

Warrington Schools Forum

Agenda

Tuesday 28 June 2016

5.15pm - 7pm

Conference Room 1st Floor New Town House

Car parking will be available from 5pm onwards

	Item	Enc / Verbal	Decision; Discussion; Information	Entitled to vote	Lead
1.	Apologies and Welcome				Chair
2.	Minutes from the Previous Meeting and Matters Arising	Enc			Chair
3.	Admissions Appeals	Verbal			Bryan Magan or Garry Bradbury
4.	Traded Services/SLA Update	Enc x2	Information		Dave Roberts
5.	Evolving 'paid for' service provision	Enc	Information		Dave Roberts
6.	National Funding Formula Consultation Update	Verbal	Information		Garry Bradbury
7.	Warrington Education Board and Inclusion Hub Priorities Update	Enc x2	Information		Hilary Smith
8.	DSG Outturn Position	Enc x2	Information		Garry Bradbury
9.	2015/16 Outturn Position on Schools' Balances	Enc x2	Information/ Decision		Garry Bradbury
10.	Balance Challenge Process and High Needs Pressure	Enc	Decision/ Action		Hilary Smith
11.	AOB				Chair
12.	Meeting schedule 4 October 2016, 5.15pm 6 December 2016, 5.15pm				Chair

Warrington Schools Forum

Membership

Membership with differentiated voting rights ~ Total Membership of 25, of whom 21 are entitled to vote on funding formula issues										
Sector Representation (21)	Appointed by the Council following election by:	Member	Dates and Attendance							Tenure Ends
			22 March 2016	28 June 2016	27 Sept 2016	6 Dec 2016				
Maintained Nursery School Senior Staff (1)	Primary Headteachers Group	Jane Wilkie (JW)	P							Jan 2020
Special School Staff (1)	Special School Headteachers Group	Mike Frost (MF)	P							Jan 2020
Special School Governor (1)	Governors Forum	Mike Evans (ME)	P							Jan 2020
PRU (1)	PRU Management Board	Karen Thomson (KT)	A							Jan 2020
Academy (4)	Academy Schools	Gwyn Williams (GW)	P							Jan 2020
		Tim Long (TL)	A							Jan 2020
		Ben Dunne (BD)	S							Jan 2020
		Andrew Bent (ABe)	P							Jan 2020
Maintained Primary School Sector (9)	WAPH (5)	Andrew Redman (AR)	A							Jan 2020
		Chris Metcalfe (CM)	X							Jan 2020
		Gary Cunningham (GC)	P							Jan 2020
		Nick Toyne (NT)	A							Jan 2020
		Lyndsey Glass (LG)	P							Jan 2020
	Governors Forum (4)	Stuart Munslow (SM)	P							Jan 2020
		David Hart (DH)	P							Jan 2020
		Janet Lazarus (JL)	P							Jan 2020
		Peter Ashurst (PA)	P							Jan 2020
Maintained Secondary School Sector (3)	WASCL (2)	Bev Scott-Herron (BSH)	P							Jan 2020
		Vacancy	-							Jan 2020
	Governors Forum (1)	Rebecca Knowles (RK)	X							Jan 2020
Private Voluntary and Independent Providers (1)	PVI Providers Forum	Ginny Taylor (GT)	P							Jan 2020

Warrington Schools Forum

Minutes – draft to be confirmed June 2016

Tuesday 22 March 2016

5.15 – 7.00 pm

Conference Room 1st Floor New Town House

	Item	Action
1	<p>Apologies and Welcome</p> <p>The Chairperson welcomed all to the meeting and introductions were made. Apologies were received from Ben Dunne, Gail Stonier, Nick Toyne, Andrew Redman, Cllr Jean Carter, Karen Thomson and Tim Long.</p>	
2	<p>Minutes From the Previous Meeting and Matters Arising</p> <p>The minutes were accepted as a true record.</p>	
3	<p>Membership</p> <p>Updated membership list presented to the meeting.</p>	
4	<p>(a) FSM Process</p> <p>HS informed that members of the team undertaking FSM assessment met with business managers and headteachers and identified a process schools were positive about. The new process was sent out in School-News.</p> <p><i>AGREED – primary and secondary (maintained high schools) agreed to de-delegation.</i></p> <p>(b) De-delegations outstanding items</p> <p>As no secondary maintained reps were at the last meeting all the de-delegated items are up for discussion. The primary reps agreed to de-delegation of all but two items and this will be discussed further with their membership for the overall decision, and GB will report back.</p> <p><u>Trade Union Facilities Agreement</u></p> <p>Discussed at the last meeting with concern around the equality of the arrangements. There is a funding gap for the agreement as some secondary schools who previously contributed no longer contribute now they are an academy. Options to be explored</p>	

	Item	Action
	<p>might involve individual agreements with individual schools or funding levied on individual members.</p> <p>GB informed that it is a HR arrangement with a finance arrangement around it. The funding is already in schools' budgets. Funding is clawed back via journal transfer (invoicing was attempted for Academies for the amount equivalent to a de-delegation).</p> <p>SE informed that there has been a history of cooperation between schools and the local authority and this has contributed to good industrial relations for many years. UCAT have made payments into the pot, and perhaps other academies could be encouraged to contribute.</p> <p>JW informed that the primary schools would agree to de-delegation but only if all schools agreed (including academies).</p> <p>It was noted that five/six academies do not wish to join. GW requested clarity around how the figure charged has been arrived at, which unions it covers and what service you receive for your contribution.</p> <p>Agreement could not be reached and it was proposed for HR to attend the WASCL and WAPH meetings to clarify details.</p> <p>Action: HS to invite HR to the WASCL and WAPH meetings.</p> <p>Action: To be brought back to the next meeting to be finalised.</p> <p>It was noted that while no agreement has been made there is an interim period when schools are without union reps. The Chairperson asked what can we do to support schools in the interim and is there anything HR could suggest?</p>	HS
5	<p>Charging Proposals for Admission Appeals</p> <p>Bryan Magan provided details of the service and explained the options for charging proposals noted in his report.</p> <p>The group discussed the options, commenting that Option B might be the easiest but they did not feel that it would be the fairest. Their preferred option would be Option C and suggested using a banding system for charges.</p> <p><u>Recommendation</u></p> <p>The Schools Forum is asked to -</p> <ol style="list-style-type: none"> 1. Comment on the charging methodology/policy. NOTED 2. Note the Council's intention, subject to Government's planned revision of the scheme for financing schools guidance, to implement an additional extended 	

	Item	Action
	<p>charging policy to all schools in Warrington as appropriate and subject to consultation with the Schools Forum. NOTED</p> <p>3. Agree option B as the preferred charging methodology with effect from 1 April 2016. DISAGREED WITH OPTION B</p> <p>Agreed in principle to Option C but with a suggested charging structure comprising appropriate bands that are fair and equitable.</p> <p>Action: BM to return to the next Schools Forum with the costings.</p>	BM
6	<p>School Crossing Patrol</p> <p>Mark Tune presented his report to the group and explained that the provision of the SCP service is non-statutory and parents are assumed to have primary responsibility for getting their children to school irrespective of whether a service is provided, or a site is actively being covered. The council budget proposals for 2016/17 include seeking an alternative source of funding for the SCP service.</p> <p>Discussion took place around possible sponsorship, risk assessments, moral obligation for the service, zebra crossings, making roads safer, recruiting volunteers and all primary schools contributing whether they benefit from the service or not. Concern was raised about the impact of not having a SCP service and any possible future accidents.</p> <p><u>Recommendation</u></p> <ol style="list-style-type: none"> 1. The management of the SCP service is to be retained by the Traffic Management, Road Safety and Highway Adoptions team to ensure consistency and legitimacy of SCP operations. The service will be provided under a Service Level Agreement (SLA) at the start of the 16/17 school academic year in September 2016, depending on appropriate funding being available. The 'schools-pay model' enables a SCP service to continue; however where funding is not available or is limited, sites may be decommissioned on a priority basis. NOTED 2. The revenue budget allocation for School Crossing Patrols has been removed from 1st April 2016. It is anticipated that any SLA to continue the service will commence in September 2016. As there is also an intention to establish a Road Safety Trust to fund the patrol service in the future, it is intended to only request from schools that seven months funding allocation be provided for 2016/17 from the start of September to the end of the financial year. An indication of these costs at each site can be seen at Annex A. NOTED 3. The cost of supporting the patrols for the seven month period is estimated to be in the region of £65k. If this was proportioned across the 69 primary schools, this would be a contribution of £946 per school. NOTED 	

	Item	Action
	<p>The proposal not to contribute to the SCP service was reluctantly agreed in view of the budget constraints on schools. The vote by primary reps was carried by 6:1. JW noted that it was not their decision to remove crossing patrols, but a decision that they could not contribute to funding of the service.</p> <p>The Chairperson will send an email/letter to the Chief Executive to inform that following an emotional discussion, and because of the constraints on the school budgets, Schools Forum has reluctantly had to say no to making a contribution to the SCP service.</p>	
7	<p>Dave Roberts – SLA/Contracts Follow-up</p> <p>HS presented this item on behalf of Dave Roberts. A trading strategy is being developed and DR provided a report giving an update on the sustainability of council services traded with schools. It was noted that there will be a regular update as the strategy is developed.</p> <p>It is recommended that Schools Forum:</p> <ol style="list-style-type: none"> 1. Note the work of Enterprising Warrington and the efforts to become more efficient, effective and customer focused. NOTED 2. Encourage all schools to complete the SLA survey via My School Services in order to improve the data set used to make decisions on future services. NOTED 	
8	<p>(a) High Needs Cost Pressures 2016/17</p> <p>As requested at the last meeting, GB presented proposals for high needs allocation and explained the detail in the report. Although funding coming into the council has increased, it has not increased sufficiently. Across the board other authorities are finding that allocations are not sufficient.</p> <p>The vast majority of children with special educational needs are in mainstream settings, and this illustrates the importance of continuing to work together.</p> <p>(b) Invest to Save Bid</p> <p>The Warrington Inclusion Hub is an important forum looking at providing better local provision for high needs pupils. The Invest to Save bid involves investment in local expertise to lead to the creation of additional local capacity in order to save expenditure on expensive out of borough placements in the longer term. It was noted that Warrington is well placed to host a regional provision (ASD), which could be joint funded with other authorities and this might be something to explore going forward.</p>	

	Item	Action
	<p>It is recommended that Schools Forum:</p> <ol style="list-style-type: none"> 1. Note the contents of the report; NOTED 2. Note the work of the Warrington Inclusion Hub in developing a strategy to create an extended local offer with the aim of reducing expenditure on the highest cost placements; and NOTED 3. Note the requirement for the local authority and schools to work collaboratively in the future in light of the implications of the introduction of a National Funding Formula for schools in order to maintain a financially sustainable education system across Warrington. NOTED 	
9	<p>WEB Update</p> <p>The WEB was established 12/18 months ago and is now moving into a different phase as a result of the white paper. HS is proposing a review of membership and a review of the way the board operates (currently an information giving board).</p> <p>The schools leading on individual projects need to report back and demonstrate the ways in which the funding is being used and the impact it is having.</p> <p>The Chairperson noted that Schools Forum delegated money to the WEB for projects around improving the quality of education in Warrington and partnership working in schools, and there needs to be accountability from the WEB.</p> <p>Action: HS to provide a report for the next meeting covering a two year period.</p>	HS
10	<p>AOB</p> <p>Fair Funding Consultation</p> <p>GB presented his report to the group and informed that the consultation period closes on 17/04/2016. The local authority will be making a response and will share this. If Schools Forum wish to make a collective response there would need to be some consultation with forum reps. Schools can make individual responses and reps requested GB prepares a generic response for schools which can then be individualised before being submitted. It was noted that the early years funding consultation is being deferred to later in the year.</p> <p><u>Recommendation</u></p> <ol style="list-style-type: none"> 1. Schools Forum is asked to note the contents of the report. NOTED 2. Schools Forum is asked to decide how Warrington schools' responses to the Consultation(s) should be progressed. DECISION: GB to prepare a generic response for schools to individualise and submit separately. 	GB

	Item	Action
11	<p>Meeting schedule 28 June 2016, 5.15pm 27 September 2016, 5.15pm 6 December 2016, 5.15pm</p> <p>The Chairperson thanked everyone for attending and the meeting closed.</p>	

DRAFT

Schools Forum

28 June 2016

Report Title	Annual SLA revenue performance review (Maintained Schools)
Report Purpose	To update Schools Forum with regard to the levels of buyback of school SLAs.
Report of	Dave Roberts, Head of Traded Services Strategy
Report author(s)	Dave Roberts, Head of Traded Services Strategy
Recommendations	<p>It is recommended that Schools Forum:</p> <ul style="list-style-type: none">i. Note the progress made in stabilising, and in some cases, growing the revenue generated from SLAs with schools whilst recognising that the LA are now operating a more competitive market.ii. Notes the benefits generated by the implementation and use of SLA Online and the mandated use of SLA Online for all council services traded with schoolsiii. Note the intended move to three year contracts for school services from 2017/18
Decision Required by	None

1.0 PURPOSE

- 1.1 To provide an update and analysis of the maintained school SLA buyback for 2016/17 financial year and a comparison with the prior two years.

