



NOTTINGHAM CITY COUNCIL
SCHOOLS FORUM

Date: Tuesday, 26 June 2018

Time: 1.45 pm

Place: Ground Floor Committee Room - Loxley House, Station Street, Nottingham,
NG2 3NG

Members are requested to attend the above meeting to transact the following business

Governance Officer/Clerk to the Forum: Phil Wye Direct Dial: 0115 876 4637

AGENDA

Pages

- | | | |
|----------|---|---------|
| 1 | APOLOGIES FOR ABSENCE | |
| 2 | DECLARATIONS OF INTEREST | |
| 3 | MINUTES OF THE LAST MEETING
Minutes of the meeting held on 24 April 2018, for confirmation. | 3 - 6 |
| 4 | WORK PROGRAMME | 7 - 8 |
| 5 | PROJECTS TO SUPPORT SCHOOL INCLUSION
Joint report of the Director of Education and the Corporate Director for Children and Families | 9 - 16 |
| 6 | 2017/18 DEDICATED SCHOOLS GRANT OUTTURN REPORT
Joint report of the Corporate Director for Children and Adults and the Chief Finance Officer | 17 - 24 |
| 7 | SCHOOLS BLOCK TRANSFER TO THE HIGH NEEDS BLOCK
2019/20
Presentation | |
| 8 | DATE OF THE NEXT MEETING
To agree to meet on Tuesday 09 October at 1.45pm at Loxley House. | |

IF YOU NEED ANY ADVICE ON DECLARING AN INTEREST IN ANY ITEM ON THE AGENDA, PLEASE CONTACT THE GOVERNANCE OFFICER/CLERK TO THE FORUM SHOWN ABOVE, IF POSSIBLE BEFORE THE DAY OF THE MEETING

CITIZENS ATTENDING MEETINGS ARE ASKED TO ARRIVE AT LEAST 15 MINUTES BEFORE THE START OF THE MEETING TO BE ISSUED WITH VISITOR BADGES

CITIZENS ARE ADVISED THAT THIS MEETING MAY BE RECORDED BY MEMBERS OF THE PUBLIC. ANY RECORDING OR REPORTING ON THIS MEETING SHOULD TAKE PLACE IN ACCORDANCE WITH THE COUNCIL'S POLICY ON RECORDING AND REPORTING ON PUBLIC MEETINGS, WHICH IS AVAILABLE AT WWW.NOTTINGHAMCITY.GOV.UK. INDIVIDUALS INTENDING TO RECORD THE MEETING ARE ASKED TO NOTIFY THE GOVERNANCE OFFICER/CLERK TO THE FORUM SHOWN ABOVE IN ADVANCE.

NOTTINGHAM CITY COUNCIL

SCHOOLS FORUM

**MINUTES of the meeting held at Loxley House, Station Street on 24 April 2018
from 1.45 pm - 2.22 pm**

Membership

Present

Judith Kemplay (Vice Chair)
Caroline Caille
Sally Coulton
David Holdsworth
Janet Molyneux
Tracy Rees
Terry Smith
David Stewart
James Strawbridge
Sheena Wheatley
Stephen McLaren

Absent

Sian Hampton (Chair)
Maria Artingstoll
David Blackley
David Hooker
Andy Jenkins
Debbie Simon

Colleagues, partners and others in attendance:

Alistair Conquer	- Head of Educational Curriculum and Enrichment
John Dexter	- Director of Education
Julia Holmes	- Senior Commercial Business Partner
Lucy Juby	- Project Manager, School Organisation
Alison Michalska	- Corporate Director for Children and Adults
Phil Wye	- Governance Officer

23 CHAIR

In the absence of the Chair, Judith Kemplay chaired the meeting.

24 APOLOGIES FOR ABSENCE

Maria Artingstoll
Sian Hampton
David Hooker
Andy Jenkins
Debbie Simon

25 DECLARATIONS OF INTEREST

None.

26 MINUTES OF THE LAST MEETING

The minutes of the meeting held on 13 February were agreed as a correct record and signed by the Chair.

