



Warrington Schools Forum

Agenda

Tuesday 3 October 2017

5.15 pm – 7.00 pm

Conference Room 1st Floor New Town House

Car parking will be available from 5.00 pm 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.	Items and Feedback from Formula Funding Working Group: (a) Impact of minimum funding guarantee and recommended way forward (b) Approach to FSM (c) Impact of changes to funding for Designated Provision (<i>HN to Mainstream</i>)	Enc	Discussion		<i>Garry Bradbury</i>
4.	Update on High Needs	Verbal	Information / Discussion		<i>Hilary Smith / Paula Worthington</i>
5.	2017/2018 LA to Schools Trading Position and Comparison with 2016/2017 (a) Mainstream (b) Academies	Enc	Information		<i>Dave Roberts</i>
6.	Update on Early Years	Enc	Information / Decision		<i>Angela Conway</i>
7.	AOB				Chair
8.	Meeting schedule: Tuesday 5 December 2017 at 5.15 pm (<i>Conference Room NTH</i>)				



Warrington Schools Forum

Minutes

Tuesday 27 June 2017

5.15pm - 7pm

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								
			22 March 2016	28 June 2016	4 October 2016	10 January 2017	2 March 2017	27 June 2017	3 October 2017	5 Dec 2017	
Maintained Nursery School Senior Staff (1)	Primary Headteachers Group	Jane Wilkie (JWil)	P	P	P	P	P	P			
Special School Staff (1)	Special School Headteachers Group	Mike Frost (MF)	P	S	P	P	X	X			
Special School Governor (1)	Governors Forum	Mike Evans (ME)	P	P	P	P	P	P			
PRU (1)	PRU Management Board	Karen Thomson (KT)	A	S	A	S	X	X			
Academy (4)	Academy Schools	Gwyn Williams (GW)	P	P	P	P	P	A			
		Tim Long (TL)	A	P	P	P	P	A			
		Judith Wright (JWri)	-	-	A	P	S	S			
		Andrew Bent (AB)	P	A	P	X	X	X			
Maintained Primary School Sector (9)	WAPH (5)	Andrew Redman (AR)	A	P	P	P	P	S			
		Susan Robinson (SR)	-	-	P	P	A	A			
		Gary Cunningham (GC)	P	A	P	P	S	P			
		Lesley McGann (LMc)	-	-	P	A	P	X			
		Lyndsey Glass (LG)	P	P	P	P	P	P			
	Governors Forum (4)	Stuart Munslow (SM)	P	P	P	P	P	P			
		David Hart (DH)	P	P	A	P	P	P			
		Janet Lazarus (JL)	P	P	P	P	P	P			
		Peter Ashurst (PA)	P	P	P	P	P	A			

Maintained Secondary School Sector (3)	WASCL (2)	Bev Scott-Herron (BSH)	P	P	P	P	A	P							Jan 2020
		Chris Hunt (CH)	-	-	-	P	A	P							Jan 2020
	Governors Forum (1)														Jan 2020
Private Voluntary and Independent Providers (1)	PVI Providers Forum	Ginny Taylor (GT)	P	A	P	S	P	P							Jan 2020

Representing <u>Non-Schools Members (4)</u>	Member	22 March 2016	28 June 2016	4 October 2016	10 January 2017	2 March 2017	27 June 2017	3 October 2017	5 Dec 2017						Tenure Ends
		Anglican Diocese (1)	Jacqui Wightman (JWig)	P	P	S	P	P	P						
Roman Catholic Diocese (1)	Tim Warren (TW)	P	X	X	A	P	P								Jan 2020
16-19 Institutions (1)	Gail Stonier (GS)	S	X	P	A	X	A	-	-						Jan 2020
Parent Governor (1)	TBC	-	-	-											Jan 2020

Independent Chair	Maureen Banner (MB)	P	P	P	P	A	P								Jan 2020
Representing <u>Warrington Borough Council</u>															
Interim Assistant Director Education	Hilary Smith (HS)	P	P	P	P	P	P								
Head of Service Pupil Achievement and Support	Lisa Morgan (LM)	-	P	P	A	A	A								
Chief Finance Officer	James Campbell (JC)	P	P	P	P	P	P								
	Garry Bradbury (GB)	P	P	P	P	P	P								
Executive Member for Children and Young People's Services	Cllr Jean Carter (CllrJC)	A	P	A	A	P	P								

Key

P ~ Present

A ~ Apologies

X ~ Absent with no apologies

S ~ Substitute

- ~ Vacancy

O ~ Observer

Non-School Member Representing Trades Unions

Shaun Everett (NUT & ATL)

Substitutes:

