

## Warrington Schools Forum

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### Agenda

**Tuesday 4 October 2016**

**5.15 pm – 7.00 pm**

**Conference Room 1<sup>st</sup> 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.	Current position on local authority traded services with academies	Enc	Information		Dave Roberts
4.	Update on national funding formula	Verbal	Information		Garry Bradbury
5.	Early Years Funding – Consultation	Verbal	Information		Garry Bradbury
6.	Outcome of the schools balance challenge process	Verbal	Information		Garry Bradbury
7.	Update on High Needs spend	Enc to follow	Decision		Hilary Smith
8.	Local Authority position on school redundancy payments	Verbal	Information		Hilary Smith
9.	AOB				Chair
10.	<b>Meeting schedule</b> 6 December 2016, 5.15pm				Chair

**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	4 October 2016	6 Dec 2016					
Maintained Nursery School Senior Staff (1)	Primary Headteachers Group	Jane Wilkie (JW)	P	P							Jan 2020
Special School Staff (1)	Special School Headteachers Group	Mike Frost (MF)	P	S							Jan 2020
Special School Governor (1)	Governors Forum	Mike Evans (ME)	P	P							Jan 2020
PRU (1)	PRU Management Board	Karen Thomson (KT)	A	S							Jan 2020
Academy (4)	Academy Schools	Gwyn Williams (GW)	P	P							Jan 2020
		Tim Long (TL)	A	P							Jan 2020
		Ben Dunne (BD)	S	A							Jan 2020
		Andrew Bent (ABe)	P	A							Jan 2020
Maintained Primary School Sector (9)	WAPH (5)	Andrew Redman (AR)	A	P							Jan 2020
		Chris Metcalfe (CM)	X	P							Jan 2020
		Gary Cunningham (GC)	P	A							Jan 2020
		Nick Toyne (NT)	A	A							Jan 2020
		Lyndsey Glass (LG)	P	P							Jan 2020
	Governors Forum (4)	Stuart Munslow (SM)	P	P							Jan 2020
		David Hart (DH)	P	P							Jan 2020
		Janet Lazarus (JL)	P	P							Jan 2020
Maintained Secondary School Sector (3)	WASCL (2)	Bev Scott-Herron (BSH)	P	P							Jan 2020
		Vacancy	-	-							Jan 2020
	Governors Forum (1)	Rebecca Knowles (RK)	X	X							Jan 2020
Private Voluntary and Independent Providers (1)	PVI Providers Forum	Ginny Taylor (GT)	P	A						Jan 2020	

<b>Representing</b>		<b>Member</b>		22 March 2016	28 June 2016	4 October 2016	6 Dec 2016										<b>Tenure Ends</b>
<u>Non-Schools Members (4)</u>																	
Anglican Diocese (1)		Jacqui Wightman (JW)		P	P												Jan 2020
Roman Catholic Diocese (1)		Tim Warren (TW)		P	X												Jan 2020
16-19 Institutions (1)		Gail Stonier (GS)		S	X												Jan 2020
Parent Governor (1)		TBC		-	-												Jan 2020
<b>Independent Chair</b>		Maureen Banner (MB)		P	P												Jan 2020
<b>Representing</b>																	
<u>Warrington Borough Council</u>																	
Interim Operational Director of Universal Services		Hilary Smith (HS)		P	P												
Head of Service Learning and Achievement 0-11		Lisa Morgan (LM)		-	P												
Chief Finance Officer		James Campbell (JC)		P	P												
		Garry Bradbury (GB)		P	P												
Executive Member for Children and Young People's Services		Cllr Jean Carter (CllrJC)		A	P												

**Key**

**P** ~ Present

**S** ~ Substitute

**A** ~ Apologies

**-** ~ Vacancy

**X** ~ Absent with no apologies

**O** ~ Observer

**Non-School Member Representing Trades Unions**

Apologies from Shaun Everett – NUT

**Substitutes:**

Jenny Appleton (on behalf of Karen Thomson)

Paul King (on behalf of Mike Frost)

