

MUNICIPAL YEAR 2014/2015 REPORT NO.

MEETING TITLE AND DATE:
Portfolio Key Decision KD 4009

REPORT OF:
Director of Schools & Children's
Services and
Director of Finance, Resources &
Customer Services

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| Agenda – Part: 1 | Item: |
| Subject: Award of contracts to deliver works to enable the provision of extra pupil places – Grange Park Primary School – extension and remodelling of the Administration Block | |
| Wards: Highlands | |
| Cabinet Members consulted: Cllr A Orhan, Cllr A Stafford | |

1. EXECUTIVE SUMMARY

- 1.1 Approval is required to provide additional space for administrative support required at the school following the Grange Park Primary School expansion. Portfolio Holders' approval is sought for contract award and scheme expenditure.
- 1.2 The expansion of Grange Park Primary School was included in the school place strategy decision in the Cabinet Reports of June 2013 and July 2014. The main works have been delivered to provide teaching accommodation. Expenditure is now required for construction works to extend and improve the admin block using traditional construction methods. This includes provision of an extended general office, remodelling of the Head Teacher's office, female staff toilets, store rooms and associated external works. The decision was made to competitively tender these works separately to achieve best value as they could not be commenced until the leased temporary classroom had been removed. This accommodation needed to be maintained for use until the new two storey block was completed. Design of the admin block was considered as part of the masterplan for the expansion of Grange Park Primary School and costs associated were included in the funding for the Grange Park Primary school expansion.
- 1.3 In line with Contract Procedure Rules and the School Expansion Programme Procurement Strategy, agreed by the Council's Strategic Procurement Board in November and December 2013, the Grange Park Admin Block works were procured through a competitive tender process for a traditional contract.
- 1.4 The expenditure under this approval is within the allowance on the Council's Capital Programme for the Grange Park Primary School expansion scheme. Any changes in costs will be managed and reported through the quarterly SCS Capital Monitor updates to the Capital Programme.

2. RECOMMENDATIONS

That the Cabinet member for Education, Children's Services and Protection and the Cabinet Member for Finance approve the following:

- 2.1 Contract Award to Kirkman & Jourdain Ltd accepting their tender in the sum of £228,400 for construction works to provide the Administration Block extension and remodelling to support the provision of additional pupil places;
- 2.2 Total expenditure of £360,000 covering the building contract, professional and technical fees, project contingency and any additional client side costs (within the allocation for the Grange Park Primary School expansion scheme); and
- 2.3 Any changes to expenditure will be managed and reported through the quarterly SCS Capital Monitor updates to the Capital Programme where this approval is within the allowance on the Council's Capital Programme for the Grange Park Primary School expansion scheme.

3. BACKGROUND

- 3.1 On 20th June 2012, Cabinet approved a revised Primary Places Strategy to further additional school places from September 2013. This was subsequently updated in June 2013 and July 2014 with further details and requirements and formalised the School Expansion Programme (SEP) as the operational vehicle to deliver any additional school capacity required in a phased way.
- 3.2 The project at Grange Park Primary school has been developed to provide the accommodation required by the School to permanently expand from 3FE to 4FE. The new build extension of the existing general office received separate planning consent in June 2014. Building Regulations were adhered to as part of the infrastructure enabling and construction works. The oversight of this will fall under the Council's Contract Administrators (CA's).
- 3.3 The main construction works are near completion and works on the admin block can commence as the temporary classroom can be removed, which creates the space required for the admin block extension. It is imperative that a contract commitment is in place by 20 April 2015 to deliver the admin block by beginning of September 2015 to coincide with the extra intake of pupils.
- 3.4 Once the development is completed, Building Control will need to sign off on the completed development. All warranties and guarantees will be available in the event that building failure occurs. These guarantees will be assigned after practical completion occurs and held on behalf of the Council by Legal Services.

4. PROCUREMENT

- 4.1 In line with Contract Procedure Rules and the School Expansion Programme Procurement Strategy, agreed by the Council's Strategic Procurement Board in November and December 2013, the Grange Park Admin Block works were procured through a competitive tender process for a traditional contract.