John Carlin representing Judith Wright; Jacqui Wightman representing Andrew Redman

Presenting an Item:

Garry Bradbury

Minutes:

Louise Cooper

	Item
1.	<p>Welcome</p> <p>The chairperson welcomed everyone to the meeting.</p>
2.	<p>Minutes from the previous meeting and matters arising</p> <p>a) Membership It was noted that Rebecca Knowles was not eligible to represent governors' forum due to her being a governor at an academy. The membership list has incorrectly recorded her as being absent with no apologies.</p> <p>Action 1: membership to be updated accordingly.</p> <p>It was noted that there is a vacancy on schools forum and the Formula Working Group for a secondary governor.</p> <p>Action 2: WASCL to consider secondary governor representation.</p> <p>b) Early Years SEND report The Early Years Group has not yet had a meeting to discuss the report.</p> <p>c) RSC HS raised with the RSC the issue about the budget that was intended for Future Tech. The response was that the money would follow the children. HS responded to say that funding should be available for the schools as well as the children.</p> <p>Action 2: HS to follow up this up with the RSC to establish a position by July.</p> <p>d) Formula Working Group Membership Jacqui Wightman is a member of the Formula Working Group.</p>
3.	<p>DSG Out-turn Position 2016-17</p> <p>The purpose of the report is to notify Schools Forum of the confirmed outturn position for the retained DSG budgets for 2016-17.</p> <p>The DSG was initially expected to be overspent by £790 817 however the closing deficit is £82, 694 which is a significant improvement. This has been possible due to various measures including investing a one- off saving from the cancelled carbon licensing commitment (£151, 299). Nevertheless the position means that there is no funding to be recirculated to schools. The chair noted that the improvement was a credit to the local authority.</p>

	<p>The overall DSG position aggregates from a number of individual variances that were detailed in a table in the report.</p> <p>LG queried the PEP support. GB explained that this was for admin support and was a decision made by the local authority to maintain the target for producing PEPs for pupils. These are new posts for the virtual school. The chair asked if a business case was put forward for these posts. HS explained that the PEP staff are a mixture of full time staff and fixed term contracts.</p> <p>Action 3: GB to feedback about the business case.</p> <p>JC asked about the additional pupil number contingency. This is not mentioned for secondary and Penketh High is operating with an additional pupil in the DP.</p> <p>Action 4: HS to look into this.</p> <p>J Wilkie queried the activity being lower than expected for Early Year Pupil Premium. GB explained that allocation was based on an assumption of numbers that did not happen.</p> <p>GC asked where the money for hospital and medical is being spent. HS explained that there is a bank of tutors which are deployed by the local authority. Children with mental health issues are supported through The Priory. There is limited control over the provision because it is commissioned on the local authority's behalf. HS has met with The Priory and has asked them to provide value for money.</p> <p>Action 5: HS to bring a report to schools forum.</p> <p>The chairperson questioned whether there was a financial contribution from health. GC advised that the money for this is a ring fenced element of the high needs block.</p>
4.	<p>School Balances 2016-17</p> <p>The purpose of the report was to notify Schools Forum of the final individual balances for Warrington maintained schools as at end 2016-17, and compare the overall picture with the corresponding situation in the previous year.</p> <p>There is a significant reduction in the aggregate of school balances. The average balance retained is 5%.</p> <p>The application of the new clawback criterion indicates that a total of £51,390 should be clawed back from 7 schools.</p> <p>Table 2.4 details the schools that have closed with a deficit.</p> <p>J Wilkie asked that claw back was not applied to Sandy Lane as their indicative deficit could be doubled by 2020. The chairperson declared an interest in regards to the discussion about Sandy Lane.</p> <p>It was agreed that because the decision was taken by schools forum to clawback then this process</p>

should be applied.

It was suggested that any clawback taken from maintained schools should be returned to maintained schools.

LG suggested that all academies should contribute to the overspend of the DSG.

It was **agreed** that the £51,390 clawed back will be re-distributed to maintained schools according to pupil numbers. £83k will be topsliced from all school budgets next year.

Recommendations:

Schools Forum is asked to note the 2016-17 outturn position for schools and the general decrease in School Balances held by Warrington non-Academy schools at 31st March 2017. **NOTED**

To recommend the use of the total funding clawed back from Warrington maintained schools in respect of 2016-17 closing balances. **AGREED AS ABOVE.**

5. **DSG Budgets 2017-18**

The purpose of the report is to illustrate how the DSG allocation for Warrington for 2017-18 has been allocated to individual school budgets.

Queries were raised about the allocation of the early years block in relation to the early years SEND projects. Forum members expected that more work would be done through the early years strategy group to ensure that the resources are being used effectively and efficiently before spend was agreed.