**Observers:**

None

**Presenting an Item:**

Dave Roberts

**Minutes:**

Gill Sykes

**Warrington Schools Forum**

**Minutes** – draft to be confirmed October 2016

**Tuesday 28 June 2016**

**5.15 – 7.00 pm**

**Conference Room 1 Floor New Town House**

	<i>Item</i>	<b>Action</b>
1	<p><b>Apologies and Welcome</b></p> <p>The chairperson welcomed all to the meeting. Apologies were received from Ginny Taylor, Shaun Everett, Ben Dunne, Andrew Bent, Karen Thomson, Mike Frost, Nick Toyne and Gary Cunningham.</p>	
2	<p><b>Minutes From the Previous Meeting and Matters Arising</b></p> <p>The minutes were accepted as a true record with one amendment to the meeting schedule – the next meeting is 4 October 2016. There were no matters arising.</p>	
3	<p><b>Admissions Appeals</b></p> <p>Returned to Schools Forum with information around a banding structure based on planned admissions numbers and forms of entry to schools. The new structure proposes a charge of £188.03 per form of entry to schools. <b><i>This revised version of the proposal was agreed.</i></b></p>	
4	<p><b>Traded Services/SLA Update</b></p> <p>Dave Roberts presented his report on the annual revenue analysis of maintained school SLA buybacks.</p> <p>Comments included:</p> <ul style="list-style-type: none"> <li>• JW queried the Health &amp; Safety service for schools, and DR informed that it looks at the statutory and non-statutory range of H&amp;S provision.</li> <li>• SM mentioned inflation being built in at the beginning of the three year SLA period or whether it could be staggered over the three years.</li> <li>• ME queried whether a school could be released from the three year contract if they found they could not afford the SLA. Response: at this point the local authority would act responsibly and a discussion would take place about the cost implications on both sides.</li> <li>• CM queried Education Safeguarding and the School Improvement Alliance Group. Response: As a consequence of the White Paper the LA responsibilities are changing and discussions with schools are due to start around the possibility of schools hosting some of the services. HS referred to the event due to take place on 14/07/16 where</li> </ul>	

	<p>headteachers are invited to explore the LA school support services.</p> <p>It is recommended that Schools Forum:</p> <ul style="list-style-type: none"> <li>(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. <b>NOTED</b></li> <li>(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. <b>NOTED</b></li> <li>(iii) Note the move to three year contracts for school services from 2017/18. <b>NOTED</b></li> </ul>	
<b>5</b>	<p><b>Evolving ‘paid for’ service provision</b></p> <p>Dave Roberts presented a report 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.</p> <p>It is recommended that Schools Forum:</p> <ul style="list-style-type: none"> <li>(i) Note the council’s intention to develop a commercial approach to ‘paid for’ services. <b>NOTED</b></li> <li>(ii) Support consultation with schools and provide feedback to the approach, plus any amendments, additions or alternatives. <b>NOTED</b></li> <li>(iii) Promote the use, where possible, of system based resources to deliver support and improvement to Warrington schools. <b>NOTED</b></li> </ul> <p>The recommendations were agreed and it was noted that key discussions will take place at the WIH Conference on 14 July 2016.</p>	
<b>6</b>	<p><b>National Funding Formula Consultation Update</b></p> <p>As a result of the EU Referendum, there is currently nothing to report. School budgets are moving towards a national formula mandatory to individual school budgets, but the work plan is currently postponed.</p>	
<b>7</b>	<p><b>Warrington Education Board and Inclusion Hub Priorities Update</b></p> <p>HS presented a report to provide details of the current status of the priority projects identified by WEB/WIH. Discussion took place around the format of the WEB in view of the White Paper, and in the short term we carry on as we are and review the WEB as more MATs are established.</p> <p>It is recommended that Schools Forum:</p> <ul style="list-style-type: none"> <li>(i) Note the contents of the report and the position on the priority projects supported by financial resources agreed by Schools Forum. <b>NOTED</b></li> <li>(ii) Request a further report on progress once all projects have been delivered. <b>NOTED</b></li> </ul>	
<b>8</b>	<p><b>DSG Outturn Position</b></p> <p>GB presented a report 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 in Item 9.</p>	