27 WORK PROGRAMME

The Work Programme for the remainder of the 2017/18 academic year was noted.

28 ALTERNATIVE PROVISION UPDATE

John Dexter, Director of Education, gave a verbal update on Alternative Provision (AP) arrangements highlighting the following:

- (a) a Service Level Agreement on AP arrangements has now been sent to all secondary schools with a deadline to respond of next week;
- (b) a number of Academy Trusts held concerns about the plans for AP and have been visited for reassurance;
- (c) a joint bid has been submitted with Derby City Council for funding from the Strategic School Improvement Fund (SSIF). This will be considered by the Regional Schools Commissioner and the Department for Education;
- (d) there still remains some concern about the number and quality of AP placements available in the city, and various Trusts are looking to see what they can provide;
- (e) administration of Fair Access and managed moves has moved back from NSCEP to Nottingham City Council. The same staff remain for continuity.

RESOLVED to thank John for the information provided.

29 PUPIL GROWTH CONTINGENCY FUND - CRITERIA SETTING

Lucy Juby, Project Manager, School Organisation, introduced the report updating the Forum on the Sub-Group's recommendations for the principles and criteria under which funding can be allocated to maintained schools and academies in 2018/19:

- (a) the representative Sub-Group was established to undertake a review of both the existing Pupil Growth Contingency Funding (PGCF) model for primary schools and the required model for secondary school pupil growth;
- (b) significant pupil growth due to a growth in birth rate and new arrivals in the city is now impacting on the secondary sector so an appropriate funding model is required to support expansion;
- (c) the criteria for the PGCF in the primary sector was also reviewed by the Sub-Group. This has largely remained the same except that funding for any utilities and teaching assistants will be allocated based on a case by case basis, rather than assumed to be required;
- (d) the primary expansion programme is now largely complete, with the majority of applicants receiving an offer at their first or second preference school at first

admission;

- (e) for secondary expansions, funding will be allocated to schools who are increasing their intake by a minimum of one full class, and where growth is in agreement with the School Organisation Team;
- (f) for each additional class, one teacher will be funded along with deprivation funding based on the school's proportion of pupils eligible for the Free School Meals, FSM6 and IDACI band factors. Classroom setup costs may be funded dependent on individual circumstances. If there is already existing resourced space or surplus capacity at the school it will not be funded. If a school takes more than one additional class this will be funded on a sliding scale;
- (g) from April 2018, any academy that chooses to reduce its admission number against the wishes of the Local Authority will not receive PGCF for any subsequent increases;

The following points were raised during the discussion which followed:

- (h) good and outstanding schools will be prioritised for expansions to ensure quality of provision;
- (i) capacity at primary schools will continue to be monitored although the main expansion programme is now largely complete with the final two permanent expansions underway. Schools will be approached individually if there is pressure in future;
- (j) distances that pupils will need to travel to school will be taken into account when expanding schools, with the aim to be providing places in suitable locations. Changes of catchment areas has been considered but this is more complex with secondary schools as their admissions criteria varies and some do not have catchment areas;
- (k) a number of schools and academies have already come forward with interest in expanding, including Fernwood School which has been successful in its funding bid from the Education Funding Agency, pending consultation.

RESOLVED to

- (1) approve the proposed conditions, criteria and methodology under which funding can be allocated to secondary schools during 2018/19 as recommended by the Schools Forum Sub-Group and detailed in Appendix 1 of the report;**
- (2) approve that the existing criteria for pupil growth in primary schools will continue, subject to schools satisfying the conditions detailed in Appendix 2 of the report;**
- (3) note a termly update report will continue to be submitted to Schools Forum outlining how the funding has been allocated, to ensure a transparent and**

consistent process;

(4) note Schools Forum will be consulted again on the approach and criteria for funding secondary growth from the financial year 2019/20 onwards, once updated guidance is received from the ESFA.

The Vice-Chair informed the Forum that Alistair Conquer is retiring prior to the next meeting, and thanked him for his work supporting the Forum over the years.