Action 6: spend on SEND projects to be considered by the Early Years Strategy Group

HS discussed the concept of a virtual MAT for SEND. This will be a set of principles that all providers in Warrington will work to in relation to supporting SEND. A programme of activity will be developed that enables partners to work in a sustainable way and use resources in a cost effective way.

The group discussed the need for a message to all school about how critical the situation is in relation to high needs and that a collective responsibility is required to address the issues.

HS explained that representatives from the sectors have been identified who will lead on the priorities via task and finish group.

Action 7: HS to produce a paper for schools forum on the virtual MAT for SEND.

It was suggested that there is a single agenda item at the next director's briefing to discuss high

	<p>needs.</p> <p>Action 8: Garry Cunningham, Bev Scott-Herron and Mike Evans to meet with Hilary Smith to set the agenda for the director’s briefing.</p> <p>An issue was raised about New Horizons converting to an academy. Warrington has invested in New Horizon’s and it is hoped that this support is not lost once the provision joins a MAT. HS explained that there is a commitment from the local authority to retain the provision but schools need to use it in order to make it sustainable.</p> <p>An issue was raised about support still being detailed in hours in EHC plans. It was suggested that examples of what the support might look like was made available to parents making clear that the funding could be used on a number of different strategies and may not be one to one support.</p> <p>HS explained that Terry Jones is leading on this and a group will come together before the end of term to address this issue. A communication will be sent to all schools.</p>
6.	<p>Surface water charges update</p> <p>Changes to surface water charges will mean a 15% rebate for all schools and a 50% reduction in water charges by 50% in 2019/2020 equating overall to schools water bills to be reduced by 40% going forward.</p>
7.	<p>Funding update</p> <p>There is a report from Effervesce education consultants to feed into the debate on schools funding formula. There have been attempts to establish Core Pupil Resource – how much a school needs for its basic running and mainstream education.</p> <p>They surveyed 200 primaries & 55 secondary schools – criteria being:</p> <p>SEN <20% Ever6 FSM <20% In one of the 40 lowest-funded LAs Ofsted effectiveness score of 1 or 2</p> <p>The recommendation of per pupil and lump sum levels were different to consultation proposals: Primary AWPU £3,343 KS3 AWPU £4,093 KS4 AWPU £4,143 / Primary Lump Sum £61,769 Secondary Lump Sum £239,152.</p> <p>If this was implemented with additional funding (£2,000 million required) would deliver about £10m extra to Warrington schools. This puts money back into basic functions and benefits both phases – no movement of funds primary to secondary.</p> <p>The report was not commissioned by the DfE, but they allowed access to data and are considering it, along with the consultation responses, the alternative f40 proposals, and perhaps other</p>

	<p>unknown submissions.</p> <p>Another suggestion was that the national formula is just for the basic running, and additional needs are dealt with at local level, as currently with High Needs.</p>
8.	<p>Meeting schedule</p> <p>Tuesday 3 October 2017, 5.15pm</p> <p>Tuesday 5 December 2017, 5.15pm</p> <p><i>(Conference Room, 1st Floor NTH)</i></p>

Final NFF Values - September 2017

		WBC 2017/18	Consulted on NFF	Final NFF	Final NFF x ACA
Basic per pupil funding	Primary	£2,822.36	£2,712	£2,747	TBC
	KS3	£4,078.08	£3,797	£3,863	TBC
	KS4	£4,264.10	£4,312	£4,386	TBC
Deprivation	Current FSM Primary	£3,210.60	£440	£440	TBC
	Current FSM Secondary	£3,023.58	£440	£440	TBC
	FSM 6 Primary		£540	£540	TBC
	FSM 6 Secondary		£785	£785	TBC
	IDACI Band F Primary		£200	£200	TBC
	IDACI Band F Secondary		£290	£290	TBC
	IDACI Band E Primary		£240	£240	TBC
	IDACI Band E Secondary		£390	£390	TBC
	IDACI Band D Primary		£360	£360	TBC
	IDACI Band D Secondary		£515	£515	TBC
	IDACI Band C Primary		£360	£390	TBC
	IDACI Band C Secondary		£515	£560	TBC
	IDACI Band B Primary		£420	£420	TBC
	IDACI Band B Secondary		£600	£600	TBC
IDACI Band A Primary		£575	£575	TBC	
IDACI Band A Secondary		£810	£810	TBC	
Low Prior Attainment	Primary	£139.94	£1,050	£1,050	TBC
	Secondary	£782.75	£1,550	£1,550	TBC
English as Additional Language	Primary	£370.45	£515	£515	TBC
	Secondary	£992.75	£1,385	£1,385	TBC
Lump Sum	Primary	£156,677.00	£110,000	£110,000	TBC
	Secondary	£136,762.00	£110,000	£110,000	TBC