- 4.2 SPB approved the recommendation that the SEP projects would be procured using the most appropriate route. The final procurement decision would be delegated to the Senior Responsible Officer (the Director of Schools and Children's Services) in consultation with the School Expansion Programme Executive.

The Building Works Tender

- 4.3 The works comprise an extension of the existing general office, remodelling of the Head Teacher's office, female staff toilets and store rooms and associated external site works.
- 4.4 Five contractors were shortlisted to tender from Constructionline and invited to tender. One contractor withdrew from tendering during the tender period and one contractor did not submit a tender; three tenders were received.
- 4.5 The three submissions have been analysed by EC Harris, who are providing additional capacity to CMCT, in accordance with the evaluation procedure set out in the tender documents. The lowest tender was found to contain qualifications and exclusions and that contractor subsequently withdrew their tender. The second lowest tender has been recommended for acceptance.
- 4.6 The recommendation is within previous cost estimates and in line with current market conditions. On that basis, the successful tender is recommended for acceptance and is considered to represent good value in the current market. A detailed tender report for this package is included with the Part 2 Report.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Enfield Council has a statutory responsibility to provide enough school places to meet demand. The SEP has been established to provide the additional capacity and expertise to setup and deliver a number of construction projects in a timely fashion and to provide best value in the face of challenging delivery timescales. Not providing places cannot be considered an option.
- 5.2 The expansion at Grange Park Primary School is near completion providing an extra form of entry. The admin block is required as the expansion has resulted in the requirement for extra support staff and hence the need for more space. The admin block will replace the temporary classroom that could not be removed until the expansion was complete. The project required phasing in this way and hence there are no other options that can be considered.

6. REASONS FOR RECOMMENDATIONS

- 6.1 Evaluation of the tender returns and subsequent clarification with the recommended tenderer has reached the stage where the Council can enter into contract. The tender returns and scheme costs have been reviewed by the Council's Corporate Maintenance and Construction Team (CMCT) and are recommended as representing good value given current market conditions. The tender report is included in the Part 2 version of this report.

7. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

7.1 Financial Implications

7.1.1 Based on the tender return from Kirkman & Jourdain Ltd and analysis by EC Harris, the following capital expenditure is recommended for approval:

| | |
|---|----------|
| Construction contract – Kirkman & Jourdain Ltd | £228,400 |
| Construction Contingency (as EC Harris Tender Report) | £36,700 |
| Client Risk Contingency | £50,000 |
| Professional & Technical Expenses | £44,900 |
| Total | £360,000 |

7.1.2 The cost of these works is included within the total scheme estimate of £6.868m included within the Council's Capital Programme for 2015/16. The total scheme is funded by £6.5m of DfE capital grants and £368k of council resources.

7.2 VAT Implications

The supply of statutory education by the Council is deemed to be a non-business for VAT; therefore the council is able to recover VAT incurred towards this supply under the provisions of S33 of VAT Act 1994 if it procures/contracts for the works, receives the supply, receives a VAT invoice in its name and pays with its own (corporate) funds. This rule applies particularly to Council maintained schools like Grange Park Primary School.

7.3 Legal Implications

7.3.1 Section 14 of the Education Act 1996 requires that an authority ensures that sufficient school places are available within its area for children of compulsory school age. Case law upon this statutory duty confirms that compliance with the duty requires an education authority to actively plan to remedy any shortfall. Section 19 of the Education and Inspections Act 2006 and The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013 allow school governing bodies and LA's to expand an existing school following a prescribed consultation. Section 111 of the Local Government Act 1972, includes the power to do anything ancillary to, incidental to or conducive to the discharge of any of its statutory functions. The recommendations within this report are in accordance with these powers.

7.3.2 In accordance with the Councils Constitution, in particular Contract Procedure Rules, the Council is required to carry out a formal tender as set out in this report.

7.3.3 The contract for the works will be in a form approved by the Assistant Director of Legal and Governance Services.

7.4 Property Implications

- 7.4.1 The proposed works will enhance the premises and provide suitable and sufficient space for the additional administrative staff and support required as part of the school expansion.
- 7.4.2 Property Services is to be sent the new data being generated as a result of the construction works at the school. This is to include floor plans with room details for the purposes of maintaining the Council's Property Asset Management System, Atrium.

