specifically identified and caused by a relatively large numerical change in pupil numbers, especially if it relates to a single age-group, where the change is outside the control of the governing body and where the timing of the change in circumstances prevents no opportunity to the school to plan accordingly (eg housing demolition or compulsory purchase orders, or reorganisation)
2. The correction of significant errors in the data or in the application of the resource allocation formula.
3. Emergency costs arising from incidents outside the control of the governing body of the school (eg flood or fire damage). The money allocated for these purposes will be earmarked for specific use.
4. The provision of additional resources or other special support, temporarily, in response to a school found to be in need of Special Measures within the meaning of Part V of the Education Act 1993 and in accordance with DFE Circular 17/93.
5. For in-year allocations to schools in respect of pupils with new or revised statements of SEN, or for statemented pupils transferring between schools within the LEA.
6. For in-year allocations to schools in respect of the admission of pupils permanently excluded by other schools. Such allocations will be determined in accordance with Regulations made by the Secretary of State under Section 47 of the 1998 Act.
7. Schools that are in financial difficulty, and can demonstrate that they have taken all reasonable measures to address financial issues, and that the current financial difficulties are not as a result of financial mismanagement. Schools must apply the LEA's "Model of Reasonableness" before making an application to demonstrate that they meet the criteria.

If contingency is given and a school ends the same financial year with a surplus balance in excess of 0% the contingency payment, or a proportion of it, will be clawed back.

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TITLE OF REPORT: School Funding Update

Purpose of the Report

1. The purpose of this report is to update Schools Forum on the outcome of the Mainstream School and High Needs Block stage 2 Consultations.

Background

2. On 14 September 2017 the Department for Education (DfE) issued a number of documents:-

National Funding Formula for Schools and High Needs - Summary

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/644673/National_funding_formula_for_schools_and_high_needs_-_summary.pdf

National Funding Formula for Schools and High Needs – Policy Document

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/644746/National_funding_formula_for_schools_and_high_needs_Policy_document.pdf

3. They also issued a number of illustrative allocations and impacts for:-
 - local authority and school level for mainstream schools for the new national funding formula (NFF)
 - High Needs Block
 - Central Schools Block

All tables can be found on the below link.

<https://www.gov.uk/government/publications/national-funding-formula-tables-for-schools-and-high-needs>

4. Summary of the Main Announcements

Changes from the Mainstream School consultation proposals:-

- Soft NFF for mainstream schools for 2018/19 and 2019/20 to aid transition
- 3% funding cap on gains for 2018/19 and 2019/20
- Minimum funding levels have been set for both primary and secondary pupils.
 - The primary minimum funding level is £3,300 for 2018/19 and £3,600 for 2019/20.
 - The secondary minimum funding level is £4,600 for 2018/19 and £4,800 for 2019/20.
- All AWP values have been increased from the consultation proposals to
 - Primary an increase of £35 per pupil from £2,712 to £2,747
 - KS3 an increase of £66 from £3,797 to £3,863
 - KS4 an increase of £74 from £4,312 to £4,386
- Decrease in Free School Meals (FSM) current and ever6 funding

- Primary Current FSM decreased by £100 from £540 to £440
- Primary ever6 FSM decreased by £440 from £980 to £540
- Secondary Current FSM decreased by £345 from £785 to £440
- Secondary ever6 FSM decreased by £470 from £1,255 to £785
- An increase in Income Deprivation Affecting Children Indices (IDACI) band C to differentiate the funding from band D. Band C has a higher proportion of deprived children than band D.
 - Primary IDACI band C increased by £30 from £360 to £390
 - Secondary band C increased by £45 from £515 to £560
- Pupil Premium Plus for looked after children (LAC) will be increased from £1,900 to £2,300. The increase represents the total amount allocated to LAC in 2017/18 formula and this is rather than include a LAC factor in the 2018/19 NFF.
- The primary secondary ratio for the NFF will be approximately 1:1.29 for England as a whole; however this will vary at a local level depending on the distribution of funding to individual schools.
- All premises factors will be funded on the same level as 2017/18 allocations apart from Private Finance Initiative (PFI) funding which will increase in line with Retail Price Index, Excluding Mortgage Interest (RPIX) on an annual basis.