Schools Forum	
3 October 2017	
Report Title	Annual Service Level Agreement (SLA) Review
Report Purpose	To update Schools Forum with regard to the levels of buyback on SLAs offered to schools and the progress being made under the Enterprising Warrington Strategy
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 being made to provide sustainable services that offer schools value for money and consistent levels of service; (ii) recognise that the LA is an important provider, commissioner and participant in the Warrington education system; and (iii) encourage colleagues to provide feedback on the future shape of traded services.
Decision Required	None

1.0 PURPOSE

- 1.1 To provide Schools Forum with an update and analysis of SLA buyback for 2017/18 financial year and a comparison with last year.

2.0 BACKGROUND

- 2.1 Buy-back from schools is analysed each year to highlight growth and possible areas of concern and is presented to Schools Forum in October in order to provide an overview of the trading relationship between the council and local schools. This is the fifth annual revenue analysis of school SLA buybacks.

- 2.2 The report does not include:

- the revenue generated by the School Meals service. A contract has been put in place to cover the period April 2016 – July 2019. This service is paid for directly by parents via the cost of individual meals taken or through the Government policy on providing free meals to eligible children. The Service generates an end of year financial surplus which is available for reinvestment.
- the buyback from Building Services (see 3.4)

- 2.3 The report does now include income from additional costs associated with contract variations in the cleaning and grounds maintenance services. However, these will be shown as an in-year differential due to being provided 'on-demand' and only being part way through the financial year.

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 launched its first ever Commercial Strategy in February 2017, which schools have received previously.

- 3.2 The Council remains committed to working with schools to determine the most efficient and effective mode of delivery within the current range of traded services as well as establishing open communication about new ways of working across the system in Warrington.

- 3.3 During this year, all SLAs became three year contracts. Price rises are limited to externally verified inflation figures, anything higher triggering a wider consultation with schools.

- 3.4 The only exception to the three year period was for Building Services as we have entered a contract with a new external supplier (Mears) with a different specification. No additional commitment is required from schools as part of the wider council agreement with Mears.

- 3.5 Schools converting to academy will now have all contracts novated to the new academy, or multi-academy trust at the point of conversion. Terms and conditions were adapted to align this process for all schools from April and September 2017.

4.0 REVENUE PERFORMANCE – MAINTAINED

- 4.1 Core revenue (from contracted services) increased by £264,525 (2016/17: £4,180,468.18)
- 4.2 Incremental services and training are expected to be sold throughout the year and will need to be measured retrospectively from at the end of the financial year to ensure a balance between cost of delivery and income generated.

5.0 REVENUE PERFORMANCE – ACADEMIES

- 5.1 There were two academy conversions so far during the 17/18 financial period (Great Sankey Primary School and Sir Thomas Boteler CE High School). Academies and other independent schools / education establishments now account for 17 of 93 schools in Warrington (18%).
- 5.2 Like for like, core revenue (from contracted services) decreased by £176,090 (2016/17: £513,213)
- 5.3 This variance lies across a range of services, most notably, Facilities Cleaning, where a small number of schools have indicated they wish to continue with the service, but have yet to formally sign up. If all of the schools indicating an intention to sign-up, were to buy-back, the income would increase by £144,330 meaning an overall reduction of £31,760 on the 2016/17 position.
- 5.4 Additionally, £110,942 was generated from the recently converted academies and a tender for provision of Payroll services for The Challenge Academy Trust (TCAT) was won by the Local Authority and is expected to take the overall net position to a positive picture.
- 5.5 Incremental services and training are expected to be sold throughout the year and will need to be measured retrospectively from the end of the financial year to ensure a balance between cost of delivery and income generated.

6.0 OVERALL REVENUE (BY SERVICE & DIRECTORATE)

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

Service	% variance	£ variance	Rationale
Governor Support	+5%	4,409	Change in pricing model
Health & Safety	+152%	28,834	Now chargeable for some categories of school
ICT Support	+15%	78,205	Annualisation of network services contract
Performance Data	+609%	56,862	Now chargeable for all schools
School Admissions	+72%	18,722	Non-statutory function now chargeable

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

Service	% variance	£ variance	Rationale
Attendance	-23%	(21,389)	Service has been restructured and many schools now managing without support. The discretionary element of the service operates on full cost recovery basis.
Careers for Young People	-28%	(5,679)	Reduction in buyback and service subject to a redesign
CPD for Schools	-10%	(2,928)	SLA fee only. More focus on individual training course revenue
Finance Advisory	-8%	(12,872)	Academy conversions and schools no longer requiring support.
Occupational Health	-7%	(5,208)	Lower staff numbers and small number of schools choosing to opt out
Procurement	-54%	(18,139)	Significant reduction in buyback
Tree & Woodland Management	-17%	(7,807)	Reduction in buyback