8. KEY RISKS

- 8.1 The risk in not proceeding with this project would be that there would be inadequate space for the administrative staff and support required as part of the expansion of Grange Park Primary School from 3FE to 4FE.
- 8.2 Specific risks relating to construction have been identified in the tender evaluation process with an assessment of cost by EC Harris. A further Client Risk Contingency has been included; project risks will be managed via the Risk Register.

Costs

- 8.3 Costs for each established project are managed through the project and programme management governance arrangements already in place and be subject to the Council's usual due diligence and value for money tests. Changes in estimated costs, established budgets and the spend profile is managed through the Capital Programme via the quarterly Capital Monitor updates to Cabinet and Council.

9. IMPACT ON COUNCIL PRIORITIES

9.1 **Fairness for All**

- 9.1.1 This scheme will assist the Authority in ensuring the supply of sufficient school places whilst also creating employment opportunities for teaching and support staff.

9.2 **Growth and Sustainability**

- 9.2.1 By ensuring that places are provided in areas of highest demand, this will ensure that pupil mobility across the Borough is kept to a minimum. This therefore means that increased road travel is minimised and families can be encouraged to walk to school.

9.3 **Strong Communities**

- 9.3.1 The proposals in this Strategy will allow the Authority to have greater control over the provision (and potential future reduction) of pupil places, allowing more opportunities to stabilise local communities and ensure that there are local places for local children.

10. EQUALITIES IMPACT IMPLICATIONS

- 10.1 An equality impact assessment was completed for approval of the strategy in June 2012 and for PEP2 in December 2013. The strategy was developed to ensure that there are sufficient places across the Borough to meet demand, that

these places are not discriminatory and to ensure that all children have access to high quality education.

11. PERFORMANCE MANAGEMENT IMPLICATIONS

- 11.1 The strategy presented in this report is consistent with the national agenda for expanding popular and successful schools.

12. HEALTH AND SAFETY IMPLICATIONS

- 12.1 As all of the SEP projects will involve contractors working on existing school sites, the Council will ensure that contractors provide the highest level of Health and Safety on site.
- 12.2 There are no specific health and safety implications other than the impact of additional traffic, generated by increased numbers at the SEP schools. Working with Highways, funding has been included in the cost summary to allow for traffic mitigation measures on each of the schemes. As part of the planning approvals process, traffic impact assessments have to be submitted for each scheme, and the Planning committee will have to give approval.

13. PUBLIC HEALTH IMPLICATIONS

- 13.1 Not applicable

MUNICIPAL YEAR 2014/2015 - REPORT NO.

**ACTION TO BE TAKEN UNDER
DELEGATED AUTHORITY**

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| Agenda - Part: 1 | Item: |
| Subject: Schools Budget 2015/16 | |
| Wards: All | |
| Key Decision No: KD 4097 | |
| Cabinet Member consulted: Cllr Ohran and Cllr Stafford. | |

REPORT OF:

Director of Directors of Schools and
Children's Services and Finance,
Resources & customer Services

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1. EXECUTIVE SUMMARY

This report provides information on the provisional schools budget for 2015/16 and makes proposals for the distribution of the available Dedicated Schools Grant (DSG) resources. At its meeting on 25th February 2015 Council agreed that the Cabinet Member for Education, Children's Services and Protection and Cabinet Member for Finance take the decision on the schools budget for 2015/16 once the final position is known, taking into account the comments of the Schools Forum and any relevant decisions which the Forum make under the DfE regulations.

2. RECOMMENDATIONS

Approval to be given to the application of the DSG as set out in Table 1 and Appendix A, and detailed in the report.