Illustrative Impacts on Gateshead Funding

5. The DfE issued indicative allocations for 2018/19 for the Schools Block, High Needs Block and the new Central Schools Block. School level information for 2019/20 based on 2017/18 data was also published.

Below is a high level comparison of the 3 blocks

2017 -18 DSG allocations by block (£million)		Indicative Allocations	Movement From HNB to SB	Difference	Percentage Change
Schools Block	£105,293,467	£108,066,154	£236,246	£2,536,441	2.41%
Central Schools Block	£1,743,950	£1,724,225		-£19,725	-1.13%
High needs block	£21,779,054	£21,650,180	£236,246	£107,371	0.49%

6. Not all details or calculations have been released and the information above is based on 2017/18 actual allocations, new indicative funding provided for 2018/19 based on 2016/17 data (the same as used for 2017/18 allocations) and the movement between the blocks HNB and SB information was provided in stage 2 consultation information, as this has not yet been published.
7. In line with the announcements made, the overall increase in funding for Gateshead mainstream schools is 2.4%. This ranges from 0.4% increase for 12 primary schools to 3.4% increase for one small primary school. The indicative allocations suggest that 2 schools will receive increases above the 3% cap, one primary and one secondary. This is probably due to PFI funding increasing due RPIX being applied to the historic factor value.
8. The below table details the total amounts and percentage funding that will be allocated under the new NFF, together with values and cash allocations for Gateshead for mobility, premises factors and growth funding.

Factor values and weightings in the new NFF								
Factor		Proposed Weighting for NFF	Proposed Total Spend (inc. ACA)		Per pupil/school factor values (excl. ACA)			
					Primary		Secondary	
Basic per pupil funding		72.90%	£24,183m		KS1	£2,747	KS3	£3,863
					KS2		KS4	£4,386
Deprivation	Current FSM	9.10%	£1,731m	£3,022m	£440		£440	
	Ever6 FSM				£540		£785	
	IDACI A		£575		£810			
	IDACI B		£420		£600			
	IDACI C		£390		£560			
	IDACI D		£360		£515			
	IDACI E		£240		£390			
	IDACI F		£200		£290			
Low Prior Attainment		7.40%	£2,458m		£1,050		£1,550	
English as an additional language		1.20%	£404m		£515		£1,385	
Mobility		0.10%	£22m		£193,000			Cash sum
Lump sum		6.80%	£2,267m		£110,000		£110,000	
Sparsity		0.08%	£26m		£0 to £25,000		£0 to £65,000	
Premises	Rates	1.80%	£610m	Cash sum £4,449,590				
	PFI							
	Split Sites							
	Exceptional circumstances							
Growth		0.05%	£174m		£35,000			
Area Cost Adjustment			£824m		nil			
Funding Floor			£624m					

9. Indicative individual school allocations can be found on the above link. The amounts on the table are indicative, are based on the NFF without any local formula review and will change with the final allocation of funding in December.

Proposal

10. It is the proposal that Schools Forum notes the contents of this report and the information that can be reached from the above links. This information will be used by the Mainstream School Funding Subgroup (MSFS) to inform discussions and modelling of the local formula which will be reviewed and agreed by Schools Forum prior to consultation with all mainstream schools.

Recommendations

11. It is recommended that Schools Forum notes the contents of the report and that work will be undertaken by the MSFS on Gateshead's transition to the NFF.

For the following reasons:

- To maintain funding stability for Gateshead's mainstream schools
- To comply with the Schools Revenue Funding Operational Guidance
- To comply with DfE timescales
- To Comply with Schools and Early Years (England) Regulations 2018 when they are published

CONTACT: Carole Smith 2747

28 September 2017

TITLE OF REPORT: Early Years Inclusion Fund Consultation Document and Process

Purpose of the Report

1. To update Schools Forum on the progress made by officers in the development of the proposed criteria and application process for the Early Years Inclusion Fund, and to enable Schools Forum to comment and have input into the proposed early years Inclusion Fund consultation document.