7.0 VALUE FOR MONEY / SERVICE IMPROVEMENT REVIEWS

7.1 Services are subject to review when at least one of the following factors applies:

- not currently achieving cost recovery (in relation to direct costs)
- a declining revenue year on year
- an unclear financial position

7.2 The council has no intention to cease or drastically reduce any service provided to schools without prior consultation. Reviews will focus clearly on turning services around, reducing cost and ensuring we are delivering modern and efficient services that are providing excellent value for money.

8.0 SLA ONLINE DEVELOPMENTS (My School Services)

8.1 There have been a number of enhancements to the online system for schools during the past twelve months. These are summarised below.

8.2 Schools should note that we will continue to listen to your feedback on how the system is or is not meeting your needs and we will continue to work with the supplier to offer developments and maintain a system, free of charge to schools, into the foreseeable future.

Summary of enhancements

Implemented in 2017	
June	New newsletter 'My School Report' now aggregates relevant content each week and delivers this to your inbox. We also provide you with details about useful training opportunities and upcoming events and promote activities from our teaching schools too.
August	New resources tab, separating communication and news from accessing documents, policies and guidance (see more below)
September	The addition of an NQT module, which will streamline the assessment process and improve the monitoring of an NQT's progress. This includes the sign off process by the NCTL.

Upcoming developments for 2017 and 2018	
October 2017	New services pages with greater use of imagery, clearer layout and improved navigation for school users. Improved search function to help you find what you are looking for more easily Better resources functionality and the development of a new approach to finding and creating new resources (policies, guidance, forms and notes) on My School Services
December 2017	Improved email templates. More information about purchases delivered to your inbox.
April 2018	Card payments. Whilst this development is aimed at users outside of schools, this additional functionality would allow purchase of training and other pre-defined items where appropriate.

9.0 RECOMMENDATIONS

9.1 It is recommended that Schools Forum:

- (i) note the progress being made to provide sustainable services that offer schools value for money and consistent levels of service
- (ii) recognise that the LA is an important provider, commissioner and participant in the Warrington education system
- (iii) encourage colleagues to provide feedback on the future shape of traded services

Report



WARRINGTON
Borough Council

Report to:	Schools Forum	Item:	6
Date:	3 October 2017	For:	Information Decision
Title:	Early Years Update		
Author:	Angela Conway	Presenter:	Angela Conway

1. INTRODUCTION

- 1.1** The purpose of the report is further to the report presented to Schools Forum in March 2017 to provide Schools Forum and DMT with an early years update on the SEND Review and Inclusion Fund in Warrington, to inform members of the policy on nursery class funding arrangements under academy status and to provide options to address the deficit DSG Early Years block budget. A report was presented to Schools Forum in March 2017. While the report was agreed in principal, there was some challenge around the proposals and further information was requested. This report therefore provides a response.
- 1.2** Under the Children and Families Act 2014 every Local Authority must have published a local offer or SEN and Disability (SEND). The Local Offer is a statutory requirement on local authorities to develop and publish information - setting out the support they expect to be available for all children and young people with SEND. Schools are subject to a statutory duty to co-operate with their local authority in the development of the Local Offer. Providers of relevant Early Years Education are also required to co-operate with the Local Authority in relation to the Local Offer. The Local Authority should engage with the providers of relevant Early Years Education, particularly those in receipt of Early Years funding.
- 1.3** Additionally in December 2016 the Department for Education published its response to consultation with Early Years providers regarding changes to funding for three and four year olds. This provided detail of a new requirement to establish a SEND Inclusion Fund based on the following:
- 1.4** “All LAs will be required to establish this fund for 3 and 4 year olds building on good practice already established in many areas. This requirement is intended to help address the issues identified in the DfE report, *‘Research on funding for young people with Special Educational Needs’* (paras 8.10-8.16, July 2015). LAs are encouraged to apply this to 2-year-olds but it won’t be a requirement of regulations applying to the early years.

1.5 LAs in consultation with EY providers, parents and SEN specialists, will be responsible for deciding for which children the SEN Inclusion Fund will be used. The DfE advises that this should be focussed on children with lower-level or emerging SEN, since those with more complex SEN (broadly, those with EHC Plans) should receive funding through the LA’s High Needs Block of funding. Such an approach would be consistent with implementing a core principle in the SEND Code of Practice regarding the early identification of children & young people’s needs and early intervention to meet them.”