3.0 BACKGROUND

Dedicated Schools Grant and School Funding

The Dedicated School Grant (DSG) is a ring-fenced grant, the majority of which is used to fund Individual Schools Budgets. The Government have delayed their planned move to a National Fair Funding formula which will now not be implemented until at least 2016-17. For 2015-16 the Department for Education (DfE) will allocate additional funding of £390m to the Local Authorities which they have identified as being the "least fairly funded" based on their newly issued minimum funding requirements. Enfield does not fall below the minimum funding thresholds so will receive no additional funding in 2015-16 (other than related to increased pupil numbers) as the settlement will again be on a flat cash basis.

There are two significant changes to the DSG in 2015-16 for Enfield. The first is the way in which the Two Year Old funding is allocated: In 2013-14 and 2014-15 funding was based on the Government's target number of places but from 1st April 2015 this changes to participation funding. This has a significant impact on the amount of funding received as the target set for Enfield was very high, resulting in a substantial difference between the funding received and the places actually funded. This "spare" funding was not ring-fenced and has been used elsewhere in the budget, but will no longer be available from 1st April 2015. This has contributed to the overall pressure within the budget.

The second change is the bringing of the Non-Recoupment Academies (NRAs) into the DSG. These are new academies that have no predecessor school, as opposed to former schools converting to academy status. Previously these establishments were funded directly by the Education Funding Authority (EFA) but from 2015/16 all free schools and academies will be funded via the DSG. The significance of this change is that LAs become responsible for in year growth in pupil numbers in the NRAs. This in year growth is not funded and is likely to be a substantial burden in the case of these new and growing schools. Following representations from LAs the DfE have agreed to fund growth in the first year of this change but no commitment has been made to fund the growth in future years. This therefore remains as a future risk.

For 2015-16, the DSG is again allocated to local authorities in three notional blocks, which include funding for Two Year Olds and post 16 High Needs pupils:

- Schools Block - a per pupil allocation based on the October census. For Enfield this is £5,194 per pupil.
- Early Years Block - a per pupil allocation updated for the January 2014 and 2015 census for the Three and Four Year Old free entitlement. For Enfield, this is £3,948 per pupil. From April 1st funding for the Two Year Old free entitlement will be based on actual take up of places (participation) as recorded in the January or October census.
- High Needs Block – base funding updated for changes in numbers of special school places provided and including funding for post 16 High Needs learners.

Although DSG as a whole remains ring-fenced the individual blocks are not and allocations to the blocks are notional.

Under DfE regulations, certain specific decisions relating to the distribution of DSG funding are subject to consultation with the Schools Forum, with the Council making the final decision on the allocation of available resources, after taking account of any recommendations made by the Schools Forum. An indicative schools' budget was ratified by the Schools Forum on March 4th.

4.0 AVAILABLE RESOURCES

4.1 2015/16 DSG Settlement

Enfield's initial 2015-16 DSG settlement was announced on 17th December 2014 as **£299.062m** (excluding Two Year Old funding and Early Years Pupil Premium). Including estimates for pupil number growth in NRAs (which will be funded in retrospect for 2015-16 only); our forecast of the increase in Early Years places for three and four year olds; and funding for the revised Two Year Old offer (which will not be issued until July) the total DSG available to fund expenditure in 2015/16 is forecast to increase to **£308.550m**.

The final DSG figure will be subject to a further change dependant on final Early Years pupil numbers.

4.2 Accumulated DSG reserve

Uncommitted DSG balances are expected to be approximately £3.6m at 31st March 2015 based on the latest monitoring position. Changes resulting from the Government's school funding reform and demographic changes are likely to result in a risk of turbulence in budgets. In particular there is a risk of budget pressures associated with the increased demand for SEN services. It is therefore considered prudent to retain part of the accumulated reserve in order to minimise the impact on Enfield schools. In setting a balanced budget and addressing considerable budget pressures the use of a proportion of the available balances is however considered appropriate and the proposed allocation of **£2.6m** has been agreed by Schools Forum.

Alternative options considered in order to close the budget gap were to reduce the unit rates on the schools funding formula or to reduce centrally retained budget, however schools forum did not accept these options.