SCHOOLS FORUM WORK PROGRAMME 2018/19

Title of report		Report or presentation
9 October 2018		
1.	De-Delegation Reports – approval of funding	Report
2.	Pupil Growth Funding – forecast update for 2018/19 and funding approval	Report
3.	Central Expenditure 2019/20 – approval of funding	Report
4.	Retained duties 2019/20 – approval of funding	Report
5.	General duties 2019/20 – approval of funding (provisional)	
5.	Consultation with Schools Forum on proposed amendments to the local funding formula and HN block transfer	Report
6.	Section 251 – 2016/17 actuals, 2017/18 budget – statutory requirement	Report
7.	High Needs - consultation on places	Report
11 December 2018		
1.	National Funding Formula – Update on the outcome of the consultation (provisional)	Report
2.	Revised Pupil Growth Criteria for 2019/20 onwards – approval for criteria	Report
3.	Pupil Growth Fund 2019/20 – approval of funding	Report
15 January 2019		
1.	Schools Budget 2019/20	Report

Deadlines for submission of reports

Date of meeting	Draft reports (10.00 am)	Final reports (10.00 am)
09 October 2018	14 September	27 September 2018
11 December 2018	16 November 2018	29 November 2018
15 January 2019	7 December 2018	2 January 2019

Proposed 2018/19 meeting dates

09 October 2018
11 December 2018

15 January 2019
26 February 2019
30 April 2019
25 June 2019

SCHOOLS FORUM – 26 June 2018

Title of paper:	Projects to Support School Inclusion
Director(s)/ Corporate Director(s):	John Dexter, Director of Education Alison Michalska, Corporate Director
Report author(s) and contact details:	Nick Lee, Head of Access and Inclusion Nicholas.lee@nottinghamcity.gov.uk 0115 87 64618
Other colleagues who have provided input:	Kathryn Stevenson, Senior Commercial Business Partner
Summary	
<p>The exclusions taskforce established in 2017 had a remit to explore options to support schools and academies to reduce the level of permanent exclusions in Nottingham. The first strand of work it reported on to Forum in February 2018 was to propose a new funding model and service level agreement for secondary providers. The proposals being presented in this report include a proposal to launch and extend an early identification model to support inclusive practice, Routes 2 Inclusion, and the extension of behaviour support for primary pupils identified at risk of permanent exclusion.</p>	
Recommendation(s):	
1	Note the proposed use of £0.084m from the DSG reserve to launch and further extend the Routes 2 Inclusion pilot project which had received pump priming funding through SEND Reforms grant.
2	Note the proposed use of £0.050m from the DSG reserve to extend the existing programme of Behaviour Support Team provision for targeted interventions for primary age pupils identified as high risk of permanent exclusion