2. INCLUSION PANEL

2.1 To support Warrington’s Early Years SEND Graduated Pathway, an Inclusion Panel will be established with effect from the Spring Term 2018. This panel will receive referrals from health and education professionals if they are concerned that a child has SEND and/ or complex multiple needs within the 4 broad areas of need (communication & interaction, cognition & learning, social, emotional and mental health and sensory and or physical). With parental consent referrals will be considered from Child Development Centre (CDC) PVI Early Years settings, Schools, Health professionals, Sensory Impaired Support Teachers and Social Care. The multi-agency panel will meet monthly and will consider new referrals and review the allocation of resources for children already known to the panel. Panel members will include Schools, PVI Settings, Health, Education, Social Care and Local Authority representatives. Services that will form part of this local offer for Early Years will include Portage, vulnerable 2 year old nursery places and allocation of Early Years Special Educational Needs and Disability Inclusion Fund. Also other services such as Children’s Centre SEND offer, outreach support in the nursery setting or a specialist place at Sandy Lane Nursery School.

2.2 PORTAGE

The Portage Service has operated in Warrington now for 18 months. This service is managed by a Senior Portage Worker, the LA fund this role. Portage employs two FTE Portage Workers. In table 3, section 6, the Portage spend will allow to continue to pay for 2 FTE workers until September 2021. Children are currently offered a service if they meet the criteria which is having a developmental delay in two or more developmental/skill areas of between 12 – 18+ months or a recognised disability/diagnosis where significant development delay is likely to feature. As described in the above proposed inclusion panel model, allocation of a portage service will be by the panel. This will ensure no overlap of services which was a concern detailed in School Forum minutes dated March 17. Other concerns were raised in March’s minutes and our responses are outlined below:

Questions	Response
How do Health contribute to Portage?	Health agencies were part of the steering group and helped to develop the criteria for a service. Health are one of the main referrers, more recently they are referring children at age one or younger. This allows for early intervention during a period of accelerated child development. Health professionals from Speech and Language, Physio and Occupational Therapy often inform the holistic approach Portage workers adopt when teaching individual children. Health contribute to Early Help Assessments for certain children

Questions	Response
What impact evidence is there?	Warrington Portage secures early parental confidence in teaching their child and secures an enhanced transition into nursery at age 2 or 3. Parental feedback is positive, as a result of Portage parents feel more able to help their child make progress and are supported to access holistic support for the family.
What potential savings can be made as a result of the service?	As detailed in March's minutes, impact and savings will be evident across a longer period of monitoring. Portage is an essential feature of Early Help and provides early education for a particular cohort of disadvantaged children. The Portage service is part of a pathway supporting children to become nursery ready. The service provides substantial evidence around the child's future needs, therefore reducing the number of children accessing costly services that may not be appropriate.

2.3 INCLUSION FUND

The Inclusion Fund will replace Support Plus Funding in Warrington and will form part of an Early Years SEND Graduated Pathway. Our Inclusion Fund will replace the established funding stream of Support Plus Funding. Warrington Local Authority is consulting on the allocation of the Inclusion Fund and is asking for responders to consider allocation of resources in a 30 hour childcare model. The proposals are recommending an allocation of funding based on analysis of Support Plus Funding spend in 2016 -2017.

- 2.4** The proposed DSG budget of £400,000 plus carryover of £47,335 allows for £111,833 per year (for 4 years). We estimate that this would provide funding for enhanced support for eligible children who access 15 hours universal education. It would also secure a funding stream for settings to provide enhanced support for up to 15 hours additional entitlement for children who have additional needs and take up 30 hours childcare. We are currently consulting on a model that will support settings to enhance the support they offer for 15 and up to 30 hours. We have calculated the proposal based on monetary values awarded in 2016/2017.

In 2016/ 2017 Support Plus funded 88 children at a total cost of £63,237.

2016/2017 Allocation	£63,237	Children in total	Analysis
Summer Spend	£26,098	51	Funding awards peaked during summer term as more of the pre-school children have been identified as having complex needs. Some have moved onto a plan but a significant amount of children were awaiting a finalised EHCP.
Autumn Spend	£16,416	49	Autumn is the term where less spend is apportioned. Children are new into nursery and are gradually being identified through the graduated approach.
Spring Spend	£20,729	50	Funding amount increases each month as more new children are presented at panel each month.

- 2.5** The challenges moving forward will be for the LA and partners to meet the needs of children across all age ranges who do not meet the requirements for an EHCP. In early years this will include the Inclusion Fund supporting some children for longer periods as it is likely that fewer assessments for EHCP will result in a plan. The reshaping of this offer will reduce the number of children needing a statutory intervention such as an EHC Plan and instead follow an early help pathway.