2.0 BACKGROUND

- 2.1 This is the fourth annual revenue analysis of school SLA buybacks.

- 2.2 The report does not include:

- the revenue generated by the School Meals service. A new contract has been put in place to cover the period April 2016 – July 2019. The service will turnover approximately £5.8 million in 2016/17 including the provision for Universal Infant Free School Meals. This service is paid for directly by parents via the cost of individual meals taken or through the Free School Meals programme and generates a surplus which is available for capital investment projects related to improving the service or environment in individual schools.
- the revenue generated by academies. A separate report is produced in October specifically for these schools.
- the buyback from Building Services (See 7.4)
- Additional Variation Orders for Building Cleaning and Grounds Maintenance, which are alterations to the specification or short term additional requirements as the year progresses.

3.0 ENTERPRISING WARRINGTON – SUSTAINABLE SERVICES

- 3.1 The Council has been working on an approach to trading sustainable services with schools as part of its wider Enterprising Warrington project. The Council is committed to working with schools to determine the most efficient and effective mode of delivery within the current range of traded services. The paper outlining the basic premise was submitted to Schools Forum in March 2016 and was positively received. Further work and consultation with schools will begin in September 2016, with a view to developing a medium term strategy and delivery plan to realise a vision of delivering good quality services, which are in demand, to all educational establishments in Warrington whilst providing full cost recovery for the Council.

- 3.1.1 The importance of trading with schools will be reinforced in the new 'Commercial Strategy' to be launched in late 2016. Schools trading will form a key pillar in the plans to become a financially sustainable and self-sufficient organisation and the importance of their ongoing custom will be recognised and referenced.

- 3.2 The delivery of services through a system led approach will entwine with the new school improvement processes in Warrington, whereby the council acts as a partner with schools, contributing to, rather than leading the process outside of its statutory duties as the Local Authority. (See additional report tabled – Evolving 'Paid for' service)

- 3.3 Schools currently trade in excess of £10m of services and training with the Council. This is made up as follows:

Source	Revenue
Contractual traded services	£4,200,000
School Meals service	£5,800,000
Training & CPD	£180,000 (3,400 transactions)
Other in-year provision (based on 15/16)	£200,000
Total	£10,380,000

It is likely that this will account for nearly 10% of the full council budget should austerity continue at the current pace until 2020. It is important that transparent processes ensure that this revenue is generated at a neutral cost to the council and that services maintain good client relationship management systems and continue to evolve their service provision to closely mirror client need and meet quality expectations. Failure to do so could expose the Council to a range of financial risks.

- 3.4 A theme of Enterprising Warrington is to establish the true cost of providing discretionary services. Using the outputs of this project, the next set of reports covering the 2017/18 period will move from detailing revenue and become a full financial analysis of traded services. It will also aim to link the wider financial performance of services where they hold other contracts or income generating opportunities outside of education.

4.0 OVERALL REVENUE PERFORMANCE

- 4.1 Core revenue (from contracted services) stands at **£4,180,468.18**. This is an increase on 2015/16 of **£346,641.17**
- 4.2 There were no academy conversions during the 2015/16 academic year, meaning that like for like data have remained stable.
- 4.3 This income increase is not entirely made up of additional revenue. Individual service performance is highlighted in Section 5.0, which will provide greater details of service revenue performance. Other reasons for showing additional income are:
- Improved system reporting now accounting for income previously charged through journals or direct invoicing from the service.
 - New services charging for the first time in 2016/17.
- 4.4 A 4 year trend, excluding insurance services, from 2013/14 – 2016/17 shows an increase in overall income of 8% or **£255,005.49**. This does not show any relationship with any cost increases of service delivery to schools and this will be explored through a project within Enterprising Warrington as highlighted in **3.4**
- 4.5 Incremental services and training are expected to be sold throughout the year and will need to be measured retrospectively from 16/17 onwards in order to ensure a balance between cost of delivery and income generated correlate.

5.0 REVENUE (BY SERVICE & DIRECTORATE)

5.1 Revenue growth in excess of inflation (3% - minimum £1,000) has been delivered by the following services:

Service	% variance	£ variance	Rationale
Building Cleaning	+15%	£154,005	Living wage and cost rationalisation exercise
Insurance	+9%	£67,968	Increases in premiums
ICT Support Service	+22%	£55,253	Inclusion of previously journaled income and inflationary increase
Education Safeguarding	+23%	£26,151	New working model with Safeguarding Alliance schools
Evolve (New Service)	N/A	£21,167	New Service
Employee Services	+8%	£18,390	Increase in headcount – removal of discount
Finance Advisory	+10%	£14,043	Large shift from silver to gold service
HR Advisory	+4%	£8,550	Increase in number of schools purchasing
Occupational Health	+12%	£6,878	Increase in number of schools purchasing
Financial Administration	+11%	£4,803	More visits purchased
Governor Support	+4%	£3,768	Inflationary increase
Pest Control	+36%	£3,182	Increase in number of schools purchasing

5.2 Revenue decline, in excess of £1,000, has been experienced in the following services:

Service	% variance	£ variance	Rationale
Long Term Sickness Scheme	-3%	-£13,177	Reduction in schools using the pooling arrangement
Caretaking	-100%	-£9,035	Service now included within Building Cleaning
Attendance	-10%	-£7,840	Reorganisation of service and charging model
Family Outreach	-33%	-£4,500	Reduction in schools purchasing
Deputies Forum	-100%	-£1,580	Service no longer offered

5.3 Rationale for each service is provided in Appendix A ('Service Performance' Tab)

5.4 Revenue variances for each directorate are as follows:

Directorate	2016/17	% variance (YoY)	£ Variance (YoY)	4 year Variance (%)
ERGE	£ 1,350,633.26	12%	£ 149,003.94	+4%
F&W	£ 335,693.82	3%	£ 9,735.97	+17%
RASC	£ 2,494,141.10	8%	£ 187,901.26	+10%

6.0 REALISED BENEFITS OF USING SLA ONLINE (www.myschoolservices.co.uk)

6.1 Using SLA Online has provided many benefits to both schools and the local authority. Not all of these benefits have been fully realised and will need to be expedited in the

next round of service redesign and the development of the trading relationship with schools. To date, these benefits include:

- A centralised source of information exchange between the LA and schools available 24/7/365 using any internet connection. (The system currently houses policies, guidance, forms, resources, training opportunities, school news and trading). Without SLA Online, this information could not be made available to schools without significant investment in an extranet, due to government legislation around ICT networks in public organisations (PSN Regulations)
- Centralised invoice processing – Most service teams no longer process invoices for schools and are able to release that capacity back to managing or delivering the service. SLA Online also produces more detailed descriptions of transactions that appear on period financial reports from the schools accountancy teams and can be used to identify individual transactions and run year on year comparisons for financial purposes.
- Reduced administrative burden for training providers and schools – Limited input is required into booking and other administrative duties due to the self-service element which allows delegates and customers to book and manage their training requirements online, when it suits them.
- Both the Information and Childcare team and the Schools CPD team have been offered the opportunity to reduce the size of their team by 1 FTE each (@Grades5/6) as part of the latest round of savings, mainly due to the implementation of SLA Online and the subsequent reduction in user led administrative tasks.

6.2 Additional efficiencies in direct keying of invoices have been highlighted which add to the freeing up of capacity in service teams. Before the introduction of SLA Online, each invoice or transaction (DT, journal, virement etc.) was raised individually by the providing team. Cumulatively, this has saved the production of 5574 individual transaction requests being raised by officers (period of 12/04/15 – 11/04/16). This is expected to rise to over 10,000 transactions requests per year by the end of 2016/17 with the growth in the use of SLA Online amongst new teams and the realisation of additional benefits within existing teams.

6.3 Centralised transaction requests have been provided since the introduction of SLA Online in 2013, however, each purchase is still currently being directly keyed in to the schools' finance system (SIMS FMS, by the school finance officer) as well as our corporate finance system (SAP, by Accountancy). Using recently purchased software, it is anticipated that by July 2016, all invoices processed through SAP using SLA Online will benefit from a predominantly automated process, further improving efficiencies and allowing savings to be taken or resources redeployed to alternative tasks. Once the system has proven to be robust and reliable, similar consideration can be given to implementing a similar arrangement using SIMS FMS.

6.4 The use of SLA Online (My School Services) to produce School News on a weekly basis during term time has reduced duplication related to creating and reproducing news articles for the schools digest. The bulk of this saving is with the Governor Services team, who were re-keying forms and news items to create a word document. Approximate savings amount to 200 hours per annum.

7.0 VISIBILITY OF REVENUE / SPEND

- 7.1 During this year's buyback process, it has become clear that a small number of bespoke arrangements or continuing use of journals and direct transfers (DTs) continue to be used in some services. This means that oversight of income (spend in schools) is not fully accurate and up to date. It has, on occasion, led to complaints from schools and other clients, as to why they are not able to view all paid for services from the council via the system.
- 7.2 A piece of work will be scheduled during 2016 to understand the scale of the above issues and to identify ways in which services can be supported to help provide completely transparent income reporting in real time.
- 7.3 Currently Building Cleaning and Grounds Maintenance have a separate system for dealing with contract variations and additional works and we will seek to explore, whether we can support them to transfer to SLA Online and benefit from those efficiencies, particularly in light of the automation project currently being undertaken around finance which is highlighted in section 6.
- 7.4 Building Maintenance currently use SLA Online for an indication of buyback and not for the purposes of collecting revenue. There is an added layer of complication for this service due to the commissioning of Manchester Working to deliver most of the works under the SLA. This will be investigated with the team in order to determine the complexity of billing charges through the SLA Online and the feasibility of enabling the on-boarding of the service for schools income in 2017/18.
- 7.5 Schools ICT Service have collected annual SLA revenue via SLA Online since its launch in 2013. However, additional works, such as consultancy or technical support not covered by SLA have been raised manually. Working closely with the Schools ICT Technical Team Lead we will develop the billing processes to maximise the benefit of the automation and SAP to SIMS projects.