	<p>Schools Forum is asked to:</p> <ul style="list-style-type: none"> <li>(i) Note the 2015-16 outturn position for DSG. <b>NOTED</b></li> <li>(ii) Note the issue to primary schools and discuss what effect, if any, this may have on developing policies for contingencies in the future. <b>NOTED</b></li> </ul>	
<b>9</b>	<p><b>2015/16 Outturn Position on Schools' Balances</b></p> <p>GB presented a report to notify Schools Forum of the final individual balances for Warrington maintained schools as at end 2015-16, advising 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. Discussion took place around the challenge process. A query was raised about the allocation process and if it was the same schools year after year retaining balances. It was noted that schools are funded as a result of the agreed funding model that was collectively agreed.</p> <p>Schools Forum is asked to:</p> <ul style="list-style-type: none"> <li>(i) Note the 2015-16 outturn position for schools and the general increase in School Balances held by Warrington non-Academy schools at 31<sup>st</sup> March 2016. <b>NOTED</b></li> <li>(ii) 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. <b>NOTED</b></li> <li>(iii) 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. <b>DECISION: CM proposed a more robust remodelled challenge process that includes headteacher representatives (maintained schools); this was seconded by LG and agreed with a vote of 12.</b></li> </ul>	
<b>10</b>	<p><b>Balance Challenge Process and High Needs Pressure</b></p> <p>HS presented a report proposing a solution to address the cost pressure on the High Needs Block in the short term. Any strategic approach to managing cost by creating lower cost local capacity, and/or new financial arrangements will take time to develop and implement. Discussion took place around the challenge process with a decision noted above in 9 (iii).</p> <p>It is recommended that Schools Forum:</p> <ul style="list-style-type: none"> <li>(i) Note the contents of the report and the financial position on High Needs; <b>NOTED</b></li> <li>(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; <b>NOTED - See decision in 9 (iii) above.</b></li> <li>(iii) Request regular progress reports on the actions that are being taken to develop a sustainable funding arrangement in the longer-term. <b>NOTED</b></li> </ul>	
<b>11</b>	<p><b>AOB</b></p> <p><b>Contingencies:</b></p> <p>CM raised the issue of contingencies for maintained schools who have significant increases in pupil numbers. Five schools have increasing forms across Warrington and the query was raised around what Schools Forum is doing to alleviate pressures e.g. can the infant contingency remit be widened for when those pupils move to juniors? It was noted that if there is unallocated/unused KS1 contingency at year-end, Schools Forum could recommend</p>	

	it be retrospectively issued for those schools affected into junior phase, as part of the DSG outturn review.	
<b>12</b>	<b>Meeting schedule</b> 4 October 2016, 5.15pm 6 December 2016, 5.15pm  The Chairperson thanked everyone for attending and the meeting closed.	

DRAFT

# WARRINGTON BOROUGH COUNCIL

## SCHOOLS FORUM

**DATE: 4 OCTOBER 2016**

**Report Sponsor: Hilary Smith**  
**Report Author: Dave Roberts**

### **TITLE OF REPORT: REVENUE ANALYSIS OF 2016/17 BUYBACK (ACADEMIES)**

#### **1.0 PURPOSE**

1.1 To provide an update and analysis of academy school SLA buyback for 2016/17 academic year compare to the prior year.

#### **2.0 BACKGROUND**

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

2.2 This report details the current contractual buyback of all academy schools in Warrington as well as highlighting any major changes or deviations. All academies in Warrington are secondary schools for the purposes of this report as purchases from the new Warrington Primary Academy Trust (WPAT) were accounted for in the 2016/17 revenue report would therefore show as double counting.

2.3 For clarity this report refers to all schools who have elected to convert to academy or have been formed as a free or studio school. They are:

- Birchwood Community High
- Bridgewater High
- Beamont Collegiate Academy
- Chaigeley School
- FutureTech Studio School
- Great Sankey High
- King's Leadership Academy
- Lymm High
- Penketh High
- University Academy Warrington
- University Technical College Warrington

2.4 Due to academy funding arrangements being tied to academic year the council has been required to move academy buybacks in line with their financial reporting rather than the traditional financial year as with all maintained schools.