1 REASONS FOR RECOMMENDATIONS

- 1.1 The cost of provision for pupils permanently excluded from school is met from the City's high needs budget. This budget allocation is set according to the national high needs funding formula. Due to the high numbers of permanently excluded pupils and related costs of provision, our high needs expenditure is currently significantly higher than our budget allocation. This means that funding is being drawn from the reserve to support the high needs budget. This is not sustainable in the long term.
- 1.2 In addition to the previously reported model of devolved high needs funding to secondary providers, the exclusions taskforce identified the need to embed better early identification and early intervention practice within city schools and academies across all phases. Early identification of pupils at risk of exclusion, coupled with early interventions will enable mainstream places to be maintained. These approaches whilst cost effective in the long term, through reducing dependence on higher cost alternative provision placements, do require additional early investment. This investment is both cost effective and, critically, enables better educational outcomes for individual pupils.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 In July 2017, the Head of Access and Inclusion established a taskforce to look at the issue of permanent exclusion in Nottingham and to identify a way forward that would support schools as well as present an affordable model for the Council. The taskforce group included representatives from various stakeholders in the Council, plus representation from primary and secondary schools, the PRU, YOT, Social Care, the Police and NHS. According to the Index of Multiple Deprivation Nottingham is the 8th most deprived of 326 Local Authorities in the country and the social, emotional and mental health (SEMH) needs of some young people in the city reflects their challenging and complex family lives. The recommendations of the taskforce are that well evaluated intervention models need to be implemented to support schools and academies to enable early identification of pupils at risk of future exclusion and to build the capacity and skills of schools to develop inclusive practice.
- 2.2 The taskforce is proposing to support Routes 2 Inclusion. This is a toolkit being developed by Behaviour Support professionals and Education Psychologists alongside SENCO's in the city's primary schools. Full details of the proposal are outlined in **Appendix 1**, but phase one of the toolkit's design includes collaborative development and design of a range of supporting materials and a universal service map highlighting various routes of support in the city for children with SEMH. The first phase has been funded by the SEN Reform Grant. Phase two of Routes 2 Inclusion is dissemination and embedding of the toolkit within city schools, including workshops and bespoke training to meet the needs of individual schools. The estimated cost of phase two is £36,000 and this paper is advising Schools Forum of the proposal to allocate Higher Needs funding to cover dissemination of this toolkit across primary schools.
- 2.3.1 The expected outcomes of Routes to Inclusion are a reduction in permanent exclusions in primary and secondary schools, and increased knowledge, skills and capacity in responding to pupils with SEMH needs.
- 2.3.2 During consultation held during the autumn of 2017 for the Nottingham City SEND Strategy, secondary phase SENCO's and Inclusion leads identified the work being undertaken in the primary pilot as being transferable for the secondary sector. Further analysis of the viability of running a full secondary pilot has been undertaken and costed at £48,000
- 2.3.3 .An additional pilot programme focussing on primary pupils already at risk of exclusion has run from November 2017 to April 2018. 2 Learning Mentors have worked with 16 primary pupils identified and 15 have retained their school places and not been permanently excluded. Behaviour Support Team outcomes data suggests that where support can be provided to prevent exclusions, a significant proportion of placements are successfully maintained. Prevention of the exclusion of only 3 of these pupils covers the costs of these temporary posts within one year. It is therefore proposed to extend for a further year 2 x Grade F Learning Mentor posts; to continue to address current pressures on provision for excluded pupils at a cost of £50,000, to include staff wages and travel.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 There is the option to do nothing, but this is not a sustainable position due to the depletion of reserves that have been previously utilised to support the high level of permanent exclusions.

4 OUTCOMES/DELIVERABLES

- 4.1 Reduction of rate of permanent exclusion in line with that of statistical neighbours and closing the gap with the national rate.

5 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

- 5.1 There is currently £3.568m ring-fenced in the DSG reserve to support the high needs budget over the next 2 years based on the proposed new devolved AP model for secondary schools. Of this, £2.860m is being used to support the high needs budget in 2018/19.
- 5.2 The remaining uncommitted balance on the DSG reserve as at 1st April 2018, as reported in the Outturn Report, is £3.272m. These proposals would require a total of £0.134m from the DSG reserve, reducing the uncommitted balance to £3.138m
- 5.3 £0.086m of the proposed funding relates to initiatives which will support primary schools in maintaining placements for pupils at risk of exclusion. These initiatives represent value for money as there is good evidence to suggest they will lead to improved outcomes for pupils and net savings to the high needs budget from a reduction in permanent exclusions in the primary phase. Primary exclusions in the 2017/18 academic year are significantly (40%) lower than they were last year.
- 5.4 The extension of the Routes 2 Inclusion initiative into the secondary phase would support schools to manage within their devolved AP allocations.

6 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

Not required

7 HR COLLEAGUE COMMENTS

- 7.1 Not required.

8 EQUALITY IMPACT ASSESSMENT

- 8.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required because: As a universal service, there is no direct impact.
(Please explain why an EIA is not necessary)

Yes

Attached as Appendix x, and due regard will be given to any implications identified in it.

9 LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

9.1 None

10 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

10.1 None

‘Routes 2 Inclusion’ Expected Outcomes and Costings for Primary and Secondary Schools

Purpose

To develop a systematic and robust graduated response to SEMH which is supportive to schools, promotes inclusion, builds capacity and helps to identify our most vulnerable and needy children so that resources can be targeted effectively.