8.0 FUTURE KNOWN OPPORTUNITIES

- 8.1 Many local authorities trade a significant volume of non-statutory Educational Psychology Services, however, in Warrington, we have continued to deliver an enhanced offer for schools, free of charge. This has benefitted Warrington children by offering a joined up service which is quality assured and delivered by accredited professionals. The impact of this round of budget cuts has meant that the service needs to put itself on a more sustainable footing in the longer term.
- 8.1.1 Additionally, there is an awareness that schools often commission external providers to deliver EP services for a number of reasons. It was felt that capacity could be maintained, or increased by adopting a trading model that was responsive to schools needs and took advantage of the teams' recent integrated approach. This service will be offered to schools on an ad-hoc basis during the summer term whilst a more bespoke offer is designed in collaboration with schools.
- 8.2 The Health & Safety service for schools has always been offered free of charge to Warrington maintained schools. Most local authorities now offer this service as traded service for schools and Warrington will be adopting the same approach in time for the SLA buyback for the 2017/18 financial year. There may also be an opportunity to work across the council and offer schools more 'hands-on' health and safety support through the current public protection and regulation team.

- 8.3 The introduction of a Governors Module of SLA Online in April 2016 offers the opportunity to improve the way in which the Governors Team support governors and governing bodies
- 8.4 An unused function of SLA Online is that of digital groups. The range of groups that exist in education (Curriculum, SENCO, ICT, Leadership, Safeguarding etc..) mean that people belong to an ever increasing number of groups that aim to meet regularly. This places an exceptional pressure on time. There exists an opportunity, where it is practical to do so, to provide an opportunity to exchange information and create discussion via a secure group which can administer their own membership and content online. The council will promote this functionality for groups to explore and those who may see a benefit can be provided with access. The functionality is completely free of charge and may offer savings related to time and travel if groups therefore need to meet less often or raise discussion between meetings.
- 8.5 The introduction of SLA Online to all private nurseries and childminders in the Early Years sector, as well as all Adult Social Care providers offers opportunities for trading equivalent school services and training outside of the core schools sector. It will also be used by the Warrington Safeguarding Boards by the end of 2016. These will be further detailed in the upcoming Enterprising Warrington strategy in late 2016.

9.0 CONTRACTING

- 9.1 The council currently offers SLAs for a range of terms on a service by service basis. There are a number of arrangements in place offering either 1, 2 or 3 year agreements with some services offering all three and at multiple levels (e.g. Gold, Silver or Bronze). As schools become increasingly open to accessing a wider and more competitive marketplace, that operates for financial benefit only (profit motivated), they are expected to sign contracts that generally run for between 3 and 5 years (or a different variant such as 3+1+1). These contract lengths offer more certainty to the contracted organisation and allow them to invest in continuous improvement practices.
- 9.2 The current range of service offers can be confusing to schools and does not allow the council to invest in medium, or longer term, improvement programmes as the certainty of revenue does not exist. It would make sense to now align Council traded services with the market and move toward longer term contracts with certain opt-out clauses for schools.
- 9.3 The move to three year contracts has already happened in some services with no disruption to buyback levels. HR Advisory, Employee Services, Education Safeguarding and School Meals now only offer three year contracts, or longer. These services account for 65% of current schools trading revenue. Risk levels for the adoption of longer term contracts are low and can be carefully managed with good communication to schools.
- 9.4 In order to ensure schools were benefitting from this longer term commitment, pricing could be fixed for the contract period, for improved budgeting. In addition, the ability for schools to opt out would exist where:
- i. The school was due to convert to academy status and no longer required the service as it was not required as a school not under local authority control.

- ii. The school was due to convert to academy status and the consequent service required would be substantially different in nature, hence necessitating negotiation of a new delivery.
- iii. The council significantly redesigned the service which affected the ability to meet the needs of the school.
- iv. The school went through a formal dispute resolution process (to be created) and the service were unable to respond to reasonable requests for improvement or alteration of specification.

9.5 It would be expected that all other contracts would be novated to the academy, or multi-academy trust at the point of conversion. Terms and conditions would need to be adapted to align this to current processes.

10.0 RECOMMENDATIONS

10.1 It is recommended that Schools Forum:

- i. Note the progress made in stabilising, and in some cases, growing the revenue generated from SLAs with schools whilst recognising that the LA are now operating a more competitive market.
- ii. Notes the benefits generated by the implementation and use of SLA Online and the mandated use of SLA Online for all council services traded with schools
- iii. Note the move to three year contracts for school services from 2017/18

	2013/14	2014/15	% change	Value	2015/16	% change	Value	2016/17	% change	Value	Commentary	4 year trend (%)	4 year trend (£)
Attendance Service	£ 57,000.00	£ 74,670.00	31%	£ 17,670.00	£ 78,090.00	4.6%	£ 3,420.00	£ 70,250.00	-10%	£ 7,840.00	Effect of new model with significantly reduced resources and transferring skills and ownership to schools means service has improved financial envelope.	23%	£ 13,250.00
Building Cleaning Service	£ 1,118,438.50	£ 987,654.43	-12%	£ 130,784.07	£ 996,485.48	0.9%	£ 8,831.05	£ 1,150,490.74	15%	£ 154,005.26	Cost increase passed on to customer in relation to Living Wage implementation (Variations see 8.3)	3%	£ 32,052.24
Building Services											Income not recorded through My School Services. (See 8.4 in main report)	N/A	£ -
Careers for Young People Service	£ 8,730.00	£ 16,425.00	88%	£ 7,695.00	£ 6,925.50	-57.8%	£ 9,499.50	£ 7,695.00	11%	£ 769.50	Minor variance	-12%	£ 1,035.00
Caretaking Service	£ 11,250.00	£ 9,440.00	-16%	£ 1,810.00	£ 9,035.00	-4.3%	£ 405.00	£ -	-100%	£ 9,035.00	Service now wrapped up in Building Cleaning Service	-100%	£ 11,250.00
Continual Professional Development Service	£ 31,490.00	£ 28,350.00	-10.0%	£ 3,140.00	£ 28,350.00	0.0%	£ -	£ 28,193.50	-1%	£ 156.50	Minor variance	-10%	£ 3,296.50
Deputies Forum (11-19)	£ 1,540.00	£ 1,925.00	25%	£ 385.00	£ 1,580.00	-17.9%	£ 345.00	£ -	-100%	£ 1,580.00	Service no longer offered	-100%	£ 1,540.00
Discovery Scholarship Service	£ 10,560.00	£ 7,920.00	-25%	£ 2,640.00	£ -	-100.0%	£ 7,920.00	£ -		£ -	Service no longer offered	-100%	£ 10,560.00
Education Legal Service	£ 61,225.00	£ 62,410.00	1.9%	£ 1,185.00	£ 61,215.00	-1.9%	£ 1,195.00	£ 61,215.00	0%	£ -	Maintained strong buyback	0%	£ 10.00
Education Safeguarding Service	£ 115,545.58	£ 115,984.70	0%	£ 439.12	£ 112,629.35	-2.9%	£ 3,355.35	£ 138,780.82	23%	£ 26,151.47	Respecifying of service for 14 schools (1.0 x FTE SIO seconded to work in schools)	20%	£ 23,235.24
Employee Services	£ 233,775.00	£ 255,745.00	9.4%	£ 21,970.00	£ 235,302.00	-8.0%	£ 20,443.00	£ 253,692.00	8%	£ 18,390.00	Increase in staffing headcount in schools plus removal of 10% discount with 3 yr contract)	9%	£ 19,917.00
Evolve - System Licence Fee								£ 21,167.00	100%	£ 21,167.00	New SLA to recover the cost of administering the Evolve System	N/A	£ 21,167.00
Family Outreach Team	£ 10,550.00	£ 7,500.00	-29%	£ 3,050.00	£ 13,500.00	80.0%	£ 6,000.00	£ 9,000.00	-33%	£ 4,500.00	Reduction in perceived need from schools	-15%	£ 1,550.00
Finance Advisory Service	£ 122,435.00	£ 126,873.75	3.6%	£ 4,438.75	£ 147,185.00	16.0%	£ 20,311.25	£ 161,227.50	10%	£ 14,042.50	Wholesale shift from Silver Level to Gold	32%	£ 38,792.50
Financial Administration Service	£ 34,310.00	£ 36,622.00	6.7%	£ 2,312.00	£ 42,840.00	17.0%	£ 6,218.00	£ 47,643.00	11%	£ 4,803.00	Greater number of admin visits being purchased to support schools	39%	£ 13,333.00
Governor Support Services	£ 61,070.00	£ 74,065.00	21%	£ 12,995.00	£ 85,033.00	14.8%	£ 10,968.00	£ 88,801.00	4%	£ 3,768.00	Small increase in take up	45%	£ 27,731.00
Grounds Maintenance Service	£ 133,584.61	£ 140,637.56	5%	£ 7,052.95	£ 144,748.99	2.9%	£ 4,111.43	£ 144,375.16	0%	£ 373.83	Minor variation due to churn of customers in/out	8%	£ 10,790.55
HR Advisory Service	£ 228,396.00	£ 235,712.00	3.2%	£ 7,316.00	£ 239,160.00	1.5%	£ 3,448.00	£ 247,710.00	4%	£ 8,550.00	Return of one school (Foxwood School)	8%	£ 19,314.00
ICT Support Service	£ 249,316.00	£ 250,725.50	0.6%	£ 1,409.50	£ 251,371.74	0.3%	£ 646.24	£ 306,625.10	22%	£ 55,253.36	Effect of new pricing structure, plus charging of remote backup service now centralised,	23%	£ 57,309.10
Insurance Service	£ 43,083.06	£ 40,138.60	-6.8%	£ 2,944.46	£ 750,028.00	1768.6%	£ 709,889.40	£ 817,996.00	9%	£ 67,996.00	Variation in insurance premiums (Now recorded as SLA Fee + Premiums - previously only SLA Fee)	1799%	£ 774,912.94
Long Term Sickness Scheme	£ 501,160.00	£ 477,512.75	-4.7%	£ 23,647.25	£ 489,342.10	2.5%	£ 11,829.35	£ 476,165.00	-3%	£ 13,177.10	Pooling arrangement - No risk to the council	-5%	£ 24,995.00
Occupational Health Service	£ 51,316.00	£ 55,660.00	8.5%	£ 4,344.00	£ 57,571.00	3.4%	£ 1,911.00	£ 64,449.00	12%	£ 6,878.00	Marginal increase in take up, increase in staffing headcount in schools	26%	£ 13,133.00
Pest Control Service	£ -	£ 435.00		£ 435.00	£ 8,820.85	1927.8%	£ 8,385.85	£ 12,002.66	36%	£ 3,181.81	New business	N/A	£ 12,002.66
Procurement Service	£ 21,950.00	£ 23,590.00	7%	£ 1,640.00	£ 28,200.00	19.5%	£ 4,610.00	£ 28,450.00	1%	£ 250.00	Minor variance	30%	£ 6,500.00
Tree and Woodland Management Service	£ 38,525.00	£ 39,530.00	3%	£ 1,005.00	£ 42,539.00	7.6%	£ 3,009.00	£ 43,764.70	3%	£ 1,225.70	Inflationary increase	14%	£ 5,239.70
VAT Advice, Guidance and Training	£ 5,300.00	£ 6,125.00	15.6%	£ 825.00	£ 3,875.00	-36.7%	£ 2,250.00	£ 775.00	-80%	£ 3,100.00	Late addition. Expected schools will buy in later in year as required.	-85%	£ 4,525.00
	£ 3,150,549.75	£ 3,075,651.29	-2%	£ 74,898.46	£ 3,833,827.01	24.7%	£ 758,175.72	£ 4,180,468.18	9%	£ 346,641.17		33%	£ 1,029,918.43
											Excluding Insurance Premiums	8%	£ 255,005.49