### **3.0 INCOME PERFORMANCE**

- 3.1 Income from academies for SLAs and services not related to training for 2016/17 is currently £472,195 compared with £622,614 worth of services from the council in the prior year. This represents a negative variance of £150,419.
- 3.2 Appendix A (Tab 3 – YoY Summary) provides a breakdown of individual service income for the academic year 2015/16 v 2016/17 (to date).
- 3.3 Additional income will be generated for bespoke or ad hoc services provided to academies throughout the year.

### **4.0 MAJOR DEVIATIONS**

- 4.1 Major negative deviations above £1,000 are shown in the tables provided on page 3. All Business Managers in schools which have chosen to not purchase items previously purchased in 2015/16 have been contacted to ensure there has been no oversight, however, a small number of transactions remain outstanding.
- 4.2 The major deviation in Facilities Cleaning of -£139,603 is due to tender situations. Two schools are currently unable to commit to service beyond the end of the current arrangements in Nov 16 and March 17. Income from these services have been pro-rated at 3/12 and 7/12 respectively.
- 4.3 The major deviation in Grounds Maintenance of -£10,805.97 is due to the consolidation of contracts across all UCAT schools, with the council not being given the opportunity to bid for the contract.

### **5.0 INCOME FROM TRAINING**

- 5.1 Income received for training from academies in 2015/16 was £9,122, which represents a £4,647 (104%) increase from 2014/15. As training is purchased when required throughout the year it is not possible to compare 2016/17 income at this stage. Clearly, there remains an opportunity for significant growth in this area.

### **6.0 RECOMMENDATIONS**

- 6.1 This report is for information only. Schools Forum should consider the impact on individual services and in the wider context of services for schools in relation to the work being carried out on behalf of the Interim Assistant Director Education.

## Negative Deviations

Provider	2015/16 (£)	2016/17 (£)	Variance (£)	Commentary
Cleaning Service	342,690.76	203,087.29	-139,603.47	Two schools have only committed for part year due to tender exercises. Beamont Academy until March 2017 and University Academy Warrington (UAW) until November 16.
Critical Incident Support	2,760.00	1,460.00	-1,300.00	Birchwood and Penketh not purchased
Education Safeguarding Service	24,175.30	22,965.17	-1,210.13	Future Tech and King's Leadership not purchased
Energy Supply and Management Service	4,300.00	2,580.00	-1,720.00	Birchwood and Bridgewater not purchased
Family Outreach Team	1,500.00		-1,500.00	Penketh not purchased
Grounds Maintenance Service	33,255.97	22,450.00	-10,805.97	UCAT trust have moved to a single supplier and the Council were not given the opportunity to bid.
Health and Safety Service	15,200.00	13,702.00	-1,498.00	Academy have chosen another supplier for their H&S advice.
Newly Qualified Teacher (NQT) Support Service	10,791.00	8,142.00	-2,649.00	Bright Futures, Future Tech and Sandbach High not purchased
Procurement Service	3,150.00	1,950.00	-1,200.00	Penketh not purchased

## Positive Deviations

Provider	2015/16 (£)	2016/17 (£)	Variance (£)	Commentary
Attendance Service	£ 12,948.00	£ 14,250.00	£ 1,302.00	Minor increase in uptake around new structure
Education Psychology Service	£ -	£ 1,800.00	£ 1,800.00	New Service
ICT Support Service	£ 37,372.50	£ 39,548.00	£ 2,175.50	Additional services now charged directly through MSS
Occupational Health Service	£ 5,365.50	£ 9,198.00	£ 3,832.50	Increase in staff numbers