Outcomes

Reduction in Primary and Secondary exclusions, increased knowledge, skills and capacity around SEMH. Embedding of a graduated response, which fits with EHCP and HLN requests.

PRIMARY Costings & Actions

PHASE 1 (collaborative development & design of process & toolkit; mapping of services & Citywide launch)

Phase 1 (Autumn term 2017 – Summer term 2018)

- Phase 1 involves the development of guiding principles for universal provision, assessment and intervention
- The identification of assessment domains and resources and guidance to support assessment
- The identification of interventions with guidance to support SEMH
- Guidance to reflect other support services and agency involvement
- The development of formalised LA processes to support schools to maintain the placements of children in crisis. This will be a separate and overlapping piece of work which will provide an additional structure to that offered by the primary managed moves process
- Visual representation of the process and mapping of services
- The development of a toolkit
- Design and publication of toolkit
- Dissemination/launch to City primaries

Funding

Part A: Funding from SEND Reforms Grant

Summer term 2017	5 days each from EPS & BST	Total - 10 days	Total cost £6,000
Autumn term 2017	7 days each from EPS & BST	Total - 14 days	Total cost £8,400
		Total 24 days	Total cost £14,400

Part B: Funding from SEND Reforms Grant

Spring term 2018	10 days from EPS & BST	Total - 20 days	Total cost £12,000
Summer term 2018	12 days from EPS & BST	Total - 24 days	Total cost £14,400
		Total – 44 days	Total cost £26,400

PHASE 2 (dissemination, embedding, evaluation & monitoring)

Phase 2 (Autumn term 2018 – Summer term 2019)

- Support to schools to embed and develop the toolkit in practice
- This is likely to reflect training needs in relation to core universal provision, sharing of good practice assessment processes and specific evidence based interventions and practices. These can be identified through audits and consultation in partnership with schools
- This could take the form of workshops or bespoke training matched to the individual needs of the schools
- Awareness raising and training for other services and support agencies on the use of the toolkit and how this links with service referrals, requests for support and LA processes, is also planned
- Monitoring and evaluation of impact of the toolkit

Funding Required

Autumn term 2018	10 days from EPS & BST	Total - 20 days	Total cost £12,000
Spring term 2019	10 days from EPS & BST	Total - 20 days	Total cost £12,000
Summer term 2019	10 days from EPS & BST	Total - 20 days	Total cost £12,000
		Total – 60 days	Total cost £36,000

SECONDARY Costings & Actions

PHASE 1 (development of SEMH pilot with secondary cluster (3 schools))

Phase 1 – 3 full terms (Summer term 2018 – Spring term 2019)

- Identification of schools and key staff members to establish an outline of the pilot as applicable to the secondary context
- Establish principles and working practices to support the implementation of a graduated response in line with Primary R2I (including universal good practice, identification, assessment and intervention)
- Undertake an audit of existing provision, practice and skills
- Identify barriers and strengths to meeting SEMH needs in the secondary phase
- Establish base line data and potential outcome measures in line with Primary R2I processes
- Support the development of systems of shared communication and understanding around SEMH
- Visual representation of the process and mapping of services
- The development of a secondary toolkit
- Monitoring and evaluation of impact of the toolkit
- Dissemination to next identified secondary cluster and explore roll out to remaining City secondary schools in Phase 2

Funding Required

3 full terms	39 days from EPS & BST	
	Total 78 days	£46,800 cost

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SCHOOLS FORUM - 26 JUNE 2018

Title of paper:	2017/18 DEDICATED SCHOOLS GRANT - OUTTURN REPORT
Director(s)/ Corporate Director(s):	Alison Michalska, Corporate Director for Children and Adults Laura Pattman, Chief Finance Officer
Report author(s) and contact details:	Ceri Walters, Head of Commercial Finance 01158 764 128 ceri.walters@nottinghamcity.gov.uk
Other colleagues who have provided input:	Sarah Molyneux Head of Legal and Governance 01158 764 335 sarah.molyneux@nottinghamcity.gov.uk
Summary This report sets out the 2017/18 Dedicated Schools Grant (DSG) outturn and the updated reserve balance.	
Recommendation(s):	
1	To note that the 2017/18 financial outturn position of the DSG was an under-spend of £0.535m (0.21%) against a final budget of £255.522m.
2	To note that this under-spend has been allocated back to the Statutory Schools Reserve (SSR) resulting in a closing balance of £8.500m for 2017/18, as per Table 5 .
3	To note that the uncommitted balance on the SSR balance is £3.272m , as per Table 5 .