	2013/14	2014/15	% change	Value	2015/16	% change	Value	2016/17	% change	Value	Commentary	4 year trend (%)	4 year trend (£)
Environment, Regeneration, Growth and the Economy	£ 1,301,798.11	£ 1,177,696.99	-9.5%	£ 124,101.12	£ 1,201,629.32	2.0%	£ 23,932.33	£ 1,350,633.26	12%	£ 149,003.94		4%	£ 48,835.15
Families and Wellbeing	£ 286,945.58	£ 322,079.70	12.2%	£ 35,134.12	£ 325,957.85	1.2%	£ 3,878.15	£ 335,693.82	3%	£ 9,735.97		17%	£ 48,748.24
Resources and Strategic Commissioning	£ 1,561,806.06	£ 1,575,874.60	0.9%	£ 14,068.54	£ 2,306,239.84	46.3%	£ 730,365.24	£ 2,494,141.10	8%	£ 187,901.26		10%	£ 932,335.04

excluding insurance premiums

Schools Forum

28 June 2016

Report Title	Evolving 'paid for' service provision to schools in a system led environment
Report Purpose	To provide some initial options for evolving the trading relationship with schools and partnering with the council to deliver financially sustainable services which meet the needs of all Warrington schools.
Report of	Hilary Smith, Interim Assistant Director (Universal Services) & Gareth Hopkins, Assistant Director (HR)
Report author(s)	Dave Roberts, Head of Traded Services Strategy
Recommendations	<p>That Schools Forum:</p> <ul style="list-style-type: none">(i) note the councils intention to develop a commercial approach to 'paid for' services.(ii) support consultation with schools and provide feedback to the approach, plus any amendments, additions or alternatives(iii) promote the use, where possible, of system based resources to deliver support and improvement to Warrington schools
Decision Required by Schools Forum	As per the recommendations

Introduction

- 1.1 This paper seeks to stimulate discussion on how to evolve the relationship between the council and schools to ensure schools have a range of high quality traded services that meet their needs and support their delivery of outcomes and remain financially viable for the Council to deliver.
- 1.2 It contains some proposals on how we may proceed and will require feedback from schools and governing bodies in order to develop a working solution that meets the needs of all parties.

Background

- 2.1 Following on from the introduction of the Academies Act in 2010, the government has increasingly sought to provide a greater sense of autonomy for schools change the interaction between schools and the local authority to a provider / commissioner relationship with the local authority. Centralised services which were provided by the LA are now increasingly traded with schools in a more competitive marketplace offering wider choice, better quality and value for money.
- 2.2 The 2016 white paper, 'Education Excellence Everywhere', stated the government ambition was to academise all schools in England by 2022 and although there has been some changes in their plans to legislate for this, the Education Secretary has made it clear that they will continue to champion academisation
- 2.3 In the constraints of the current economic position, Warrington has acknowledged the need to trade the services provided to schools on a cost-neutral footing. Trading values with Schools are in excess of £10m per annum, which forms a significant part of the overall Council revenue budget (8%). The Council recognises that it must maintain strong links with schools based on value, quality and an understanding of the school environment. As such, trading with schools will form a significant part of the new Commercial Strategy currently being developed by the council this year.
- 2.4 The council's current financial position means that it is no longer able to subsidise discretionary services to schools and any such services provided to schools must recover all of the costs of provision as a minimum.
- 2.5 Compared to the national average, Warrington has low numbers of academy conversions in the borough and currently have 92% of good and outstanding schools amongst maintained schools. (88% of all schools). Governments willingness to champion academisation means that the responsibility for large parts of education provision in Warrington could potentially shift away from Local Authority 'control'. Both the Council and Schools must remain aware of the implications of such changes in the relationship should this occur.

Proposed Approach

- 3.1 It is proposed to adopt a similar approach to trading services as the system-led approach to school improvement. This approach would be predicated on schools determining the resources it requires the local authority to deliver, by acting as an intelligent commissioner. Schools must determine the best source of provision and seek to maximise 'whole system' resources in order to provide the best specification, quality, assurance and value for money for the system as a whole.
- 3.2 It is proposed that the Local Authority would act as the prime provider for traded services, whereby schools commission a range of outcomes and work with the prime provider in order to determine the appropriate resources required to deliver those outcomes and build in mechanisms around quality assurance and contract management. It is anticipated that the prime provider will also work with other system resources, such as the Teaching Schools in order to deliver and improve outcomes for young people.
- 3.3 Part of the commissioner / prime provider relationship will be to establish when appropriately skilled resources do not exist within the system. In addition, it will need to identify when services are being delivered in a manner that is neither cost-neutral to the council nor meeting the needs of schools to support their achievement of outcomes. For example, in Warrington, Financial and ICT Services are heavily geared towards the use of SIMS FMS. Some schools are using or considering using alternative systems and will therefore need to purchase support for these systems. Currently, it is likely that schools would need to go to a third party to achieve this. However, using the new relationship as commissioner / prime provider schools could opt to request that the LA expand its expertise in other software packages or may wish to invest in its own centralised support network to facilitate this fragmentation of the market. Working with the prime provider, they could carry out a cost/benefit analysis and create the optimum solution. This greater level of 'collective choice' would make it more likely that the best solution is commissioned and that a sustainable financial footing for delivery can be achieved.
- 3.4 In order to allow the council to plan for the medium-term all SLAs would move to a minimum three year contract in line with the practice adopted by HR Advisory, Payroll, School Meals and Education Safeguarding. This would also allow the Council, as prime provider to invest in services over the medium or longer term.
- 3.5 The system should make best use of resources and should not encourage duplication or build in additional layers of competition beyond what is reasonable. Stringent quality assurance and review of continuous service improvement could be built in to contracts to ensure that providers do not fall behind the wider marketplace.

3.6 Services will no longer be discounted purely for scale. A multi academy trust, cluster or chain will not gain a better pro-rata price for any service over an individual school because of scale. However, improved prices may be offered if the organisation can offer efficiencies to the provider. Details of efficiencies can be discussed with each service in conjunction with the Head of Traded Services Strategy.

Benefits

4.1 The benefits of adopting this new approach to trading services may include:

- (i) the most efficient method of delivery to achieve desired outcomes as agreed between commissioner / provider, maximising value for money and ensuring best use of available resources
- (ii) the ability to create a more fluid transfer of resources between the provider and the system. For example, service provision may currently exist that is better delivered from elsewhere in the system. As long as the appropriate resources and risks are transferred then sovereignty of service provision will become less important
- (iii) creation of value chains that make the relationship unique amongst commissioner / providers. For example,
 - the employment of young people to deliver services to schools who leave Sixth Form College, or reach school leaving age and have low employment prospects.
 - Use of the school meals service to improve food and nutritional education as well as providing valuable life skills amongst Warrington children and families.
- (iv) a cycle of continuous service improvement which is co-designed by schools ensuring that efficiencies, qualitative improvement, advancements in technology and intelligence are maximised for the benefit of the school system.
- (v) the process could link in with the current school arrangements such as the Warrington Education Board (WEB), which may act as commissioner with the Warrington Challenge, WAPH, WASCL and the primary clusters providing intelligence and In time this will likely extend to include new Multi-Academy Trusts (MATs).
- (vi) link trading with schools to the overall corporate strategy of the Council and reinforce the need to support schools regardless of status.
- (vii) schools will be consulted, briefed and will input into decisions around unsustainable services as well as those which are not deemed to perform to a high standard or with consideration for school need.

4.2 The range of benefits listed are not exhaustive and further work may be required in order to establish both the financial and qualitative impact.

Prioritisation & Delivery

- 5.1 The first stage will be to develop a matrix of services around baseline data such as trading volume/value, alignment to core council business and results from surveys. This matrix will then be sent to schools for further consultation to prioritise and rate the services on offer. The lowest and highest scores on the matrix will form the focus for the immediate work streams throughout the 2016/17 academic year. This ensures that the services with greatest value to schools are refined and improved and the services that are not currently meeting the need or expectation of schools can be highlighted and action plans taken to remedy.
- 5.2 The introduction of three year contracts for SLAs will begin in financial year 2017/18 and will be applicable to all services provided by the council.
- 5.3 Commissioning and decommissioning of services will be driven by both the needs of the schools and the financial impact on the chosen provider. Schools will help co-design / redesign services that they will be able to fund at an appropriate level.
- 5.4 A decision matrix could be established to support decisions of who in the system is the most appropriate provider
- 5.5 The council and other partners will need to remain open to the idea of more fluid resource allocation. The option to transfer services and risk to the system will remain open, as will the option to return them to the LA with appropriate funding.

Recommendations

6.1 That Schools Forum:

- (i) note the councils intention to develop a commercial approach to 'paid for' services.
- (ii) support consultation with schools and provide feedback to the approach, plus any amendments, additions or alternatives
- (iii) promote the use, where possible, of system based resources to deliver support and improvement to Warrington schools

REPORT

Report to: Schools Forum

Item: 7

Date: 28 June 2016

For: Information

Title: Priority School Improvement and Inclusion Projects supported by Schools Forum

Author: Hilary Smith

Presenter: Hilary Smith

1. INTRODUCTION AND BACKGROUND

- 1.1 At the meeting on 22 March 2016, the Schools Forum requested an update on the priority school projects agreed by the Warrington Education Board for which the Schools Forum has provided financial support.
- 1.2 The purpose of this report is to provide details of the current status of the priority projects.

2. PRIORITY PROJECTS AND FINANCIAL SUPPORT

- 2.1 Schools Forum agreed to support investment in priority projects identified by the Warrington Education Board as follows:
 - Round 1: £263,815 allocated from DSG underspend of £1.441 million at the end of the 2013/2014 financial year;
 - Round 2: £139,000 allocated from DSG underspend of £540,000 at the end of the 2014/2015 financial year.
- 2.2 The intention was to utilise this funding to create capacity to drive school improvement and intervention activity in order to address key issues of education performance across Warrington.
- 2.3 This would be achieved by inviting school leaders from across Warrington schools to develop projects that would contribute to addressing those key issues.
- 2.4 This would involve school leaders being released from their school in order to deliver the projects and would therefore require financial support to “plug gaps”

created by the release of members of staff, so that there was no detrimental impact on the school providing the leadership to deliver the project.

- 2.5 A number of projects have been identified, and for a variety of reasons are at various stages of delivery including a small number that has not yet commenced. However all of the funding has been committed and the intention is that all projects will be delivered.
- 2.6 There is a wide variety of projects and the focus has included the following key themes:
- Creating capacity across schools to better support children with ADHD across mainstream schools, through specialist training to raise awareness and understanding of need and support early intervention;
 - Creating capacity across a number of schools where there is a significant gap in education outcomes between children from disadvantaged communities and low income families and their peers by focussing on "Every Child Achieves";
 - Supporting transition from primary school to secondary school;
 - Adopting innovative approaches to key subject areas, for example Mathematics, in order to improve achievement;
 - Creating ways to raise aspiration and increase appetite for learning through reading and writing projects;
 - Supporting more able pupils to achieve their potential;
 - Consistency in identification of children with special education needs at schools where there appears to be exceptionally high level of SEND compared to neighbours serving the same community;
 - Support for early identification and intervention to young people with mental health issues as match funding for a training initiative being delivered in partnership between secondary schools and health (commissioned by the Clinical Commissioning Group); and
 - Support for events across Warrington focussed on "Achievement for All" and "Committed to Inclusion";
- 2.7 Details of the projects and activity that is currently underway is included as Appendix A and was presented to the Warrington education Board on 16 May 2016. Head teachers involved in leading the projects were invited to the Board meeting to provide an update and explain how the projects appear to making a difference so far. It was agreed that the projects would continue to be monitored and impact measured in order to extract maximum benefit for children and young people across Warrington.
- 2.8 It is the case that the establishment of this programme of projects and created an opportunity for schools to work collaboratively and share best practice for the benefit of children across Warrington.
- 2.9 Further by having a specific focus on a key issue, the partnership working has been purposeful and will, undoubtedly deliver significant benefits.