Data from 2016/2017 shows that 57 early years children had an EHCP before they entered statutory school. This is above the regional and national average.

2.6 VULNERABLE TWO YEAR OLDS

In Warrington approximately 40% of 2 year olds receive a free nursery place based on a set of financial characteristics of the family. In addition a multi-agency panel meet termly to allocate places to 2 year olds who are referred into the Early Help Division due to the wider needs of the family and or child. These children do not qualify for a place based on the national criteria; however they present with more complex needs and benefit from accessing a free nursery place. In table 3, section 6 the allocation will allow for the next 4 years to support an additional 33 children per year at the financial rate per hour or 20 children if this budget is reduced to meet the deficit budget described in section 5.

It should be noted that the inclusion panel described in (2.2) will consider applications for vulnerable 2 year olds. Children with significant needs will not necessarily be offered a funded place, however they will be supported through Children Centre services, Portage or/and an early help assessment. This will ensure a smooth transition into an appropriate nursery placement with a package of support.

2.7 NURSERY CLASS/ACADEMY STATUS

According to the Department for Education, Academies should be treated no differently from any other private provider in terms of administering funding. Where a provider is judged less than 'Good' by Ofsted, the local authority is able to withdraw the Early Education Funding from that provider until the judgement has returned to a good judgment. All providers have to sign the Warrington Early Years Provider agreement which states the support available for Early Years providers who do not meet the above quality requirement. The Early Years Quality Support Officer currently provides intensive support within an Early Years provision if a provider has been judged to be less than 'Good.' However, this offer is not in place for early years located within a school based provision.

In financial year 2018/19 all academies with a nursery class will be funded at the private provider rate of £4.15 per child per hour.

2.8 DSG – EARLY YEARS BLOCK

The allocated funding for 2017/18 in the DSG Early Years block has come in from the DfE at £154,000 under the expected budget. The three and four year old allocation is £76,676 less, the two year old allocation is £70,253 less, and the Early Years Pupil

Premium is £7,071 less. In order to balance this budget deficit the two proposed options are: to reduce the early years hourly base rate for three and four year olds in 2018/19 for all sectors or to reduce the vulnerable two-year old budget

Because the Early Years Block of DSG relies on the later dedicated EY census (January) rather than the Schools Block (which is informed by the previous October's schools census), the validated count comes too late to derive the overall allocations confirmed late December. This Block is therefore communicated as an indicative allocation, to be amended for updated numbers during the summer. Not only does this inform a revised allocation for current year, it is also used to retrospectively, and further, adjust the previous financial year's allocation. So, the 2016/17 allocation, adjusted in July 2016 to account for the January 2016 census, is amended again for part-year effect of the January 2017 count (using 5/12ths Jan 2016 and 7/12ths Jan 2017). Whether or not this results in an increase or decrease in funding for the 2016/17 financial year, it comes after all Local Authorities have closed their accounts for that year and agreed their balances, carry-forwards and new-year budgets.

The table below illustrates how reduced pupil numbers at the successive counts have resulted in a reduction of £304,692 of the 2017/18 Early Years Block, and a reduction of £154,000 in the 2016/17 allocation:

CENSUS DATA				FINANCIAL EFFECT		
		<i>Jan-16 FTEs</i>	<i>Jan-17 FTEs</i>	2016/7	2017/2018	
3 & 4 Year olds	<i>Schools</i>	£675.38	£663.94	£21,669	£46,740	
	<i>PVIs</i>	£1,374.80	£1,346.16	-£55,006	£116,986	
2 Year olds	<i>Schools</i>	£91.20	£100.92	£26,228	£48,756	
	<i>PVIs</i>	£314.96	£279.60	-£96,480	£177,366	
EY Pupil Premium	<i>Schools</i>	£112.50	£128.28	£4,714	£7,945	
	<i>PVIs</i>	£83.76	£43.44	-£11,786	£20,301	
				-£154,000	-£304,692	
				<i>Schools</i>	£9,272	£9,960
				<i>PVIs</i>	-£163,272	-£314,653
				-£154,000	-£304,692	

2.9 So long as the reduced numbers are reflective of current activity trends and not simply an anomaly at census date, the 2017/18 funding reduction should be reflected in reduced total allocations across the sectors, and should theoretically be neutral in its effects. The biggest consequence will be the sizeable reduction, post-closure, of the 2016/17 allocation, which will be a direct cost pressure of £154K, requiring addressing.