Background

2. This report builds on reports to Schools Forum in December 2016 and February 2017.
3. Department for Education (DfE) Operational Guidance requires all Local Authorities (LAs) to establish an Inclusion Fund in their local funding systems for 3 and 4 year olds with Special Educational Needs and Disability (SEND) taking the free entitlement. The purpose of the fund is to support LAs to work with providers to address the needs of individual children with low levels or emerging SEN.
4. Children with more complex needs and those in receipt of an Education Health and Care Plan (EHCP) continue to be eligible to receive funding from the high needs block of the Dedicated Schools Grant (DSG).
5. To ensure that the maximum amount of funding was passed to settings 95% of the Early Years Block (EYB) funding was allocated to the new funding formula. The remaining 5% is being used to fund the administration of early year's grants and to fund the inclusion fund.
6. The Early Years National Funding Formula (EYNFF) operational guidance states that 5% top slice can only be applied to base rate funding. However, if a larger inclusion fund is to be created in future years the amount of funding allocated to settings via the EYNFF would be reduced and therefore impact negatively on the hourly rates to settings.
7. At present the amount of funding available for the Inclusion Fund is estimated at £50,933, and is based on estimated funding information from the Department of Education (DfE). The calculation is provided in appendix 1.

Inclusion Fund

8. The aim of the Gateshead Early Years Inclusion Fund is to ensure that 3 and 4 year old children accessing their funded entitlement (universal or extended) receive timely, planned and monitored early interventions to ensure they remain included in their setting and are provided with additional opportunities to access and experience the Early Years Foundation Stage framework.

9. The amount available will generally be up to £200 per child, however larger amounts may be awarded, (up to £500) for example, if the proposed purpose of the funding will benefit more than 1 child. This money will be paid directly to settings. This will usually be a one-off payment although there may be occasions where repeat applications are appropriate on an annual basis.

Use of the Inclusion Fund

10. The use of the Inclusion Fund should be determined by the provider, in consultation with other professionals, such as Early Years Area SENCo or a teacher from EYAIT. Providers should state on their Inclusion Fund application form the intended purpose of the money. Examples of how providers can use the Inclusion Fund include:
- Support to produce or purchase resources for specific children where this will help to address their individual needs.
 - Specialist or one-off extra training, or to upskill a team or staff member
 - Extra staff time to support specific interventions (specific hours and not an addition to the hourly rate)
 - Support for co-ordinating key worker duties, such as team around the child
 - Helping children who are transitioning to school. This could be by spending time at the school and releasing key workers to support the process

Eligibility

- The Early Years Inclusion fund is for 3 and 4 year old children accessing either the universal or the extended funded entitlement in a Gateshead provision.
- The application may be to support an individual child, or a specific group of children (all children must be named on the application form) with lower level or emerging SEN.
- It would be expected that the application had previously been discussed with the Early Years Area SENCo prior to submission.
- The child may already receive support from the EYAIT, in which case the Inclusion Fund application should be discussed and agreed with the child's allocated worker.
- The child will not have an Education Health Care plan.
- Parents should be fully aware that an application for funding is being made.

Application for Funding

11. A short application form needs to be completed, providing details of the proposed purpose of the funding, and how this will support inclusion in the provision and reduce barriers to taking up their free entitlement and learning for the child. There also needs to be evidence of what the setting is already doing to support inclusion and meet the needs of the child.
12. The applications will be discussed fortnightly by the EHC panel.

Payment mechanism

13. Once the EHC Panel has approved an application for the Inclusion Fund, notification will be sent to Funding Officers in the Early Years and Childcare Service. They will inform providers, by email, of successful applications. Payment to PVI providers will then be made alongside the next payment opportunity, as set out in the funding schedule.

14. Payment to maintained schools will be made by journal transfer. Once Inclusion Fund funding has been exhausted for a financial year no further claims will be processed, but will be reviewed once funds become available again. Any unspent inclusion funds will be carried forward to the next financial year and added to the Inclusion Fund for that financial year.

Proposal

15. It is proposed that the Schools Forum agrees the below proposals:-

- The value of the Inclusion Fund for 2017/18 is set at the estimated amount of £50,933
- The intended use of the Inclusion Fund
- The eligibility criteria of the Inclusion Fund
- The application process of the Inclusion Fund
- The payment mechanism for the Inclusion Fund
- That the Inclusion Fund is ring fenced and finite

Consultation

16. The attached consultation documentation (appendix 2) details the proposed purpose of the Inclusion Fund, as well as other funding available to support children with SEND accessing their early years' funded entitlements.
17. If the above proposals are agreed, it is hoped that following the review and ratification of the Consultation document, it can be sent to all settings by the 2nd October 2017.
18. LAs are also required to consult with parents of children with SEND. The consultation document, once approved, will also be available on the Council's Local Offer website.
19. Any suggestions or questions would be welcomed prior to the Schools Forum meeting if at all possible.