2.10 However it is the case that the opportunity to support future programmes of projects in the same way in the future are limited. Therefore it is necessary for schools to consider how they can continue to develop effective and purposeful partnerships across Warrington in order to drive school improvement and ensure every Warrington child and young person has the opportunity to succeed through access to good/outstanding inclusive education.

2.11 This will be explored further by officers with a representative group of Head teachers from across Warrington and it is suggested that the group is extended to include representatives of the Warrington Education System (Governors, Dioceses, etc.) so that there is commitment from all key stakeholders to developing the approach.

3. RECOMMENDATIONS

3.1 It is recommended that Schools Forum:

- (i) note the contents of the report and the position on the priority projects supported by financial resources agreed by Schools Forum; and
- (ii) request a further report on progress once all projects have been delivered.

Update on the WEB School Improvement Priorities

Improve the achievement of pupils eligible for FSM6 (achievement gap between those eligible for FSM and those not)

Schools taking this priority forward:

Every Child Achieves Group - Brook Acre Primary, Broomfields Junior School, Dallam Primary, Locking Stumps Primary (Lead), Meadowside Primary, St Margaret's Primary, St Stephen's Primary, Sankey Valley St James Primary, Cardinal Newman Catholic High School, Great Sankey High School

The first phase of peer reviews are being completed in 12 Primary schools:

Alderman Bolton Primary, Beamont Primary, Brook Acre Primary, Broomfields Junior School, Christ Church Primary, Cinnamon Brow Primary, Dallam Primary, Meadowside Primary, Our Lady's Primary, St Bridget's Primary, St Margaret's Primary and St Stephen's Primary

Schools have been working in triads. The focus of the reviews have been learning walks, data analysis, pupil action plans, school ethos, etc. in relation to pupils eligible for free school meals and Pupil Premium funding. There are two sections to each phase of the reviews:

- First round of visits to each school with report outlining good practice and areas for development
- Second round of visits to review implementation of areas for development and outcomes to date

Phase 2 of the reviews is about to commence which will involve an additional 16 schools, including two cross-phase reviews:

Brook Acre Primary, St Andrews Primary, Winwick Primary, Beamont Collegiate Academy, Dallam Primary, Warrington St Ann's Primary, Warrington St Barnabas Primary, Broomfields Junior School, Cobbs Infant School, Locking Stumps Primary, Chapelford Village Primary, Newchurch Primary, St Stephen's Primary, Park Road Primary, Croft Primary, Ravenbank Primary, St Peter's Primary, Culcheth Primary and Cardinal Newman High School

Feedback on this approach has been very positive as it has helped schools to review their practice as a result. The project will continue into 2016/17 and the impact will hopefully be an improvement in Key Stage 2 results in 2017 for FSM pupils in the schools that have taken part. Consideration of possible CPD themes will be explored once the reviews have been completed to ensure opportunities for sharing good practice are fully exploited.

Secondary School Improvement

This priority is being led by the Warrington Challenge which involves 17 secondary schools, special schools and colleges.

A team of Lead Practitioners are being developed for Core subjects and the English Bacculaureate to spend one full day or half a day per week for a half term in each identified school. This prolonged support will help to sustain development in the schools and builds on a successful approach previously employed. The Lead Practitioner will work alongside the school's Head of Department to create a bespoke package based on need and KPIs will be identified to evaluate the process. The Lead Practitioners will move to a new school at the end of each half term.

A Deputy Headteacher will co-ordinate the team of Lead Practitioners to ensure the effective sharing of best practice, ideas, curriculum development, teaching and learning strategies, etc. and to also support their personal development. The Headteacher will meet with the Lead Practitioners once a half term and will report back to the Deputies Forum and to WASCL.

Further strengthening of the Subject Hubs is also being developed.

Transition – Primary to Secondary (secure and accelerate continued good achievement for Primary pupils as they progress through Secondary school)

Schools taking this priority forward:

Callands Primary, Cardinal Newman High School, Christ Church Primary (Lead), Penketh South Primary and Sankey Valley St James Primary

Primary school subject leads will be attending Secondary school Subject Hubs in English, Maths and Science to start to get a greater understanding of the curriculum at the end of KS2 and start of KS3. Discussion is about to begin in relation to establishing baseline 'transition standards' between Primary and Secondary. This will involve more schools being invited to join the group to undertake this focussed piece of work (task and finish).

Improve the achievement of pupils with SEND

Two Headteachers are working with schools to develop SEN good practice and support the development of a range of strategies through working with SENCos. The project will develop a threshold for SEN Support and develop CPD events in relation to this to help ensure the correct identification of pupils needs.

Headteachers of Special schools are starting to develop capacity to work with mainstream schools and Designated Provisions through the moderation of assessments, review of targets, etc.

The LA Senior Adviser with responsibility for SEND has been visiting to schools with good and poor practice to support, challenge and share good practice. Some schools have reviewed practices since their visit. Work has also been undertaken to ensure Special schools set and achieve increasingly challenging targets for all pupils and record and analyse internal data to ensure that pupils are on track to meet individual targets. Where children are not on track, that schools address this through a range of support measures for pupils and teaching staff.

A review of all SEND provision in special schools and at Designated Provisions in mainstream schools has been completed to agree common performance indicators based on the progress made by children so that there is a common strategy across the borough to accelerate performance. This also included an agreement to use a common format for sharing progress against targets with the LA.

Improve the achievement of More Able Pupils

Schools taking this priority forward:

Challenge Group – Appleton Thorn Primary, Grappenhall Heys Primary (Lead), Newchurch Primary, Penketh Primary, Twiss Green Primary and Warrington St Barnabas Primary

The first phase of peer reviews are about to be undertaken involving 10 Primary schools:
All of the above schools plus Meadowside Primary, Woolston CE Primary, Culcheth Primary, Croft Primary and St Monica's Primary

Schools will be working in pairs. The focus of the reviews will be learning walks and work scrutiny. After the reviews, schools will feedback and identify any potential CPD themes to inform future training events to share good practice. Analysis of 'greater depth' data will also be shared and analysed to identify any key messages to share with schools.

Further develop System Leadership

Executive Director's Briefing took place on 21st April to highlight and share practice in relation to the strong partnership work being undertaken in Warrington. This was an event shared by the LA and school leaders. Six of the established collaborative groups shared information about the work of their partnership which included the impact on school improvement. These collaboratives were BOLD, the School Improvement Alliance, Innov8ed, RUSH, the Teaching School Alliance and the Warrington Challenge. Information was also circulated detailing most of the collaboratives operating in Warrington showing that the vast majority of schools are involved in significant school-to-school support.

Feedback from this event has been positive and has given some schools the appetite for working more collaboratively. There has also been a request for a further event to continue to focus on this and planning for the event will be taken forward with Headteachers.

Additionally, all of the WEB projects are supporting the development of outstanding system leadership as they are being led by groups of Headteachers. All groups involved are supporting school improvement with effective support and challenge as appropriate.

Assessment – supporting schools with 'assessment without levels'

25 Primary schools have been involved in the first phase of the project and 9 Primary schools are confirmed for phase 2.

Update on the Priorities of the Warrington Inclusion Hub 2015/16

Develop capacity in Warrington and identify future needs

Analysis of the primary needs of pupils with Statements or Education, Health & Care Plans has been undertaken to help identify trends and growth areas from 2013 onwards. Based on this, a projection for the next 6 years has also been created. This shows that:

- The numbers of pupils with a Statements or EHCP has increased by 10% over the last 3 years with a peak in 2014/15 (the year EHCP were introduced)
- The main primary needs identified in the January 2016 Census were as follows which equate to 72% of the total primary needs in the SEND cohort:
 - Autistic Spectrum Disorder (ASD) – 23.5%
 - Moderate Learning Difficulties (MLD) – 19.8%
 - Speech, Language & Communication Needs (SLCN) – 14.7%
 - Social, Emotional & Mental Health (SEMH) – 14.6%
- The greatest primary needs in Primary are ASD and SLCN, whilst at Secondary they are MLD, ASD and SEMH
- 80 school pupils (7%) and 58 post-16 students (27%) are educated in out of area placements mainly due to the lack of specialist provision in Warrington which is putting a strain on the SEN budget
- Based on historical figures and the movement in total pupil numbers over the next 6 years, projections indicate there will be an average 2.6% growth in EHCP numbers each year, particularly in ASD, MLD and SEMH

Discussions have taken place to develop a strategy to address the lack of specialist provision for children and young people with ASD and behaviour issues. These discussions have involved schools/providers in the Warrington Inclusion Hub, Warrington Association of Special Heads / Provider Response Group and the SEN Finance Group. Proposals will be taken forward at the next WIH meeting.

An invest to save bid is also being progressed to increase capacity and expertise within the special educational needs system with schools geographically in Warrington, enable more children and young people to be educated in locally sourced provision which supports continuity into adulthood, reduce the number of children being placed in out of borough provision and reduce the current spend in the budget. Other options are being considered in relation to Designated Provision and ensuring more robust processes in relation to the allocation of SEN funding.

Improve ASD provision and support

An information booklet is being developed and will be sent to schools to let them know the specialisms and support that is available from the special schools and designated provisions.

A training event has been proposed to share good practice across schools.

Improve provision and support for behaviour and mental health

SEMH and Behaviour Strategy developed and shared with schools 'Waved Approach'. There has been positive feedback in relation to this approach.

A training needs survey was circulated to schools to inform the CPD strategy. Training which has taken place this year includes:

- SENCo training for 70 SENCos

- Behaviour Improvement Project via ADHD Foundation engaging 19 primary schools and parents
- Child development training for 15 Primary schools
- Child development training for 9 Secondary schools
- WIH Conference scheduled for July 2016

The training needs survey will be re-circulated at the end of this academic year and results will inform the training strategy for 2016/17.

Ensure the early identification of children with SEND and smooth transition from Nursery to Reception

A register of Early Years children with SEND has been established to ensure their needs are supported and to support the smooth transfer of information between different settings and education phases. Timely allocation of school places has also been achieved.

SENCo training event took place in April and training for PVIs is scheduled for July 2016.

Staff have been recruited to take forward the Portage Service and work is ongoing with a number of families. Warrington SENDIASS has captured feedback from parent/carers to inform the development of the SENDIASS service. The service is also represented at the Warrington Parents & Carers Association and with the Warrington ADHD Parents & Carers Group. Enhancements have been made to Ask Ollie to ensure families can access information about the Local Offer.

Improve the transition experience for C&YP

A training session for SENCos in relation to effective transition was delivered by two Headteachers in April. 70 SENCos attended this training. Feedback has been incredibly positive. Further training sessions are planned.

A task and finish group to review the referral, assessment and transition processes is being considered by the WIH.

Implement the Family Common Assessment Framework for coordinated integrated support plans

Two members of staff have attended 'Train the Trainer' events to learn about whole family working and the methods for training in this approach. A working group has been established to develop and deliver Whole Family training events in Warrington, starting with a 3 hour introduction and consultation workshop attended by both managers and front-line teams.

Whole Family CAF is available for use by all partners following the pilot of this assessment tool by the Family Outreach Team. Case management systems are being developed with regards to whole family working and software developers are working closely with the CAF and Development Team. Complex Families Whole Family Practitioners continue to support and advise professionals on taking a whole family approach to their assessments and support plans. CAF and Complex Families teams are working closely together to ensure that they take a whole family approach to screening referrals – the teams have met regularly to plan ways of completing 360° profiles of families as part of MASH developments to create a 'Front-Door' to early help services.

There is interest from schools, health services and Integrated Services Teams to try the FCAF and some have been completed and submitted.