2.10 Previous years' post-closure reductions have been negligible, but large 'clawbacks' for 2016/17 are in place across the country. The total reduction across England is almost £40 million, with Oxfordshire losing over £2 million, and 5 other local authorities facing gaps of greater than £1 million.

2.11 In respect of 2016/17, the three and four year old allocation is £76,676 less, the two year old allocation is £70,253 less and the Early Years Pupil Premium is £7,071 less. In order to balance this budget deficit the two proposed options are:

2.12 Option one, to reduce the early years hourly base rate for three and four year olds in 2018/19 for all sectors (please see table 1) NB – It is worth noting that in January 2017, all providers were informed of the proposal for the 2018 / 2019 base rate to assist in their financial planning. As Warrington receives the lowest base rate of funding across the Country for early years provision, a number of supplements paid to providers were either removed or reduced in order to maintain a sufficient base rate. We are unsure, at this stage, of the impact the 30 hour extended entitlement has or is going to have on early years providers; therefore, it may be counterproductive in terms of financial sustainability for the Early Years sector to alter the base rates at this time.

Table 1

Sector	2017/18 base rate	2018/19 proposed base rate
Nursery School	£4.30	£4.27
	Plus MNS protection	Plus MNS protection (saves £1,663)
Nursery Class	£4.28	£4.25 (saves £17,723)
PVI	£4.00	£4.10 (saves £133,634)
Childminder	£4.00	£4.10 (saves £980)

2.13 Option two is to reduce the vulnerable two-year old budget by £154,000, which would leave a balance of £229,391 in this budget. This would mean that each year, 20 FTE vulnerable 2 year olds would receive a funded nursery place over a 4 year period, rather than 33 FTE. Consideration should also be given that the criteria for a funded two year old place is currently under review as part of the overall Early Years SEND Review; proposals are that referred two years olds should receive a pathway of support, ranging from Portage to Children’s Centre service, and only receive a funded nursery place when the child is nursery-ready. This will reduce the demand for funded two year old nursery places but will increase the demand for Portage and Children’s Centre services.

At a meeting on 25 September 2017 the Early Years Single funding Formula Group agreed that option two is the preferred option.

3. FINANCE

3.1 The Dedicated Schools Grant, Early Years Blocks allows Local Authorities to retain 7% in 2017/18 and 5% in all financial years following. At the Schools Forum meeting on 10 January 2017 it was agreed that Warrington would retain the following amounts for the purpose of Early Years SEND (please see table 2)

Table 2 details the amounts of funding that will be retained over a 4 year period.

Table 2

2017/18	2018/19	2019/20	2020/21	TOTAL
£143,482	£225,541	£168,932	£168,932	£706,886

Table 3 details how much will be allocated over that period to the three project areas discussed in this report if it is agreed that option two is the preferred option.

Table 3

	SEND Support Plus/Inclusion Fund	Vulnerable 2 year olds	Portage	
2016/17				
Carry Forward	£47,355	£383,391	£93,115	
Early Years Block DSG		-£76,676 -£70,253 -£7,071		
2017/18				
DSG Allocation	£100,000		£71,050	
2018/19				
DSG Allocation	£100,000		£71,050	
2019/20				
DSG Allocation	£100,000		£71,050	
2020/21				
DSG Allocation	£100,000		£71,050	
Total	£447,355	£229,391	£377,315	
Total DSG only	£400,000	£0	£284,200	£684,200

4. CONCLUSION

- 4.1** This report has been discussed and approved at Early Years Single Funding Formula meeting on 25 September and Early Help and SEND SMG on 26 September 2017. It is important that a decision is made on the allocation of Inclusion Funding for the service to meet the needs of early years children. If this is delayed further there is a risk that the LA will continue to work with a funding model that is not sufficient and will allocate resources inappropriately.
- 4.2** The preferred option to meet the DSG early Years deficit for 2016/17 is to reduce the number of vulnerable two year olds receiving a funded nursery place from 33 FTE to 20 FTE per year.
- 4.3** Schools with nursery classes who are Academies or are considering becoming Academies should note the change in the early years 3 and 4 year old base rate for this sector for financial year 2018/19.

5. RECOMMENDATION

- 5.1** Schools Forum is asked to:-
 - 5.2** For Schools Forum to note the report
 - 5.3** For Schools Forum to note the extension of the Portage team until March 2021.
 - 5.4** For Schools Forum to agree to the allocated Inclusion Fund until March 2021.
 - 5.5** For Schools Forum to agree to option two, as set out under 2.13, in order to address the Early Years DSG budget deficit of £154,000.
 - 5.6** For Schools Forum to note the change in early years funding to Academies with a nursery class from 2018/19.
 - 5.7** For Schools Forum to note that this budget will only support these services up to 2021