1. REASONS FOR RECOMMENDATIONS

- 1.1 Enabling the formal monitoring of progress against the 2017/18 DSG budget.
- 1.2 Confirm the impact on the SSR as a result of the 2017/18 outturn.

2. BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The 2017/18 initial schools budget as reported at Schools Forum on 19 January 2017 totalled £256.501m. There were a number of subsequent in-year changes totalling a net movement of £0.979m; this resulted in a **final budget of £255.522m**.

The movements are set out in **Table 1** below:

TABLE 1: IN YEAR BUDGET MOVEMENTS	
£m	Reason
(0.735)	Early Years (EY) - In-year reduction to Education Schools Funding Agency (ESFA) 2017/18 allocation based on the update for the January 2017 census.
0.152	EY – In year notification from ESFA of 2017/18 maintained nursery school supplementary funding. Drawn down from reserve as income not yet received from ESFA.
(3.012)	High Needs (HN) – In year reduction to ESFA 2017/18 allocation for recoupment, mainly relating to Raleigh Trust academisation.
0.178	Post 16 - Final ESFA income higher than initially budgeted.
2.440	Required use of DSG reserve earmarked for Alternative Provision funding on calculation of PRU indicative budgets.
(0.979)	TOTAL NET REDUCTION

Table 2 provides a summary, by DSG block, of actual spend compared to budget.

TABLE 2: 2017/18 OUTTURN SUMMARY				
	Budget as at 19Jan SF report £m	Final Budget £m	Actual Spend £m	(Under)/ Over Spend £m
Schools Block (see section 2.7)	207.007	207.007	206.862	(0.145)
Early Years Block (see section 2.3-2.6)	21.827	21.244	20.678	(0.566)
High Needs Block	27.667	27.271	27.447	0.176
TOTAL SCHOOLS BUDGET	256.501	255.522	254.987	(0.535)
Less funding not included in DSG allocation:				
ESFA income	0.764	0.941		
DSG reserves	0.278	2.870		
Total 2017/18 DSG allocation	255.458	251.710		

A majority of the under-spend mostly relates to the EY Block with the variances on the other blocks netting off.

2.3 **Table 3** provides a further breakdown of the EY block variance.

TABLE 3: BREAKDOWN OF EARLY YEARS BLOCK VARIANCES			
	Budget £m	Actual £m	(Under)/ Over Spend £m
2 Year old funding for schools/providers (see section 2.4)	3.716	4.273	0.557
3 & 4 year old funding for schools/providers (see section 2.4)	15.926	15.128	(0.798)
EY Pupil Premium	0.231	0.292	0.061
EY Disability Access Funding	0.090	0.014	(0.076)
Sub-total demand driven	19.963	19.707	(0.255)
EY Special Education Needs (SEN) funding (see section 2.5)	0.085	0.127	0.042
EY Central expenditure (see section 2.6)	1.195	0.843	(0.352)
Total 2017/18 Early Years Block	21.243	20.677	(0.566)

2.4 There were significant variances on both 2 year old and 3 & 4 year old funding. However, the ESFA will calculate a final adjustment to our 2017/18 DSG allocation in July 2018 to take into account pupil numbers from the January schools census and EY census.