REPORT

WARRINGTON
Borough Council



Report to:	Schools Forum	Item:	8
Date:	28th June 2016	For:	Information
Title:	Dedicated Schools Grant Outturn Position 2015-16		
Author:	Garry Bradbury	Presenter:	Garry Bradbury

1 INTRODUCTION

- 1.1 The purpose of this report is to notify Schools Forum of the confirmed outturn position for the retained Dedicated Schools Grant (DSG) budgets for 2015-16. This includes whole-school activities and central education functions, but excludes individual school balances, which are reported on separately (Item * on this evening's Agenda).
- 1.2 In response to increasingly tight corporate deadlines, the accounts for financial year 2015-16 were closed in late-April, but have not yet been officially ratified at Audit. Families & Wellbeing Directorate has reported an underspend on DSG of £176,834. This represents, in percentage terms, an unspent balance of 0.16% after Academy recoupment, or 0.12% in total. This is materially below levels of retention which are deemed by Audit Commission criteria to be inappropriate, and is a significant reduction, reflecting developing cost pressures, from the £0.539 m reported last year (and £1.441 m the year before). This report lists the important elements of this underspend, and explains how this surplus is to be recirculated.

2 DEDICATED SCHOOLS GRANT BALANCES

- 2.1 DSG is reporting a net underspend of £0.177 million in 2015-16. In compliance with the funding conditions of the DSG this has been, initially, carried forward to 2016-17 (i.e. not used to offset general Families and Wellbeing directorate expenditure, nor other items of Council expenditure, in 2015-16).
- 2.2 The overall DSG position aggregates from a number of individual variances. The table overleaf shows those individual balances and describes the consequences of each:

Expenditure Type	Balance	Comment
a) School-driven items		
Primary Pupil Number Contingency	£222,446	Return to primary school budgets <i>pro rata</i> to NOR
Primary Additional Classes Contingency	-£46,528	Offset primary school reimbursement on a flat rate basis.
LA Intervention	£25,467	
Staffing	£43,006	Union duties, long-term sickness, rehab & maternity
b) Local Authority Commissioned Services		
Speech Therapy	£22,667	
Nursery funding	£121,214	One-off use of Early Years reserve
SEN top-ups	-£182,485	} Significant High Needs Block pressure, reflected in 2016/17 budget setting
Independent School Fees	£-851,310	
Inter-Authority Recoupment	£278,346	
Other	£544,011	Various small underspends (eg Sensory Team, Licensing), plus DSG in-year adjustment for growth £476K
	<u>£176,834</u>	

- 2.3 Financial regulations stipulate that unspent balances on dedelegated contingency items should be returned to the schools which have contributed to the pooling of budget, on the basis on which they were originally aggregated. The method used, Number on Roll, means primary schools have received back £12.90 per pupil.
- 2.4 The primary contingency for additional classes was overspent. As this dedelegation was collected on a flat rate basis, this deficit was deducted from the issue described in section 2.3, at a flat rate of £674.32 per school.
- 2.5 The combined effect of the pupil number contingency issue, less the class number clawback, is shown in **Appendix 1**. This net balance has been allocated to primary schools already (they will have seen it on their Central Reports for period 1).

2.6 Reimbursement of the net balance of the primary schools contingencies, totalling £175,918, means that the effective remaining DSG balance is only £916. This balance is a consequence of activity funded from the High Needs block – a block which funds commissioned activities on the part of the Local Authority. The LA considers that this amount is not material and is therefore offering no proposal for its specific use, and likewise is not recommending that it be allocated across the schools. At the last Schools Forum, the significant pressures on the High Needs Block for 2016-17 were discussed (an estimated gap of £791K) – we will therefore add this amount to the resources available, in the certain knowledge that it will not alleviate these pressures to any appreciable degree.

3 RECOMMENDATIONS

3.1 Schools Forum is asked to:

- i) note the 2015-16 outturn position for DSG, and
- ii) note the issue to primary schools and discuss what effect, if any, this may have on developing policies for contingencies in the future.

Appendix 1: Dedelegated DSG Contingency - Issue to Primary Schools

		£
35001	Bewsey Lodge	£2,266.18
35002	Dallam	£1,595.54
35003	Evelyn St	£1,737.40
35004	Meadowside	£1,801.89
35005	Oakwood Avenue	£5,554.89
35006	St Elphin's	£3,891.19
35007	St Andrew's	£1,892.17
35008	St Ann's	£1,685.82
35009	St Barnabas'	£1,685.82
35010	St Margaret's	£4,819.76
35011	Our Lady's	£1,788.99
35012	Sacred Heart	£1,930.86
35013	St Alban's	£1,814.78
35014	St Augustine's	£1,092.56
35015	St Benedict's	£1,905.06
35016	St Stephen's	£1,969.55
35017	Appleton Thorn	£1,969.55
35018	The Cobbs Infants	£2,807.85
35019	Broomfields Junior	£4,497.34
35020	St Monica's	£1,724.51
35021	St Wilfrid's	£4,523.14
35022	Bradshaw	£1,608.43
35023	St Thomas'	£1,943.75
35024	Stockton Heath	£3,762.22
35025	Stretton St Matthew's	£1,930.86
35026	Thelwall Juniors	£1,350.50
35027	Thelwall Infants	£924.90
35028	Statham	£1,905.06
35029	Cherry Tree	£2,098.52
35030	Ravenbank	£4,394.17
35031	Lymm Oughtrington	£4,729.49
35032	Glazebury	£666.96
35033	Culcheth	£2,072.72
35034	Newchurch	£1,969.55
35035	Twiss Green	£2,021.13
35036	St Paul of the Cross	£1,672.92
35037	Burtonwood	£1,995.34
35038	Christ Church	£3,272.14
35039	St Oswald's	£1,995.34
35040	Brook Acre	£2,137.21
35042	St Bridget's	£2,072.72
35043	St Lewis'	£1,672.92
35044	Croft	£1,995.34
35045	Locking Stumps	£3,426.90
35046	Penketh	£1,995.34
35047	St Joseph's	£3,362.41
35048	St Vincent's	£2,975.51
35049	Penketh South	£1,853.47

35050	St Peter's	£2,098.52
35051	Woolston CP	£2,433.84
35052	Woolston CE	£2,085.62
35053	Great Sankey	£3,336.62
35054	Chapelford	£5,167.98
35055	Park Road	£2,021.13
35056	Barrow Hall Lane	£6,251.32
35057	Sankey Valley St James'	£1,724.51
35058	Hollinfare St Helen's	£950.69
35059	Winwick	£1,905.06
35060	Birchwood	£1,466.57
35061	Gorse Covert	£3,336.62
35062	Cinnamon Brow	£3,310.83
35063	Old Hall	£4,523.14
35064	Callands	£3,594.56
35065	St Philip's	£4,845.56
35066	Grappenhall Heys	£2,046.93
35067	Latchford St James'	£1,595.54
35068	Alderman Bolton	£2,614.39
35069	Bruche	£1,531.05
35070	Beamont	£4,316.79
		£175,917.87

REPORT

WARRINGTON
Borough Council



Report to: Schools Forum

Item: 9

Date: 28th June 2016

For: Information / Decision

Title: School Balances 2015-16

Author: Garry Bradbury

Presenter: Garry Bradbury

1 INTRODUCTION

- 1.1 The purpose of this report is to notify Schools Forum of the final individual balances for Warrington maintained schools as at end 2015-16. This report will compare the overall picture with the corresponding situation in the previous year, and advise which schools will be subject to potential challenge in forthcoming months over the current level of retention, as described in s4.2 of the Scheme for Financing Schools. It will also consider individual balances for schools challenged in this way last year, and whether their current balances are consistent with expectations.
- 1.2 It is proposed that the results of the challenge process will be brought to Schools Forum in the Autumn term (date TBC), at which point Schools Forum members for the maintained sectors will advise for which schools, if any, the clawback process should be invoked. This may be through discussion at full Forum session, or delegated debate in either the Formula Working Group, or another mandated panel created expressly for the purposes of assessment.

2 SCHOOL BALANCES

- 2.1 The aggregate of school balances for Warrington maintained schools at the end of the previous financial year was £7,470,717m. This compares to the corresponding balances aggregate at the end of 2014/15 of £7,065,498. The increase in cash terms of £405,219, represents a percentage increase of 5.7%.

The overall movements per sector are highlighted below:

Sector	2014-15 £m	2015-16 £m	Movement
Primary	£5.105m	£5.295m	£0.190m
Secondary	£0.342m	£0.711m	£0.369m
Special & AP	£1.618m	£1.464m	£-0.154m
TOTAL	£7.065m	£7.471m	£0.405m

Individual school balances are detailed in **Appendix 1**.

2.2 The general increase in balances has not, though, resulted in an increase in the numbers of schools which could potentially trigger the challenge process - those that have posted surpluses in excess of 8% of delegated budget (for primary and special schools), or 5% (for secondary schools). The number of Schools with balances above the threshold which were challenged in 2014-15 was 25 (21 primary, nil secondary, all 3 special schools, and Sandy Lane Nursery & Forest School). For 2015-16, the number has reduced by one in the primary sector, numbers in the other phases remaining the same.

2.3 Section 4.2 of Warrington's **Scheme for Financing Schools** provides the authority to initiate the challenge process, as we have collectively taken the view that it is good practice and demonstrates sound financial management and stewardship of public funds, despite no longer being a mandatory requirement. As a matter of precedent, the LA considers it appropriate to consult with Schools Forum whether the challenge process should begin. If this is agreed, the individual schools for which explanation and justification would be sought, and compared against the agreed exemptions in the Scheme are as below:

- Dallam *
- St Elphin's
- St Andrew's
- St Ann's *
- Sacred Heart
- St Stephen's *
- Thelwall Infant *
- Thelwall Junior *
- Statham *
- Twiss Green *
- St Paul of the Cross *
- Brook Acre *
- Locking Stumps *
- St Vincent's *
- St Peter's *
- Woolston CP
- Woolston CE *
- Winwick
- Birchwood CE
- Alderman Bolton *
- Sandy Lane Nursery *
- Green Lane Special *
- Fox Wood Special *

- Woolston Brook *

- 2.4 The balances for these schools are detailed in **Appendix 2**, along with the amount representing the challenge total i.e. the excess balance above the trigger percentage. Schools marked * were also subject to challenge over their 2014-15 retained balance. Altogether 18 of the 24 schools subject to potential challenge were in the same situation last year. Total challenge amount for 2015-16 is £1,848,051; average £77,002 (in 2014-15 this was £1,963,981, an average of £78,559). This suggests that from most perspectives, the general situation regarding Warrington school balances is largely static.
- 2.5 The relevant extract from the Scheme, including details of the agreed exemptions (ratified annually by Schools Forum), is shown in **Appendix 3**. This explains that an amount up to the excess balance may be clawed back from the school if, in the view of Schools Forum, inadequate explanation has been provided.
- 2.6 In **Appendix 4**, the 2015-16 end of year estimates for those schools challenged over their 2014-15 surpluses are shown, compared with the actual outturn. There are many appreciable reasons why actual balances may vary from the estimated figures, but Schools Forum should consider if it is appropriate that significant variations be explained by the schools concerned.
- 2.7 In 2015-16, one primary school, and New Horizons Pupil Referral Unit, ended with a recorded deficit, compared to 3 (2 primary, 1 secondary) in the last financial year. The primary school in deficit has remained in deficit across years. Deficit schools are analysed below:

School		Deficit Amount £	Deficit %age
35054	Chapelford Primary School (2013/14 deficit)	£41,193	-3.07%
	Chapelford Primary School (2014/15 deficit)	£52,412	-3.63%
	Chapelford Primary School (2015/16 deficit)	£57,455	-3.60%
35203	New Horizons (2013/14 deficit)	-	-
	New Horizons (2014/15 deficit)	-	-
	New Horizons (2015/16 deficit)	£33,008	-3.35%
	TOTAL OF 2015/16 DEFICITS	£90,463	
	Average deficit	£45,232	

In 2014/15, the three deficits totalled to £101,350, an average of £33,783. Small deficits recorded at St Joseph's Primary and Cardinal Newman have become surpluses of 5% and 3% respectively.