5.0 PROPOSED ALLOCATION of DSG in 2014/15

The total available DSG resource, including the allocation from reserves, is **£311.123m**. Income and expenditure are summarised in **Table 1**, with more detail (including a comparison with 2014/15) given in **Appendix A**. Further explanation regarding the DSG allocation and the methodology used for allocating funding to budgets in the notional blocks is set out below in Paras 5.1 to 5.3.

5.2 Early Years Block

The Early Years funding formula has not changed for 2015-16. The final application of funding for 3 and 4 year olds is based on the latest available data and is shown in **Table 1** broken down by Maintained schools or Private Voluntary and Independent (PVI) providers, with a total cost of **£13.157m**. An estimate of the cost of funding the Two Year Old free entitlement based on the new methodology has been included based on latest forecasts of places that will be filled. The budget of **£6.524m** has been set based on an assumption that Two Year old costs will be fully funded by DfE grant in 2015-16, however as the grant is based on numbers on roll at the January or October census dates there remains a risk that if numbers increase after the census date the costs may exceed funding.

5.3 High Needs Block

The allocation of funding to the High Needs Block is set out in Table 1. Further details of the funding methodology for the different types of provision within this block are given in subsequent paragraphs.

5.3.1 Special Schools

From 2013-14 following the school funding reforms, special schools have been funded on a place plus approach. Each special school is allocated £10,000 for each agreed place plus a top up to the full cost of the place for every pupil placed at the school. The top up funding follows the pupil and is only paid whilst the pupil is on the school's roll.

The local authority receives "Place Led Funding" as part of the DSG based on the number of places the authority has agreed with the EFA; schools will receive a nationally agreed level of funding of £10,000 for each place. This funding is based on historic data but there is an opportunity to update this by the submission of an exceptional case bid. LBE was allocated funding for 1 additional place in 2015/16, and will have to fund any additional places provided over and above.

Top-Up Funding is based on the total cost of a place less the £10,000 provided as base funding. Top-Up Funding is pupil led and relates directly to the needs of individual pupils. This funding follows the pupil and is only payable when the place is full. It was agreed on the introduction of the new funding regime in 2013/14 that Top Up funding should be allocated to schools based on an average rate per establishment and this will continue in 2015/16. Where the agreed number of places has been increased for 2014/15 it is proposed that the Top Up rates should be recalculated to exclude an element of fixed costs which will not increase incrementally with the increase in numbers.

Top-up funding has to be met from the existing High Needs block as DSG funding provided to local authorities does not increase in line with increased numbers of SEN pupils. This is the case even if the DfE approve an exceptional case bid for additional

| Table 1: DSG Budget Summary 2015-16 | |
|--|----------------------------|
| Estimated Income: | £000 |
| Schools Block | 256,110 |
| EY Block | 20,986 |
| HN Block | 31,454 |
| TOTAL DSG | 308,550^c |
| Use of Balances | 2,573 |
| TOTAL DSG FUNDS AVAILABLE | 311,123 |

| Estimated Expenditure | £000 |
|------------------------------|----------------|
| Formula Funding | 244,874 |
| Growth Fund | 1,367 |
| Central Functions | 4,418 |
| SCHOOLS BLOCK | 250,660 |
| 3 & 4 Year Olds: | |
| Maintained Schools | 5,640 |
| PVIs | 7,517 |
| 2 Year Olds | 6,524 |
| Central Functions | 630 |
| EARLY YEARS BLOCK | 20,311 |
| Special Schools | 15,190 |
| HN Delegated to Schools | 8,641 |
| Central Functions | 14,320 |
| HN Contingency | 2,000 |
| HIGH NEEDS BLOCK | 40,152 |
| TOTAL EXPENDITURE | 311,123 |

5.1 Schools Block

The formula factors and unit rates were approved by Schools Forum in January and have been included in the Proforma submitted to the DfE by their required deadline of 20th January 2015. The proposed application of funding to the individual schools' budgets resulting from the application of the formula factors is shown in **Table 1** and totals **£244.874m**. This includes a minimum funding guarantee of 97.5% per pupil. Central Budgets totalling **£4.418m** were approved by Schools Forum in December as was the continuation of the Growth fund in the sum of **£1.367m** to support schools that are permanently expanding or admitting bulge classes. There were no changes proposed to the methodology of allocating funding for growth. Pupil Premium will be paid in addition to the formula funding and is not included in the table as it does not form part of the DSG.