Provider	2015/16	2016/17	Variance	Commentary
Attendance Service	£ 12,948.00	£ 14,250.00	£ 1,302.00	Additional take up based on revised specification
Building Cleaning Service	£ 342,690.76	£ 203,087.29	-£ 139,603.47	Two schools have only committed for part year due to tender exercises. Beamont Academy until March 2017 and University Academy Warrington (UAW) until November 16.
Careers for Young People Service	£ 10,545.00	£ 10,355.00	-£ 190.00	Minor deviation
CLEAPSS Licence Service	£ 2,474.50	£ 2,489.40	£ 14.90	Minor deviation
Critical Incident Support	£ 2,760.00	£ 1,460.00	-£ 1,300.00	Birchwood and Penketh not purchased
Education Legal Service	£ 2,385.00	£ 2,385.00	£ -	
Education Psychology Service	£ -	£ 1,800.00	£ 1,800.00	New service
Education Safeguarding Service	£ 24,175.30	£ 22,965.17	-£ 1,210.13	Future Tech and King's Leadership not purchased
Employee Services	£ 16,302.00	£ 16,302.00	£ -	
Energy Supply and Management Service	£ 4,300.00	£ 2,580.00	-£ 1,720.00	Birchwood and Bridgewater not purchased
EVOLVE - Learning Outside the Classroom	£ 10,600.00	£ 9,710.00	-£ 890.00	Future Tech not purchased
Family Outreach Team	£ 1,500.00		-£ 1,500.00	Penketh not purchased
Free School Meals: Assessment and Coordination Service	£ 10,910.00	£ 11,739.00	£ 829.00	Additional school purchasing
Governor Support Services	£ 3,255.00	£ 3,460.00	£ 205.00	Minor deviation
Grounds Maintenance Service*	£ 33,255.97	£ 22,450.00	-£ 10,805.97	UCAT trust have moved to a single supplier and the Council were not given the opportunity to bid.
Health and Safety Service	£ 15,200.00	£ 13,702.00	-£ 1,498.00	Academy have chosen another supplier for their H&S advice.
HR Advisory Service	£ 38,010.00	£ 38,010.00	£ -	
ICT Support Service	£ 37,372.50	£ 39,548.00	£ 2,175.50	Recording of extra services income
Newly Qualified Teacher (NQT) Support Service	£ 10,791.00	£ 8,142.00	-£ 2,649.00	Bright Futures, Future Tech and Sandbach High not purchased
Occupational Health Service	£ 5,365.50	£ 9,198.00	£ 3,832.50	Revised staffing numbers
Performance Data Service	£ 6,455.02	£ 6,828.38	£ 373.36	Minor deviation
Procurement Service	£ 3,150.00	£ 1,950.00	-£ 1,200.00	Penketh not purchased
Radiation Protection Service	£ 3,600.00	£ 4,326.00	£ 726.00	Additional school purchasing
School Admissions	£ 23,352.90	£ 24,207.75	£ 854.85	Deviation in pupil number spread
Tree and Woodland Management Service	£ 1,215.40	£ 1,250.42	£ 35.02	Minor deviation
	<b>£ 622,613.85</b>	<b>£ 472,195.41</b>	<b>-£ 150,418.44</b>	

\* = Estimate

# REPORT

WARRINGTON  
Borough Council



**Report to:** Schools Forum

**Item:** 7

**Date:** 4 October 2016

**For:** Decision

**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 28 June 2016 and also on 22 March 2016, the Schools Forum received reports 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 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.
- 1.3 Further at the March meeting members of the Forum supported the recommendation to 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;
- 1.4 The purpose of this report is to provide:
- (i) details on the outcome of the schools balance challenge process; and
  - (ii) to update the Forum on the current position in relation to developing a sustainable offer for children and young people with additional needs across Warrington in the future.