3 RECOMMENDATIONS

- 3.1 Schools Forum is asked to note the 2015-16 outturn position for schools and the general increase in School Balances held by Warrington non-Academy schools at 31st March 2016.
- 3.2 To consent to begin the challenge process for all non-Academy Schools which hold a balance above the appropriate threshold. In addition, School Forum members are asked to ensure that their nominating bodies are aware of the requirement around the possibility of subsequent claw-back of funds from Schools.
- 3.3 To recommend what action, if any, to take in respect of schools challenged last year for which the 2015-16 balance is significantly different from the outcome anticipated.

Appendix 1: School Closing Balances 2015/16

	2015/16 Budget Share*	Closing Surplus / (Deficit)	Percentage Surplus / (Deficit)
35405 Sandy Lane Nursery	£744,561	£109,240	15%
Nursery Schools	£744,561	£109,240	15%
35001 Bewsey Lodge	£1,680,266	£110,942	7%
35002 Dallam	£1,617,198	£187,805	12%
35003 Evelyn St	£1,105,646	£57,099	5%
35004 Meadowside	£1,567,189	£118,754	8%
35005 Oakwood Avenue	£2,706,392	£37,342	1%
35006 St Elphin's CE	£1,504,341	£203,084	13%
35007 St Andrew's	£1,094,143	£126,381	12%
35008 St Ann's	£1,091,469	£138,100	13%
35009 St Barnabas'	£999,534	£27,196	3%
35010 St Margaret's	£1,959,148	£154,115	8%
35011 Our Lady's	£969,550	£21,687	2%
35012 Sacred Heart	£855,212	£94,422	11%
35013 St Alban's	£887,475	£72,242	8%
35014 St Augustine's	£823,071	£22,210	3%
35015 St Benedict's	£898,736	£66,092	7%
35016 St Stephen's	£1,005,381	£128,360	13%
35017 Appleton Thorn	£775,225	£49,948	6%
35018 The Cobbs Infants	£1,260,859	£82,632	7%
35019 Broomfields Junior	£1,409,346	£36,674	3%
35020 St Monica's	£737,953	£56,346	8%
35021 St Wilfrids	£1,295,350	£34,014	3%
35022 Bradshaw	£730,323	£58,642	8%
35023 St Thomas'	£828,230	£61,755	7%
35024 Stockton Heath	£1,277,848	£67,903	5%
35025 Stretton St Matthew's	£733,441	£13,114	2%
35026 Thelwall Juniors	£632,121	£88,324	14%
35027 Thelwall Infants	£567,239	£52,358	9%
35028 Statham	£794,331	£122,036	15%
35029 Cherry Tree	£811,052	£36,812	5%
35030 Ravenbank	£1,355,392	£98,769	7%
35031 Oughtrington	£1,420,437	£86,419	6%
35032 Glazebury	£508,835	£43,046	8%
35033 Culcheth	£880,849	£71,220	8%
35034 Newchurch	£794,483	£55,464	7%
35035 Twiss Green	£805,995	£117,096	15%
35036 St Paul of the Cross	£732,524	£71,146	10%
35037 Burtonwood	£858,906	£41,511	5%
35038 Christ Church	£1,353,044	£60,238	4%
35039 St Oswald's	£787,292	£2,597	0%
35040 Brook Acre	£1,402,497	£129,953	9%
35042 St Bridget's	£1,054,122	£53,509	5%
35043 St Lewis'	£723,444	£49,498	7%
35044 Croft	£764,250	£37,836	5%
35045 Locking Stumps	£1,307,411	£213,206	16%
35046 Penketh	£776,648	£51,517	7%
35047 St Joseph's	£1,040,368	£57,206	5%
35048 St Vincent's	£1,011,365	£137,110	14%
35049 Penketh South	£907,290	£56,944	6%

35050 St Peter's	£812,092	£94,669	12%
35051 Woolston CP	£1,125,210	£119,822	11%
35052 Woolston CE	£792,135	£68,599	9%
35053 Great Sankey	£1,281,960	£92,688	7%
35054 Chapelford Village	£1,597,865	(£57,455)	-4%
35055 Park Road	£817,347	£48,531	6%
35056 Barrow Hall Lane	£1,756,584	£141,878	8%
35057 Sankey Valley St James'	£1,066,700	£74,737	7%
35058 St Helen's	£562,061	£19,573	3%
35059 Winwick	£774,153	£67,509	9%
35060 Birchwood	£1,018,287	£105,530	10%
35061 Gorse Covert	£1,106,871	£49,121	4%
35062 Cinnamon Brow	£1,512,245	£32,348	2%
35063 Old Hall	£1,419,246	£62,053	4%
35064 Callands	£1,227,616	£14,701	1%
35065 St Phillip's	£1,387,037	£117,603	8%
35066 Grappenhall Heys	£836,925	£32,675	4%
35067 Latchford St James'	£898,813	£71,528	8%
35068 Alderman Bolton	£1,424,453	£158,374	11%
35069 Bruche	£788,737	£20,654	3%
35070 Beamont	£1,869,867	£90,314	5%

Primary Schools	£75,179,422	£5,186,120	7%
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35103 Culcheth	£5,410,735	£264,665	5%
35107 St Gregorys	£4,618,074	£120,368	3%
35115 Sir Thomas Boteler	£4,053,479	£194,796	5%
35121 Cardinal Newman	£3,961,638	£131,096	3%

Secondary Schools	£18,043,926	£710,925	4%
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35200 Green Lane	£2,654,676	£621,432.29	23%
35201 Fox Wood	£2,297,951	£745,544.93	32%
35202 Woolston Brook	£1,216,677	£130,462.40	11%
35203 New Horizons	£984,029	(£33,008)	-3%

Special Schools and Alternative Provision	£7,153,334	£1,464,431	20%
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TOTAL	£101,121,244	£7,470,717	7%
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* Delegated budget plus Pupil Premium

Appendix 2: Schools Potentially Subject to Challenge 2015/16

	2015/16 Budget Share*	Closing Surplus / (Deficit)	Percentage Surplus / (Deficit)	Amount to Challenge 2015/16 ?	Amount Challenged 2014/15	Amount Challenged 2013/14
35405 Sandy Lane Nursery	£744,561	£109,240	15%	£49,675	£49,212	£48,775
Nursery Schools	£744,561	£109,240	15%	£49,675	£49,212	£48,775
35002 Dallam	£1,617,198	£187,805	12%	£58,430	£91,736	-
35006 St Elphin's CE	£1,504,341	£203,084	13%	£82,737	-	-
35007 St Andrew's	£1,094,143	£126,381	12%	£38,849	-	-
35008 St Ann's	£1,091,469	£138,100	13%	£50,783	£11,929	-
35012 Sacred Heart	£855,212	£94,422	11%	£26,005	-	£25,648
35016 St Stephen's	£1,005,381	£128,360	13%	£47,930	£39,358	£15,400
35026 Thelwall Juniors	£632,121	£88,324	14%	£37,754	£39,614	£29,759
35027 Thelwall Infants	£567,239	£52,358	9%	£6,979	£17,495	£14,118
35028 Statham	£794,331	£122,036	15%	£58,490	£67,847	£19,144
35035 Twiss Green	£805,995	£117,096	15%	£52,616	£32,688	£74,735
35036 St Paul of the Cross	£732,524	£71,146	10%	£12,544	£4,533	-
35040 Brook Acre	£1,402,497	£129,953	9%	£17,753	£9,528	-
35045 Locking Stumps	£1,307,411	£213,206	16%	£108,613	£108,403	£73,210
35048 St Vincent's	£1,011,365	£137,110	14%	£56,201	£68,649	£33,353
35050 St Peter's	£812,092	£94,669	12%	£29,702	£13,536	-
35051 Woolston CP	£1,125,210	£119,822	11%	£29,805	-	£71,507
35052 Woolston CE	£792,135	£68,599	9%	£5,228	£34,436	£12,710
35059 Winwick	£774,153	£67,509	9%	£5,577	-	£24,745
35060 Birchwood	£1,018,287	£105,530	10%	£24,067	-	£30,414
35068 Alderman Bolton	£1,424,453	£158,374	11%	£44,418	£38,349	-
Primary Schools	£20,367,557	£2,423,884	12%	£794,481	£578,101	£424,743
35200 Green Lane	£2,654,676	£621,432.29	23%	£409,058	£673,037	£581,663
35201 Fox Wood	£2,297,951	£745,544.93	32%	£561,709	£415,564	£225,455
35202 Woolston Brook	£1,216,677	£130,462.40	11%	£33,128	£19,573	-
Special Schools and Alternative Provision	£6,169,305	£1,497,440	24%	£1,003,895	£1,108,174	£807,118
TOTAL	£27,281,423	£4,030,563	15%	£1,848,051	£1,735,487	£1,280,636

* Delegated budget plus Pupil Premium

Appendix 3 – Scheme for Financing Schools extract

4.2 Controls on surplus balances

The level of surplus balance should be reported by the Governing Body to parents in the annual Governors report, with detailed proposals for the use of the balance with a copy to the Executive Director of Families and Wellbeing Services for balances at a level which exceeds the greater of either; 8% of the schools budget share for Primary and Special Schools and 5% for Secondary Schools.

Surplus budget share balances held by schools as permitted under this scheme are subject to the following restrictions, as agreed annually with Schools Forum:

- a) The Authority shall calculate by 30th June each year the surplus balance, if any, held by each school at the preceding 31st March;
- b) The Authority shall deduct from the calculated balance any amounts for which the school already has a prior year commitment to pay from the surplus balance;
- c) The Authority shall then deduct from the resulting sum any amounts which the school declares to be assigned for specific purposes as permitted by the authority (see in bold below) and which the authority is satisfied are properly assigned. To count as properly assigned, amounts must not be retained beyond the period stipulated for the purpose in question, without the consent of the Authority;
- d) If the steps of a)-c) is a sum greater than whichever is the greater of the 8%/5% (as appropriate) of the current year's budget share, then the Authority may propose to Schools Forum a deduction from the current year's budget share an amount equal to this excess;

Schools for which 'd' applies will be permitted to apply to Schools Forum for their recommendation that this sanction be set aside. Qualifying criteria are as discussed below.

No funds deriving from sums allocated by the Authority other than budget shares, or funds derived by the school from sources other than the Authority, shall be taken into account in this calculation.

Funds returning to the LA under the above scheme provision would be used to support school budgets in future years.