The notifications of individual schools budget allocations went out on 27th Feb (Primary and Secondary) and 3rd March (Special). These also included estimates of funding for post 16 pupils, Early Years funding, ARPs, Exceptional Needs and Delegated Capital.

place funding as the top-up element is not funded. This may cause a considerable pressure on the HN budgets as numbers continue to rise.

In 2013-14 and 2014-15 protection arrangements were put in place as a transitional measure which guaranteed full funding up to 97% of the places at special schools whether or not the places were full. It was agreed that this would be reviewed once the new arrangements were embedded. As part of the budget process for 2015-16 this protection arrangement was reviewed and reported to Schools Forum in December. It was agreed that protection arrangements would cease from 2015-16.

Special schools all currently receive £112k for outreach work with other schools. This level of funding has been continued but following a review, schools were asked to submit proposals in order to continue to receive this funding. The total budget allocation for outreach is £0.672m in 2015-16, with £112k still to be allocated as one school did not submit a funding proposal.

5.3.2 Additionally Resourced Provision (ARPs) (including Speech & Language Units)

Funding allocations for ARPs are based on the 'place plus' methodology in the same way as special schools. School funding is allocated in 2 stages, place led and top up funding, as detailed for special schools. ARP places have been reviewed and are detailed in the High Needs report. This forms the basis of funding for 2015-16. Provision has been made in the draft budget for one new ARP, within the total budget of £2.327m.

5.3.3 Nurture Groups

Nurture Groups are funded as a commissioned service. Schools with Nurture Groups are currently allocated a block allocation of £59,700 to provide this service, and it is proposed to continue this arrangement. The total budget for 2015-16 is £1.015m

5.3.4 SEN Exceptional Needs (provision in mainstream schools)

The numbers have now been confirmed by schools and have resulted in a significant pressure. This has resulted in an increase of £0.580m in the budget for 2015-16 to an estimated total of £4.628m

5.3.5 Post 16 - High Needs Provision

Local authorities are responsible for funding Post 16 high needs pupils in FE establishments from the High Needs element of the DSG. The estimated full year cost of funding this provision in 2015-16 is £1.005m which has not been changed from 2014-15.

5.3.6 Hospital Provision

Local Authorities are responsible for providing hospital tuition services to all pupils in our hospitals irrespective of their home local authority. Similarly Enfield pupils will

be able to access hospital tuition in other boroughs should they require this provision without charge. It is proposed to continue funding at the same level, £0.308m in 2015-16.

This funding is expected to cover the running costs of tuition service at Chase Farm and North Middlesex Hospitals and other support for sick pupils provided by the Home and Hospital Tuition Service.

5.3.7 Pupil Referral Unit (PRU)

From 1st April 2013 the Schools Finance Regulations 2012, Section 45 gave all PRUs community school type freedoms and they now operate in the same manner as a community school including compliance with the Scheme for Financing Maintained Schools.

The new regulations also define PRU provision as high needs. This means that the funding delegated to PRUs is based on the same "Place-Plus" methodology as applied to special schools. The key difference is that a place is defined as £8,000 for PRU provision compare to £10,000 for special schools. The place values are set by the DFE as part of the Schools Funding Regulations.

It is proposed to continue funding in 2015/16 based on 100 places. Pupil numbers do vary quite considerably through the year but without some degree of certainty over funding it is very difficult for the PRU to operate as required. When the new arrangements were introduced it was also agreed to guarantee the top-up funding as a transitional arrangement and it has subsequently been agreed to continue with this arrangement pending the completion of the planned new school, at which time funding arrangements will be reviewed.

5.3.8 Special Educational Needs (SEN)

As previously reported there are significant pressures in the SEN budgets which have resulted from increased numbers and complexity of cases. External day and residential placements and other support costs have shown sharp increases in costs in 2014-15 and these are expected to continue and increase in 2015-16.