## **2. OUTCOME OF BALANCE CHALLENGE PROCESS**

- 2.1 At the 28th June 2016 meeting of Schools Forum, members agreed that 24 of Warrington's maintained settings (20 of 69 primary schools; 3 special schools; and Sandy Lane Nursery School) would be asked to explain their planned use of balances, given that their surpluses exceeded the trigger points outlined in Warrington's Scheme for Financing Schools (8% of funding for primary and special schools, 5% for secondary).
- 2.2 The explanations have been received and evaluated, firstly by the Schools Accountancy team to confirm that they are consistent with financial projections, and that citations and documentary evidence support the conclusions, and then via a peer review process at Formula Working Group, whose remit to consider the issue was agreed at the June meeting.
- 2.3 Appendix 1 presents the summary of submissions considered by the Formula Working Group on 20th September 2016. No school challenged failed to cite commitments at least equal to the challenge amount, and most have committed substantially higher sums. If the estimates of expenditure are robust, the challenged schools would be reducing their overall surpluses by around 74% over the course of the challenge cycle.
- 2.4 It is important to recall that the agreement to initiate the challenge process came before the decision of the newly-appointed Secretary of State for Education to defer the fair funding reform until 2018/19 – schools responses are framed in the knowledge that an anticipated increase in funding for 2017/18 will not now happen, with expected surpluses declining drastically as a consequence.
- 2.5 Having reviewed each of the submissions, Families & Wellbeing Service's Accountancy is generally satisfied that all of the schools have appropriate planned and detailed commitments in accordance with the reasons permitted in the Scheme. In the vast majority of cases (as shown in the annotated comments on the Appendix Excel worksheet) cited provisions were able to be cross-referenced to internal school governance documents; however these documents did not always include financial particulars, making it problematic to evaluate the figures provided. Consequently the input of the Formula Working Group was useful to evaluate these in the light of personal and professional experience
- 2.6 After extensive debate, Formula Working Group concluded that the responses were broadly consistent with the terms and conditions of the current challenge process, and there was therefore no justification for clawbacks based on that methodology. The Group considered that there was a justification to consider an alternative challenge process for 2016/17 balances – four potential scenarios are illustrated in the Appendix:

- A) Difference between next year's projected balance and uncommitted balance i.e. in-year balance growth
- B) Clawback 5% of uncommitted balance
- C) Automatically apply a 12.5% clawback of balance amounts above triggers
- D) Automatically clawback 1% of balances from those schools exceeding triggers

These suggestions would apply to 2016/17 closing balances and therefore cannot yet be calculated. The Appendix illustrates merely the effect of applying to the 2015/16 balance position.

- 2.7 Given the recurrent shortfall position for High Needs funding (much of which forms actual school allocations), an alternative to clawback would be a general top-slice across all schools before budget calculation for 2017/18.
- 2.8 This suggestion has benefits as it does not target particular schools in any way, and does not require individual justifications. Neither does it exempt Academy settings from contributing to the collective provision. The lack of targeting is, conversely, the major contra-argument, and Schools Forum is encouraged to consider these issues prior to the agreement of budget setting at the 6th December meeting.
- 2.9 In conclusion then, the outcome of the balance challenge process is that the Formula Working Group will not be recommending clawback from any school as part of the process. However, there is agreement to recommend an alternative approach to the challenge process for 2016/2017 balances in order to provide more rigour.
- 2.10 In the meantime it will be necessary to apply a general top-slice across all schools before budget calculation for 2017/18.

### **3.0 CURRENT POSITION ON DEVELOPMENT OF A STRATEGY FOR RESPONDING TO PRESSURE**

- 3.1 Members of the Forum will be aware from the previous reports that the key factors contributing to the increased pressure on the High Needs budget are:
  - Top-up funding allocated to a mainstream schools to support a child/young person in mainstream (increase of £464,000 compared to 2015/2016);
  - Additional places at Special Schools (increase of £212,000 compared to 2015/2016);
  - Top-up for high cost SEN in year (increase of £200,000 compared to 2015/2016);
  - Independent school fees (increase of £600,000 compared to 2015/2016); and
  - Support for Early Years (increase of £80,000 compared to 2015/2016).