Proposal

20. It is proposed that Schools Forum reviews and agrees the consultation document attached for the distribution to all early years settings by the 2nd October 2017.

Recommendations

21. That Schools Forum:-

- Reviews and agrees the proposed value, use, eligibility, application and payment processes as outlined above
- Review the attached consultation document
- Review the information contained within the document for clarity
- Depending upon the outcomes of discussions, either agree the attached consultation document or suggest changes that can be made within the very tight timescale required.

For the following reasons:-

- To consult with all settings on the proposed new Inclusion Fund
- To comply with Schools and Early Years Finance Regulations (England) 2017

- To comply with the timescales to enable early years settings to receive Inclusion Fund for eligible children in the Autumn Term 2017.

CONTACT: Carole Smith/ Jan Batchelor

Appendix 1

Estimated new funding to the LA (15 hours)			
Gateshead's Funding Rate			
Estimated Part Time Equivalents (PTE)	3,104.3	£4.02	£7,114,639.83
Estimated additional 30 hour funding			
Estimated PTE	510.5	£4.02	£1,169,987.05
Total Base Rate Funding			£8,284,626.88
5% top slice			£414,231.34
Early Years Grant Administration			£363,298.00
Funding Available for Inclusion Fund			£50,933.34

Gateshead Metropolitan Borough Council

Early Years Inclusion Fund
From October 2017

CONSULTATION PAPER

INTRODUCTION

This consultation paper is for all early years' providers and for parents of children with SEND.

This consultation is set in the context of the implementation of the Local Authority Early Years National Funding Formula, which the Department for Education (DfE) introduced from April 2017.

Gateshead's new Early Years Single Funding Formula (EYSFF) for all providers of the funded entitlement for 3 and 4 year olds commenced in April 2017.

As part of the EYSFF LAs are required to introduce an Inclusion Fund.

This consultation paper sets out the LAs proposals for its Inclusion Fund, and all schools and PVI settings are requested to read this consultation paper carefully and respond to the questions on the attached consultation response form.

Context

The Special Educational Needs (SEN) Code of Practice states that all providers must have arrangements in place to support children with SEN or disabilities. These arrangements should include a clear approach to identifying and responding to SEN.

It is expected that that the following would be provided by all Gateshead early years settings as part of their standard inclusive practice:

- A broad and balanced Early Years Foundation Stage (EYFS) curriculum which meets all statutory requirements.
- An identified key person - to act as first point of contact, to ensure every child's learning and care is tailored to meet their individual needs, to help the child become familiar with the setting, offer a settled relationship for the child and build a relationship with parents.
- A written SEN policy.
- A graduated approach so as to be able to provide specific help to individual children through an "assess, plan, do, review" approach.
- Differentiated learning for children with a range of learning needs. This would include:
 - Practitioners meeting the individual needs of all children by delivering personalised learning, development and care.
 - Daily opportunities to work in small, structured and adult initiated, group situations where if necessary distractions can be minimised.
 - Regular monitoring and evaluation of children's progress using an early years' tracker document.
 - Inclusion in the range of learning experiences which are suitable and appropriate to an individual child's needs and compliant with the Equality Act.
 - Resources suitable for a range of children with learning needs.
- A clear policy for promoting positive behaviour that is consistently applied by all practitioners across the setting.
- Reasonable adjustments for children covered by the Equality Act (2010) such as flexible groupings, adaptations to policies and enduring disability access.
- An identified Special Educational Needs Co-ordinator (SENCO) who ensures all practitioners in the setting understand their responsibilities to children with SEN, who advises colleagues and liaises with parents and other professionals.
- Suitable arrangements for collaborative working with parents and professionals, social care, school and health to ensure children benefit from integrated provision.

Regular developmental checks will be carried out by the key person in the nursery setting and health visitor. Where a child makes less than expected progress and where the setting identifies a child as having SEN they must work in partnership with parents to establish the support the child needs. Where it is decided to provide SEN support the practitioner and SENCO should agree, in consultation with the

parent, the outcomes they are seeking, the interventions and support to be put in place, the expected impact on progress and a clear date for review. The intervention will be specific to the needs of the child.