It has been agreed that the permitted purposes included in c) above will include the following:

- **For a maximum of three years, a reserve to finance planned new capital expansion for the purposes of the school as set out in the School Improvement Plan (SIP).**
- **For a maximum of two years, a reserve to finance planned building maintenance as set out in the SIP.**
- **For a maximum of two years, a reserve to finance the planned replacement of equipment/purchase of new equipment as set out in the SIP.**
- **For a maximum of two years, a reserve to enable schools to maintain staffing levels in the short/medium term in the face of anticipated falling rolls as set out in the SIP.**

Appendix 4: 2014-2015 School Balances Challenge Responses

Cost Centre	School	Challenge Amount 2014/15
		£

Anticipated 2015/16 Balance	Anticipated 2015/16 %age	Actual 2015/16 Balance	Actual 2015/16 Challenge
£	£	£	£

PRIMARY SCHOOLS

35001	Bewsey Lodge	£52,422	£106,206	6.47%	£110,942	6.60%
35002	Dallam	£91,736	£83,669	5.41%	£187,805	11.61%
35003	Evelyn St	£67,153	£19,642	1.83%	£57,099	5.16%
35008	St Ann's	£11,929	£11,503	1.09%	£138,100	12.65%
35015	St Benedict's	£13,306	£15,957	1.81%	£66,092	7.35%
35016	St Stephen's	£39,358	£31,511	3.23%	£128,360	12.77%
35026	Thelwall Junior	£39,614	£29,864	4.71%	£88,324	13.97%
35027	Thelwall Infant	£17,495	£15,408	2.76%	£52,358	9.23%
35028	Statham	£67,847	£50,277	6.29%	£122,036	15.36%
35030	Ravenbank	£17,951	£41,495	3.08%	£98,769	7.29%
35031	Oughtrington	£26,370	£59,738	4.25%	£86,419	6.08%
35032	Glazebury	£18,049	£0	0.00%	£43,046	8.46%
35035	Twiss Green	£32,688	£44,340	5.65%	£117,096	14.53%
35036	St Paul of the Cross	£4,533	£37,604	5.18%	£71,146	9.71%
35040	Brook Acre	£9,528	£95,398	7.03%	£129,953	9.27%
35045	Locking Stumps	£108,403	£117,759	9.15%	£213,206	16.31%
35048	Penketh St Vincent's	£68,649	£13,778	1.38%	£137,110	13.56%
35050	St Peter's	£13,536	£55,435	7.01%	£94,669	11.66%
35052	Woolston CE	£34,436	£47,674	6.11%	£68,599	8.66%
35057	Sankey Valley St James'	£33,243	£33,623	3.28%	£74,737	7.01%
35068	Alderman Bolton	£38,349	£98,143	7.12%	£158,374	11.12%
35405	Sandy Lane Nursery	£49,212	£44,126	6.12%	£109,240	14.67%

Total Primary	£855,807
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£1,053,150

£2,353,480

SPECIAL SCHOOLS & ALTERNATIVE PROVISION

35200	Green Lane	£673,037	£177,475	7.68%	£621,432	23.41%
35201	Fox Wood	£415,564	£170,288	9.64%	£745,545	32.44%
35202	Woolston Brook	£19,573	£48,982	4.06%	£130,462	10.72%

Total Special Schools & Alt Provision	£1,108,174
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£396,745

£1,497,439

Total Schools	£1,963,981
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£1,449,895

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REPORT

Report to: Schools Forum

Item: 10

Date: 28 June 2016

For: Decision and Action

Title: High Needs Budget Pressure &
School Balance Challenge
Process

Author: Hilary Smith

Presenter: Hilary Smith

1. INTRODUCTION AND BACKGROUND

1.1 At the meeting on 22 March 2016, the Schools Forum received a report on the increasing cost pressure on the High Needs Block and reducing opportunity to offset that pressure through the other Schools Block funding.

1.2 The Forum accepted the recommendations of the report, which were as follows:

- (i) note the contents of the report;
- (ii) note the work of the Warrington Inclusion Hub in developing a strategy to create an extended local offer with the aim of reducing expenditure on the highest cost out of borough placements; and
- (iii) note the requirement for the local authority and schools to work collaboratively in the future, and in light of the implications of the introduction of a National Funding Formula for schools, in order to maintain a financially sustainable education system across Warrington.

1.3 The purpose of this report is to propose a solution to address the cost pressure in the short term given that any strategic approach to managing cost by creating lower cost local capacity and/or new financial arrangements will take time to develop and implement and will not address the issue in 2016/2017 or even perhaps 2017/2018.

2. DSG HIGH NEEDS BLOCK ALLOCATION FOR 2016/17

2.1 Schools Forum will be aware that the High Needs Block allocation prior to recoupment relating to Academies was confirmed as £19,707,000, arrived at as shown on the following table.

	16/17
<u>High Needs Block</u>	
Baseline	20,480,000
Growth	352,000
Residency adjustment	21,000
HN places direct funding	-826,000
Non Maintained Special Schools adjustment	-320,000
	19,707,000

- 2.2 The calls upon the High Needs Block are many and wide-ranging, encompassing all activities not considered mainstream or pre-school. This includes, though is not limited to:
- Additional Support/SEN top-ups for students in mainstream settings.
 - Full funding of designated/resourced provisions
 - Delegated budgets of special schools and alternative provision (including the provision at Sandy Lane, and New Horizons Pupil Referral Unit)
 - Medical and therapy costs
 - Specialist support placements outside the LA, or at non-maintained special schools nationwide
 - Inclusion & Access
 - Other central support costs not funded by Schools or Early Years Blocks
- 2.3 The March report identified the issue that in a number of areas increased costs and, more particularly, much increased demand are vastly outstripping the small amount of growth funding received by Warrington for the 2016/17 funding period. Further, setting realistic expenditure budgets for all the various priorities requires greater funding than available specifically within the High Needs Block allocation.
- 2.4 Additionally, whilst it is acceptable for Local Authorities, with the agreement of Schools Forum, to transfer funding from the Schools Block of DSG to offset pressure on the High Needs block, it is the case that Schools Block is fully committed. Therefore the March reported the position that we anticipate a funding shortfall of at least £791,000 in 2016/17 arising from increased costs as detailed in the table below.

	Item	Increased amount (£)	% increase on 2015/16
1	Top-up funding allocated to a mainstream primary school to support a child in mainstream:	£386,000	53%
2	Top-up funding allocated to a mainstream secondary school to support a child in mainstream:	£78,000	21%
3	Additional places at Woolston Brook	£80,000	
4	Additional places at Green Lane	£132,000	
5	Top up for high cost SEN in-year	£200,000	50%
6	Independent school fees	£600,000	27%
7	Support for Early Years	£80,000	43%
8	Transfer to schools block for new provisions (without growth) i.e. Kings & Future Tech Studio	£137,000	
	Total:	£1,693,000	
	Offset by reductions through changes and savings	£902,000	
	Projected additional pressure in 2016/2017	£791,000	

- 2.5 Since March the position on the projected additional pressure has become clearer and the current position is that the pressure will be at least £800,000 and possibly more than this.
- 2.6 Further consideration has therefore been given to the ways in which to mitigate for this pressure longer-term including those things identified in the March report as follows:
- review of the challenge process applied to top-ups for SEN to ensure there is a common understanding of additional need across all schools and that top-up funding provided is targeted as originally intended;
 - increase place availability at Warrington special schools to avoid placing out of borough;
 - review approach to negotiations over independent school fees and use frameworks when possible if these offer better value;
 - consider different ways to support early years so that the full cost isn't met in its entirety from High Needs;
 - work with existing providers to manage increases in capacity and the opening of provisions so that this is only in response to growth and delivering on the statutory duty to deliver sufficient places;
 - work with parents from the earliest possible stage of the assessment process to deliver what is required to meet the needs of the child or young person so that parents understand and supports the approach proposed.
- 2.7 A small group of Head teachers and officers have met to discuss this further and have agreed that there is opportunity to review the monitoring arrangements for top-up funding at least. Work is also underway to ensure consistency in

identification of need, consequently actions are being taken forward by members of the Inclusion and School Improvement team.

- 2.8 As a consequence of recent meetings of the High Needs Placement Panel, a number of additional children have been identified who could have potentially been placed out of borough. However as both Fox Wood and Green Lane have the physical capacity, although in theory not the actual place provisions, to take additional children, discussions with both schools have concluded that they would be willing to take the additional children. This does mean though that there is further additional pressure on the system, although probably less than there would have been with out of borough placements.
- 2.9 As part of the longer-term plan an opportunity exists to make a case for investment in a gap in local provision through the Free Schools Programme and the intention is to explore further.
- 2.10 Potential external grant opportunities have been identified which may be available to support some High Needs costs for early years. This will be explored further but if successful would only present a short term solution for a small group of vulnerable children.
- 2.11 Members of the accountancy team were also tasked with reviewing the allocations for special schools to provide a fuller understanding of cost increases in recent years. This has identified a number of areas that are contributing to cost pressures which could be addressed relatively easily in the current financial year as follows:
- over provision in the funding formula for the new sixth form at Woolston College equivalent to approximately £330,000.
 - since the two schools relocated to the Woolston site, no adjustment has been made to reflect potential efficiencies that should be available through co-location;
 - the allocation for Woolston Brook has been adjusted to reflect the fact that the site management issues at Grappenhall, which are supported with exceptional top-up funding, no longer apply. The adjustment though was very conservative and should be reviewed to ensure school is not being over funded in relation to premises management.
- 2.12 This exercise has highlighted the fact that, as a general rule, we should be ensuring that there is greater control over the allocation process and, although there will always need to be more flexibility in resourcing provisions for children and young people with additional needs, we do need to be satisfied that provisions are operating reasonably efficiently in relation to premises and staffing costs.
- 2.13 Further, this should apply to all provisions and services supported through the High Needs Block including special schools, designated provisions, alternative education provisions and local authority services.

2.14 There is a need also to consider the implications of the White Paper and to what extent there is a requirement for the High Needs Block to continue to support some types of provision in the future or whether this could be done equally effectively and possibly more efficiently through commissioning arrangements by schools. This will be taken forward through discussions with Head teacher representatives that have agreed to work with officers on the design of an education system for Warrington to meet future need.

3. SUGGESTED SHORT TERM SOLUTION TO FUNDING PRESSURES

3.1 Clearly section two of the report has confirmed that the financial challenge anticipated in March exists and is increasing. Further suggestions on ways to address the issue have been identified, including by addressing some inefficiencies. However these measures will not address the full extent of the pressure in 2016/2017 or that is likely to exist in 2017/2018 also.

3.2 In previous years Schools Forum would have considered the opportunity to address pressure on one block from the flexibility available through the other Block funding available in the DSG. However the Forum has received a report earlier in the agenda that demonstrates that this flexibility is diminishing and now barely exists.

3.3 Consequently it is suggested that the only other option is for the Schools Forum to consider that there is opportunity to address the issue, in the short-term at least, through the increasing level of school balances.

3.4 Schools Forum has received a report today which shows that the level of school balances at financial year end have increased and now stands at £7.4 million.

3.5 Previously the Local Authority and Schools Forum have adopted a challenge approach of requesting that schools demonstrate why they need to retain the level of balance that has accumulated. The outcome of this exercise is that schools have generally been able to provide a reason for retaining all of the funding.

3.6 It is clear though that balances continue to rise in some schools from one year to the next whilst the pressure in another part of the system is increasing and now over committed.

3.7 It is suggested then that, as a different approach to that which has happened previously, the challenge should be why an element of the balance held by a school should not be used to support the financial pressure on High Needs. This would effectively lead to a redistribution of funding to address priority area.

3.8 Similar to previous years the challenge should be to all schools whose balance is 8% or more in primary and special schools and 5% or more in secondary schools.

- 3.9 Further the challenge should be undertaken by Head teacher representatives of Schools Forum, i.e. the Formula Funding Working Group and the basis of the actual amount or percentage that is recovered from each school should be determined by that group.
- 3.10 Given that school balances equate to £7.4 million, and assuming a High Needs Pressure of £1 million each year in 2016/2017 and 2017/2018, the objective would be to create a contingency fund for redistribution totalling £2 million.
- 3.11 If, across the years efficiencies within the system reduce the pressure then any balance remaining would potentially be available for re-allocation in 2018/2019.
- 3.12 It is suggested that this represents a fair approach and is a reasonable approach to addressing pressures in the system in the absence of any other reasonable alternative option.

4. RECOMMENDATIONS

- 4.1 It is recommended that Schools Forum:
- (i) note the contents of the report and the financial position on High Needs;
 - (ii) support the recommended approach to the financial year- end school balance challenge process in order to create the opportunity for redistribution of a proportion of school balance, equivalent to £2 million to offset pressure on high Needs;
 - (iii) request regular progress reports on the actions that are being taken to develop a sustainable funding arrangement in the longer-term.