- 3.2 It is worth noting that the largest percentage increase for any factor when comparing expenditure in 2016/2017 with that for 2015/2016 is in relation to Top-up funding in the primary sector.
- 3.3 Further, the largest increase in terms of monetary value is that for independent school fees associated with out of borough placements. Additionally this does not include any additional cost on home to school transport.
- 3.4 An initial analysis of need across the Warrington education system highlights increasing SEND population overall with significant increases in two key areas: ASD and Behaviour.
- 3.5 Therefore, given the existing budget pressure and anticipated increased demand, it is clear that the level of funding currently available to support SEND is insufficient to meet demand in the future.
- 3.6 It is worth noting though that this position is not unique to Warrington. In recent months quite a few members of the f40 group of local authorities have raised concerns about the pressures they are experiencing on High Needs spending. These concerns were sufficient that f40 agreed to undertake some informal research to check the overall position.
- 3.7 All forty one member authorities were invited to say what specific pressures they are experiencing and twenty one (including Warrington) responded, painting a very worrying position across the country.
- 3.8 In summary, it is clear that most authorities have a deficit in the High Needs block which is being filled either by the last of their reserves (not available within Warrington) or movements from other blocks.
- 3.9 Given that the first stage Fair Funding consultation, held in March this year, implied that movement from other blocks will be unlikely in the future, there is a major concern for the future about the level of support that will be available for the most vulnerable pupils in the future.
- 3.10 It will be interesting to see how the Secretary of State responds to this issue and obviously the detail of any response will be shared with Schools Forum at the appropriate time.
- 3.11 In the meantime though it is essential that this local authority consider what opportunity there might be to reduce the pressure wherever possible.
- 3.12 Additionally, given that the initial analysis of need, it is clear that the provision across Warrington for children and young people needs to develop further if it is to continue to meet need in the future.

### 3.13 Actions currently in hand or planned include:

- Programme of activity to build capacity in mainstream in relation to early and appropriate identification of need;
- Review of Top-up to ensure that process for agreeing Top-up is robust and support is being targeted appropriately;
- Review of designated provisions across primary and secondary in order to identify changes required to deliver an organisation that is fit for purpose in the future;
- Consideration of the current arrangements for allocating funding to special schools to ensure that schools receive what is required and there is no element of over-funding;
- An application to the Department for Education for a new 5-19 ASD special school in Warrington in order that the needs of more children and young people can be met locally in the future (potentially from September 2018);
- Review of Alternative Provision to ensure that the current provision is the most effective and cost effective way of responding to need in the future;
- Consideration of the impact of the proposals for Early Years given that this may provide opportunity to review level of support available through High Needs.

3.14 In summary there is a programme of activity planned, which may help to alleviate some of the pressure. However, it is anticipated that the level of funding required in the future will be significantly more than is made available currently.

3.15 It will therefore be necessary to continue to revisit this issue on regular basis in order to understand the latest position and to discuss and develop a solution that will lead to a sustainable organisation in the future.

## 4. RECOMMENDATIONS

4.1 It is recommended that Schools Forum:

- (i) note the outcome of the school balances challenge process which has not identified any clawback from schools so far;
- (ii) discuss the suggestions of alternatives to the current balance challenge methodology and how this would run parallel to a general topslice of the Schools Block for 2017/18;
- (iii) suggest any additional alternative methods of challenge and clawback;
- (iv) note the ongoing challenge in relation to High Needs and that the issue has been raised with the Secretary of State;



- (v) note that officers are working with Head-teachers in order to identify any opportunity to reduce financial pressure on the High Needs budget in the future; and
- (vi) request regular updates on the position on High Needs including the financial implications of any changes to the local offer in the future.