Where a child continues to make less than expected progress, despite appropriate evidence-based support and interventions, practitioners should consider involving appropriate specialists.

Current Support for children with SEND

Area SENCo - may be the first specialist to be involved to provide advice and guidance to early years providers on the development of inclusive learning environments and to provide strategies to support children within the nursery environment.

Education, Health and Care Panel - if a child continues to make less than expected progress, despite evidence based support and interventions, then a referral to the Education, Health and Care Panel (EHC) may be appropriate. The panel will be able to:

- provide additional educational assessment, intervention or support for a child via the Early Years (0-4) Assessment and Intervention Team (EYAIT);
- refer a child for assessment to the Child Development Team;
- identify other agencies that should be involved;
- recommend a child for further assessment for an EHC plan (if appropriate).

In order to refer to the EHC panel a referral form must be completed, along with a signed parental consent form, and there must be an accompanying Common Assessment Framework (CAF). The referral form must give evidence of differentiated learning opportunities provided for the child and of specific interventions undertaken.

Disability Access Funding (DAF) – aids access to early years places by, for example, supporting providers in making reasonable adjustments to their provision and/or helping with building capacity. 3 and 4 year olds will be eligible for the DAF if they are in receipt of Disability Living Allowance (DLA). The providers of three and four year olds eligible for the DAF will be entitled to receive a one-off payment of £615 per financial year. Further details are available from Funding Officers in the Early Years and Childcare Service

Inclusion Fund Proposal

The aim of the Gateshead Early Years Inclusion Fund is to ensure that 3 and 4 year old children accessing their funded entitlement (universal or extended) receive timely, planned and monitored early interventions to ensure they remain included in their setting and are provided with additional opportunities to access and experience the Early Years Foundation Stage framework.

The estimated total available for 2017/18 is approximately £50,933. Based on current information any increase in the amount of Inclusion Fund available would result in a reduction of base rates paid to all providers.

Q1 Do you accept the total level of Inclusion Fund for 2017/18 Financial Year?

The amount available to settings will generally be up to £200 per child, however larger amounts may be awarded, (up to £500) for example, if the proposed purpose of the funding will benefit more than 1 child.

Q2 Do you accept the Inclusion Fund application limit of £200 or in exceptional circumstances £500?

This money will be paid directly to settings. This will usually be a one-off payment although there may be occasions where repeat applications are appropriate on an annual basis.

Use of the Inclusion Fund

The use of the Inclusion Fund should be determined by the provider, in consultation with other professionals, as appropriate. Providers should state on their Inclusion Fund application form the intended purpose of the money. Examples of how providers can use the Inclusion Fund include:

- Support to produce or purchase resources for specific children where this will help to address their individual needs.
- Specialist or one-off extra training, or to upskill a team or staff member
- Extra staff time to support specific interventions (specific hours and not an addition to the hourly rate)
- Support for co-ordinating key worker duties, such as team around the child
- Helping children who are transitioning to school. This could be by spending time at the school and releasing key workers to support the process

Q3 Do you accept the proposed uses of the Inclusion Fund?

Eligibility

- The Early Years Inclusion fund is for 3 and 4 year old children accessing either the universal or the extended funded entitlement in a Gateshead provision.
- The application may be to support an individual child, or a specific group of children (all children must be named on the application form) with lower level or emerging SEN
- It would be expected that the application had previously been discussed with the Early Years Area SENCo prior to submission.
- The child may already receive support from the EYAIT, in which case the Inclusion Fund application should be discussed with the child's allocated worker.
- The child will not have an Education Health Care plan.
- Parents should be fully aware that an application for funding is being made.

Q4 Do you accept the eligibility criteria for the Inclusion Fund?

Application for Funding

A short application form needs to be completed, providing details of the proposed purpose of the funding, and how this will support inclusion in the provision and reduce barriers to taking up their free entitlement and learning for the child. There also needs to be evidence of what the setting is already doing to support inclusion and meet the needs of the child.

The applications will be discussed fortnightly by the EHC panel.

Payment mechanism

Once the EHC Panel has approved an application for the Inclusion Fund, notification will be sent to Funding Officers in the Early Years and Childcare Service. They will inform providers, by email, of successful applications. Payment to PVI providers will then be made alongside the next payment opportunity, as set out in the funding schedule. Payment to maintained schools will be made by journal transfer. Once Inclusion Fund funding has been exhausted for a financial year no further claims will be processed, but will be reviewed once funds become available again. Any unspent inclusion funds will be carried forward to the next financial year and added to the Inclusion Fund for that financial year.