Estimated costs for 2015-16 suggest that an increase of £1.5- £2m is likely and it is proposed to increase the High Needs contingency to £2m in 2015-16 to account for this.

6.0 Allocation of DSG Reserves

Schools Forum agreed to allocate uncommitted balances brought forward from previous years in order to balance the budget in 2015-16. It is estimated that approximately £2.6m will be needed in order to balance the budget and create an adequate contingency to address SEN pressures in 2015-16.

7.0 COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

7.1 Financial Implications

These are implicit in the report. Under the DfE regulations which govern the use of DSG, the Council's Chief Financial Officer must certify that the grant is spent in accordance with the regulations.

7.2 Legal Implications

7.2.1 The recommendation set out within this report is for the lawful distribution of the Dedicated Schools Grant (DGS) and is within the Council's powers and duties.

7.2.2 The Council has duties within an existing legal framework to adopt a lawful budget for schools. The School and Early Years Finance (England) Regulations 2014 came into force on 12 January 2015 and apply to the financial year beginning on 1 April 2015.

7.2.3 These regulations make provision for local authorities' financial arrangements in relation to the funding of maintained schools and providers of prescribed Early Years provisions for the year 2015/16.

7.2.4 The proposals in this report have been prepared in accordance with the regulations.

7.2.5 The allocation of funding/grant process/ Terms of Reference for the funding panel must be robust, open, transparent and non-discriminatory, and on terms approved by the Assistant Director of Legal Services.

7.2.6 Provision of goods/services/works must be in accordance with the Council's Constitution, in particular the Contract Procedure Rules and associated legal agreements (including grant agreements) must be in a form approved by the Assistant Director of Legal Services

7.2 Property Implication

None

8 KEY RISKS

The Schools Block funding allocation is now based on the October census which has given increased certainty of funding compared to previous years when the funding was adjusted based on the January census. Funding allocations for the early years blocks are provisional and will be adjusted based on movement in pupil numbers in which case there remains a risk that funding available will be less than anticipated, particularly in respect of two year old

funding as outlined in section. Growth in pupil numbers remains a risk and has been mitigated by the allocation of £1.4m to the growth fund.

There are considerable risks in the High Needs block within the schools budget for 2015-16 due mainly to increasing numbers of children presenting with special educational needs: This has resulted in an in year pressure in 2014-15 which is likely to worsen 2015-16 as additional funding will not be received for this pressure. In future years NRA growth poses a risk if LAs are required to pick up in year funding.

9 IMPACT ON COUNCIL PRIORITIES

Fairness for All

The aim of the schools funding formula is to provide an appropriate level of funding to schools which have higher levels of deprivation and needs arising from demographic factors; this is achieved by the inclusion in the formula of a number of measures of deprivation as well as measures aimed at supporting pupils with additional educational needs and English as an additional language – see details in Appendix B.

Growth and Sustainability

Increased investment in schools is likely to improve the life chances of children in Enfield.

Strong Communities

Increased funding of early years places is likely to increase community involvement, particularly around children's' centres and private, voluntary and independent nurseries.

10 PERFORMANCE MANAGEMENT IMPLICATIONS

Schools need to be adequately funded in order to deliver improvements in attainment.

11 HEALTH AND SAFETY IMPLICATIONS

None

12 EQUALITIES IMPACT IMPLICATIONS

It is not relevant or proportionate to undertake an equality impact assessment/analysis of the approval of the schools' budget as the funding formula is specifically designed to allocate an appropriate level of funding to schools that have higher levels of deprivation and need.

13 PUBLIC HEALTH IMPLICATIONS

Making sure that children have a good start to their life is a priority for the health of the population of Enfield. Ensuring that the DSG is in place and targeted, where appropriate, at children from families with the highest levels of deprivation is essential to maintaining and improving the healthy development of the school age population Enfield.