Appendix 1

	Balance	Balance of	Amount	Amount Utilised to Set 2016/17 Budget			Capital Expansion Reserve			Building Maintenance Reserve		Equipment Purchase/Replacement Reserve		Staff retention reserve for falling rolls		Total Committed Balance	2016/17 Projected Balance	2017/18 Projected Balance	A) Difference between projected balance and uncommitted balance i.e. in-year balance growth	B) 5% of uncommitted balance	C) 12.5% levy on surplus	D) 1% on balance	
	@ 31/3/16	Budget Share	Challenged		2016/17	2017/18	2018/19	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18										
	£	%	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£		
35002 Dallam	£187,805	12%	£58,430	£64,098				£50,000	£10,000			£1,500					£125,598	£73,707	(£43,257)	£ 11,500	£9,390	£7,304	£16,172
35006 St Elphin's	£203,084	13%	£82,737	£23,661	£45,000			£5,000				£37,000					£110,661	£92,423	(£18,162)	£ -	£10,154	£10,342	£15,043
35007 St Andrew's	£126,381	12%	£38,849	£25,631	£58,000					£13,800		£21,000					£118,431	£16,103	(£24,497)	£ 8,153	£6,319	£4,856	£10,941
35008 St Ann's	£138,100	13%	£50,783	£70,742	£40,000							£9,000					£119,742	£18,358	(£87,744)	£ -	£6,905	£6,348	£10,915
35012 Sacred Heart	£94,422	11%	£26,005	£64,607	£10,000					£13,179		£5,000					£92,786	(£73)	(£128,161)	£ -	£4,721	£3,251	£8,552
35016 St Stephen's	£128,360	13%	£47,930	£75,726	£25,000				£4,752								£105,478	£22,882	(£87,281)	£ -	£6,418	£5,991	£10,054
35026 Thelwall Juniors	£88,324	14%	£37,754	£34,212	£35,000												£69,212	£14,396	(£51,837)	£ -	£4,416	£4,719	£6,321
35027 Thelwall Infants	£52,358	9%	£6,979	£47,693													£47,693	£4,665	(£54,755)	£ -	£2,618	£872	£5,672
35028 Statham	£122,036	15%	£58,490	£33,481				£42,000									£75,481	£46,555	(£18,300)	£ -	£6,102	£7,311	£7,943
35035 Twiss Green	£117,096	15%	£52,616	£30,082	£45,000							£6,000					£81,082	£36,014	(£16,041)	£ -	£5,855	£6,577	£8,060
35036 St Paul of the Cross	£71,146	10%	£12,544	£42,293													£42,293	£28,853	(£54,999)	£ -	£3,557	£1,568	£7,325
35040 Brook Acre	£129,953	9%	£17,753	£59,234	£33,889							£15,000					£108,123	£21,830	(£89,836)	£ -	£6,498	£2,219	£14,025
35045 Locking Stumps	£213,206	16%	£108,613	£76,990	£30,000				£15,275			£16,750					£139,015	£70,983	(£151,147)	£ -	£10,660	£13,577	£13,074
35048 St Vincent's	£137,110	14%	£56,201	£63,613								£8,340					£106,953	£65,157	(£39,136)	£ 35,000	£6,855	£7,025	£10,114
35050 St Peter's	£94,669	12%	£29,702	£35,822	£9,000							£20,000					£64,822	£29,847	(£20,000)	£ -	£4,733	£3,713	£8,121
35051 Woolston CP	£119,822	11%	£29,805	£76,026											£43,976		£120,002	£43,796	(£39,798)	£ 43,976	£0	£3,726	£11,252
35052 Woolston CE	£68,599	9%	£5,228	£20,898				£15,000									£35,898	£32,701	(£20,307)	£ -	£3,430	£653	£7,921
35059 Winwick	£67,509	9%	£5,577	£52,422				£14,000									£66,422	£1,087	(£46,658)	£ -	£3,375	£697	£7,742
35060 Birchwood	£105,530	10%	£24,067	£60,082	£12,000							£21,000					£93,082	£12,448	(£61,062)	£ -	£5,276	£3,008	£10,183
35068 Alderman Bolton	£158,374	11%	£44,418	£120,749								£17,000					£150,249	£10,366	(£130,464)	£ 2,241	£7,919	£5,552	£14,245
35200 Green Lane	£621,432	23%	£409,058	£170,750	£170,000							£79,500					£460,750	£160,682	£44,416	£ -	£31,072	£51,132	£26,547
35201 Fox Wood	£745,545	32%	£561,709	£409,319	£60,000							£97,000					£566,319	£179,226	(£111,927)	£ -	£37,277	£70,214	£22,980
35202 Woolston Brook	£130,462	11%	£33,128	£91,000								£10,000					£111,000	£34,100	(£107,823)	£ 14,638	£6,523	£4,141	£12,167
35405 Sandy Lane Nursery	£109,240	15%	£49,675	£65,652													£109,240	£40,000	(£60,000)	£ 40,000	£5,462	£6,209	£7,446
	£4,030,563		£1,848,049	£1,814,783	£572,889	£0	£0	£236,006	£10,000	£364,090	£0	£0	£122,564	£3,120,332			£1,056,106	(£1,418,776)	£155,508	£195,537	£231,005	£272,815	