Q5 Do you accept the payment mechanism?

Consultation

Please complete the attached consultation form and return by noon on Wednesday 11 October 2017 and send to Jan Batchelor (janbatchelor@gateshead.gov.uk)

Consultation Response Form

Inclusion Fund Consultation for All 3 and 4 Year Old Settings

The name organisation and role sections must be completed, and only one consultation response will be accepted from each setting.

Return deadline 11 October 2017

Name	
Organisation	
Role	

INCLUSION FUND	
Q1 Do you accept the total level of Inclusion Fund for 2017/18 Financial Year?	
Yes	<input type="checkbox"/>
Don't Know	<input type="checkbox"/>
No	<input type="checkbox"/>
Comments	

INCLUSION FUND	
Q2 Do you accept the Inclusion Fund application limit of £200 or in exceptional circumstances £500?	
Yes	<input type="checkbox"/>
Don't Know	<input type="checkbox"/>
No	<input type="checkbox"/>
Comments	

INCLUSION FUND	
Q3 Do you accept the proposed uses of the Inclusion Fund?	
Yes	<input type="checkbox"/>
Don't Know	<input type="checkbox"/>
No	<input type="checkbox"/>
Comments	

INCLUSION FUND	
Q4 Do you accept the eligibility criteria for the Inclusion Fund?	
Yes	<input type="checkbox"/>
Don't Know	<input type="checkbox"/>
No	<input type="checkbox"/>
Comments	

INCLUSION FUND	
Q5 Do you accept the payment mechanism?	
Yes	<input type="checkbox"/>
Don't Know	<input type="checkbox"/>
No	<input type="checkbox"/>
Comments	

INCLUSION FUND	
Any other comments	

Please return to
Jan Batchelor
Childcare Support Lead Officer
janbatchelor@gateshead.gov.uk

By Wednesday 11 October 2017

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28 September 2017

TITLE OF REPORT: Schools Surplus Balances Procedure

Purpose of the Report

1. To bring to Schools Forum a proposal to discontinue with the Schools Surplus Balance Procedure.

Background

2. As part of a rolling work programme, some Schools Procedures have been reviewed. One of these procedures is the Schools Surplus Balance Procedure.
3. In January 2007 Local Authorities (LA's) were directed by the Secretary of State for Education to make certain directed revisions to their Schemes for Financing Schools.
4. Under the directed revisions all local authority schemes were required to include a mechanism to control school surplus balances. These revisions should have come into effect from 1 April 2007, but were only implemented for Gateshead Schools from April 2008.
5. Under the regulations in effect for 2011/12, Schools were permitted to have an "unlicensed" carry forward amount that is equal to or less than 8% for Special and Primary Schools, and 5% for Secondary Schools of the next financial year's School Budget Share.
6. Under the current regulations LA's can review their clawback mechanism as it is no longer mandatory and, as per report to Schools Forum in March 2012, limits were raised. For Primary and Special Schools the new thresholds are 16% or £20,000 and 10% for secondary schools.
7. When the surplus balance mechanism was first introduced surplus balances in Gateshead were approximately £2.3 million (based on 8% and 5%). When surplus balance licences were reported at the meeting of Schools Forum July 2017, the value of current and new surplus balances had a combined total of £0.252 million, which represents approximately 0.2% of 2017/18 funding for all Gateshead maintained schools. It is also anticipated that school balances will continue to fall in future years.

Proposal

8. That Schools Forum notes the information in the report and approves the proposal that 2017/18 will be the last year that Schools Surplus Balance Procedure will be in place for Gateshead maintained schools.

9. It is also proposed that Schools Forum notes that an annual report will be brought to Schools Forum on the overall value and movement of maintained school balances for their information.

Recommendation

10. It is recommended that Schools Forum: -

- Approves the cessation of the Schools Surplus Balance Procedure from April 2018
- Notes that an annual report on the overall value and movement of maintained school balances will be brought to Schools Forum for their information.

For the following reason(s):

- To streamline school procedures and to ensure that Schools Forum still has information on the level and movement of maintained schools balances

CONTACT: Carole Smith ext. 2747