Appendix A

| Schools Budget 2015-16 | 2015-16 BUDGET | 2014-15 BUDGET | variance to 2014-15 |
|---|-------------------|-------------------|------------------------|
| | £000 | £000 | £000 |
| INCOME | | | |
| Schools Block - 5-16 year olds | 243,629 | 242,513 | 1,116 |
| Schools Block - NRA Transfer | 10,979 | - | 10,979 |
| NRA Growth - TBC (estimated) | 1,502 | - | 1,502 |
| Early Years Block - 3-4 Year Olds | 13,699 | 13,001 | 698 |
| Early Years Block - 2 Year Olds (estimated) | 6,593 | 7,717 | - |
| Early Years Block – Prior Year Adjustment | 302 | 269 | 32 |
| Early Years Block - Growth | 392 | - | 392 |
| High Needs Block | 31,454 | 31,023 | 431 |
| TOTAL DSG | 308,550 | 294,523 | 14,026 |
| Contribution from Balances | 2,573 | 1,380 | 1,193 |
| TOTAL RESOURCES | 311,123 | 295,903 | 15,220 |
| EXPENDITURE | | | |
| SCHOOLS | | | |
| Formula Funding: | | | |
| Primary Formula | 134,418 | 133,727 | 692 |
| Secondary Formula | 82,571 | 85,478 | - |
| All Through Formula | 15,403 | 14,506 | 897 |
| NRA Formula Oct14 including Sept 15 growth | 12,481 | - | 12,481 |
| Schools Growth Fund | 1,367 | 1,688 | - |
| Schools Central Functions | 4,418 | 4,418 | - |
| EARLY YEARS | - | - | - |
| EY Maintained | 5,640 | 5,703 | - |
| EY PVI | 7,517 | 6,609 | 908 |
| EY 2 year olds - Place Funding | 6,524 | 5,000 | 1,524 |
| EY 2 year olds - Trajectory | - | 846 | - |
| EY Central Functions | 630 | 630 | - |
| HIGH NEEDS | | | |
| Delegated | | | |
| Special Schools & ESTC (at full capacity) | 15,190 | 14,683 | 507 |
| Outreach - split out from Special Schools | 672 | 672 | - |
| SEN exceptional needs | 4,628 | 4,048 | 580 |
| UNIT nurture | 1,015 | 1,015 | - |
| UNIT ARP & Lang | 2,327 | 2,320 | 7 |
| Centrally Held | - | - | - |
| Central HN Functions (including SEN)) | 13,008 | 13,008 | - |
| Hospital Service | 308 | 308 | - |
| Post 16 FE/ISPs | 1,005 | 1,005 | - |
| General High Needs Contingency | 2,000 | 239 | 1,761 |
| TOTAL BUDGET | 311,123 | 295,903 | 15,220 |

Appendix B

| Proposed 15/16 Unit Rates | | | Proposed 15/16 Unit Rates | | |
|---------------------------|--------|------------|---------------------------|----------|------------|
| PRIMARY | | | SECONDARY | | |
| FACTOR | | Unit Rates | FACTOR | | Unit Rates |
| AWPU | R-Yr 6 | 3,423.81 | AWPU | KS3 | 4,347.47 |
| | | 0.00 | | KS4 | 4,775.44 |
| | | 0.00 | | 6th Form | 248.31 |
| FSM | | 1,514.27 | FSM | | 1,971.00 |
| IDACI | 1 | 0.00 | IDACI | 1 | 0.00 |
| | 2 | 0.00 | | 2 | 0.00 |
| | 3 | 0.00 | | 3 | 0.00 |
| | 4 | 0.00 | | 4 | 50.35 |
| | 5 | 115.10 | | 5 | 65.46 |
| | 6 | 116.04 | | 6 | 100.70 |
| LAC | | 1,208.40 | LAC | | 1,208.40 |
| AEN/SEN | | 704.90 | AEN/SEN | | 996.48 |
| EAL | | 395.75 | EAL | | 1,202.19 |
| Mobility | | 553.36 | Mobility | | 1,107.70 |
| Lump Sum | | 162,000.00 | Lump Sum | | 162,000.00 |
| Split Site | | 25,000.00 | Split Site | | 164,086.00 |
| Rent | | ACTUAL | | | |
| Rates | | ACTUAL | Rates | | ACTUAL |
| PFI | | ACTUAL | PFI | | ACTUAL |