They not been explicit about how they will calculate this final adjustment for the extended entitlement where our original funding allocation was based on a DfE estimate of potentially eligible children. To mitigate against any clawback the **£0.255m under spend will be ring-fenced in the SSR.**

2.5 Expenditure on allocations to Private, Voluntary and Independent settings for children with SEN was over budget in 2017/18. This was linked to the transition to the new SEN arrangements for EY pupils supported by the creation of an SEN inclusion fund for pupils in schools and PVI settings with emerging needs. The SEN inclusion fund budget for 2018/19 is £0.170m.

2.6 EY central expenditure was under spent in 201/18 by £0.352m mainly due to staff recruitment slippage and revisions to the staffing structure, which took place during the year. The EY central expenditure budget has been reduced by £0.234m for 2018/19.

2.7 The Schools Block was under-spent by £0.145m. The key variances making up this under-spend include £0.090m on pupil growth and pupils without a school place, £0.026m Safeguarding in educational establishments and £0.014m Behaviour Support Team.

2.8 HN block was over-spent by £0.176m (0.6%). The high needs budget benefited from an under-spend of £0.357m on Fair Access as this was funded from NCSEP reserves in 2017/18. This under-spend has been offset by an increase in the education cost of residential placements. There has been a significant increase

within the City during 2017/18 of HN placements due to the complexity of the care packages. This needs to be reviewed in more detail during the 2019/20 budget setting process to ensure future HN budget allocations reflect the activity.

2.9 The underspend of £0.535m has been allocated back to the SSR. Some of the under spend is ring fenced in accordance with Department for Education (DfE) guidelines or approvals at Schools Forum (SF).

2.10 There were a number of drawdowns from the SSR in year over and above the £2.870m to support the above budget. Some of these related to reserve commitments and some were unforeseen requirements, **Table 4** sets out the movements:

TABLE 4: IN YEAR RESERVE DRAW-DOWNS		
Commitments draw down £m	Other drawdowns £m	Reason
0.136		BSF wave 5
0.013		Contribution to NCSCB
0.072		Portacabins - Bulwell St Mary's
	0.382	EYDSG adjustment relating to 2016/17
	0.078	Drawdowns relating to schools e.g. includes rates adjustments, balances on closure
0.221	0.460	TOTAL

2.5 The SSR balance as at 1 April 2017 was £11.516m, after in year movements the balance is £8.500m.

2.6 **Table 4** below summarises the position on the reserve:

TABLE 5: RESERVE ANALYSIS	
	Actual £m
Opening Balance as at 1 April 2017*	11.516
Less: DSG reserve supporting 2017/18 budget (See Table 2)	(2.870)
Less: 2017/18 Draw downs (See Table 4)	(0.681)
Add: 2017/18 Under spend (See Table 2)	0.535
Closing Balance as at 31 March 2018	8.500
Less: Future Commitments (see Appendix A)	5.228
Uncommitted Balance as at a 1 April 2018	3.272

Appendix A sets out the commitments/ring fenced funding from the SSR resulting in an **unearmarked balance of £3.272m.**

- 2.7 The uncommitted element of the SSR is 1.23% of the 2017/18 DSG budget. There is no statutory requirement for the levels of this reserve however; this percentage is lower than that included in the Local Authorities Medium Term Financial Strategy which is between 3-5%.
- 2.8 All recommendations within this report align to the Schools and Early Years Finance Regulations 2018. Future use of the reserve needs to align to the following expenditure categories set out in **Table 6.**

TABLE 6: EXPENDITURE CATEGORIES
HIGH NEEDS BUDGET
Top-up funding – maintained schools
Top-up funding – academies, free schools and colleges
Top-up and other funding – non-maintained and independent providers
Additional high needs targeted funding for mainstream schools and academies
SEN support services
Hospital education services
Other alternative provision services
Support for inclusion
Special schools and Pupil Referral Units (PRU's) in financial difficulty
PFI/ BSF costs at special schools and AP/ PRUs
Direct payments (SEN and disability)
Carbon reduction commitment allowances (PRUs)
EARLY YEARS BUDGET
Central expenditure on children under 5
CENTRAL PROVISION WITHIN SCHOOLS BUDGET
Contribution to combined budgets
School admissions
Servicing of schools forums
Termination of employment costs
Falling Rolls Fund
Capital expenditure from revenue (CERA)
Prudential borrowing costs
Fees to independent schools without SEN
Equal pay - back pay
Pupil growth/ Infant class sizes
SEN transport
Exceptions agreed by Secretary of State
Other Items

- 2.9 The value of school balances has increased during the financial year 2017/18 from £6.845m to £7.430m. This is despite the fact that five primary schools have academised in year.

3. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 No other options were considered as part of this report.

4. OUTCOMES/DELIVERABLES

4.1 To provide SF with the 2017/18 outturn position and to confirm the opening balance of the SSR for 2018/19.

5. FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

5.1 This report contains financial implications.

6. RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

6.1 The current law in force in this area is the School and Early Years Finance (England) Regulations 2018. Spend from the SSR needs to align with the requirements of the Regulations.

7. HR ISSUES

7.1 Not applicable

8. EQUALITY IMPACT ASSESSMENT

8.1 An EIA is not needed as the report does not contain proposals or financial decisions.

Has the equality impact been assessed?

Not needed (report does not contain proposals or financial decisions)
No
Yes – Equality Impact Assessment attached

Due regard should be given to the equality implications identified in the EIA.

9. LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

9.1 None

10. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

10.1 Schools Forum 21 April 2016 – Alternative Provision Model 2016/17

10.2 Schools Forum 19 January 2017 – Schools Budget 2017/18

APPENDIX A

No		Date Approved	Funding Narrative	2018/19 £m	Other Comments
1	Re-phased BSF Wave 5 funding	29 March 2012 - Agenda Item 12-03-10		0.446	2016/17 spend is carried forward from 2017/18 underspends.
2	Education Service Grant reduction	23 Feb 2012	Aligns to academising schools and the impact to LA services.	0.347	Academisation of schools late and in year affects achievement of service reduction.
3	Inter authority recoupment	DfE financial regs	This relates to children who cross borders to attend special schools. There will be no new commitments associated with this based on the new funding formula and any future charges will relate to outstanding charges from other authorities.	0.129	Under spend carried forward to support future liabilities.
4	Contribution to Nottingham Safeguarding Children's Board	5 Dec 2013 - Agenda Item 6	Approve an annual contribution of £13,000 from the Dedicated Schools Grant to the NCSCB on an ongoing basis to ensure the shortfall between the income generated by the Schools and Education Safeguarding Team through the safeguarding training and the £33,000 committed is met.	0.013	
5	Additional growth funding	16 Oct 2014 – Agenda item 10	To fund the shortfall of funding required so support the growth of school places in 2014/15.	0.229	Slippage of £0.099m from 2014/15 into 2015/16 as per report to Schools Forum 23 April 2015. Underspend included in £5.815m.
6	St Mary's temporary classroom funding	21 January 2016 – Agenda item 6	Funding to support temporary accommodation at Bulwell St Mary's CE Primary School	0.145	Funding period is Sept 2015 to July 2020.
7	Alternative Provision – New model & contingency (£0.750m)	21 April 2016 – Agenda item	New model for alternative provision for Nottingham. Funding to support 2016/17 to 2021/22.	3.568	

No		Date Approved	Funding Narrative	2018/19 £m	Other Comments
8	Mellers Primary business rates adjustment 17/18 & 18/19	DfE financial regs	Material in year business rate changes in accordance with financial regulations.	0.022	
9	Berridge Primary business rates adjustment 16/17	DfE financial regs	Material in year business rate changes in accordance with financial regulations.	0.021	
10	Early Years underspend in 2017/18 (to be used to fund adjustment in 18/19)		This may be clawed back by the ESFA in July 2018.	0.255	
11	Fair Access underspend to level agreed in the last paper	23 Feb 2017 Agenda item 7		0.028	
12	Fair Access contingency	23 Feb 2017 Agenda item 7	Contingency for emergency expenditure incurred by primary & secondary in year	0.025	This is on on-going annual commitment with any in year under usage being allocated back to the SSR.
TOTAL COMMITTED				5.228	