



Warrington Schools Forum

Agenda

Tuesday 5 December 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.	Facilities Time Briefing	Enc	Decision		Sarah Whittaker
3.	Schools Annual Audit Report	Enc	Information		Simon Bleckly
4.	Minutes From the Previous Meeting and Matters Arising: <ul style="list-style-type: none"> • Surface Water Charges Update • Medical Needs • Virtual School PEP Officer • FSM Eligibility Assessment 	Enc			Chair Garry Bradbury Hilary Smith Hilary Smith Hilary Smith
5.	Items and Feedback from Formula Funding Working Group: <ul style="list-style-type: none"> • Recommendation for 2018/19 Mainstream Schools Formula 	Enc	Decision	All mainstream school reps	Garry Bradbury
6.	Update on High Needs	Enc	Information/ Discussion		Paula Worthington
7.	De-delegation decisions 2018/19	Enc	Decision	Maintained primary/ secondary reps	Garry Bradbury
8.	Rates Funding	Enc	Decision	All mainstream school reps	Garry Bradbury

	Item	Enc / Verbal	Decision; Discussion; Information	Entitled to vote	Lead
9.	Membership and Representation		Information		Garry Bradbury
10.	AOB				Chair
11.	Proposed meeting schedule 2018: <ul style="list-style-type: none"> • Tuesday 6 March 2018 • Tuesday 26 June 2018 • Tuesday 2 October 2018 • Tuesday 4 December 2018 <i>(All meetings starting at 5.15 pm - conference room NTH reserved for all these dates)</i>		Decision		


REPORT

Report to:	Schools Forum	Item:	2
Date:	5 December 2017	For:	Decision
Title:	Funding of Teacher Trade Union Facilities Time 18/19		
Author:	Sarah Whittaker	Presenter:	Sarah Whittaker

1 INTRODUCTION

- 1.1 The purpose of this report is to update Schools Forum on the anticipated position of funding for teacher trade union facilities time for 2018/19 and presents options for how this may be approached by schools and academies for the next financial year.

2 BACKGROUND

- 2.1 Trade union representatives in schools are entitled to reasonable paid time off during working hours to take part in trade union duties. This is known as facility time and this entitlement is set out in the Trade Union and Labour Relations (Consolidation) Act 1992 and Acas Code of Practice on time off for trade union duties and activities. Since the start of the de-delegation process, Warrington maintained schools agreed through Schools Forum to de-delegate funding for the provision of trade union facilities time for teacher trade unions.
- 2.2 In January 2017 a report was presented to Schools Forum which set out the background to the calculation of teacher trade union facilities time, and the impact of the withdrawal of the majority of academy schools on the funding for it for 2017/18. As a result, a decision was taken that all those schools maintained at the time would continue to de-delegate funds for the purpose of trade union facilities time. In addition, two academies confirmed that they would also contribute to the pooled arrangements, matching the commitment made by maintained schools. In order to address a pressure on the budget, Schools Forum took the decision to cease funding for an official seconded to the National Executive of their respective trade union, and this was withdrawn from 1 April 2017.

3. CALCULATION OF TEACHER TRADE UNION FACILITIES TIME

3.1 Facilities time is currently calculated as set out in the Local Authority's Facilities Agreement. This is a collective agreement covering all recognised trade unions across the Local Authority.

3.2 Based on membership numbers in those maintained and academy schools participating in the pooled arrangement for facilities time, a full time equivalent (FTE) value is calculated for each trade union in line with the Council's facilities agreement, and on this basis a representative is seconded from their substantive role within a school, either entirely or on a part time basis.

3.3 Applying these principles, the calculations of teacher trade union facilities time for the 18/19 financial year are shown below:

Note: From 1 September 2017, the National Union of Teachers (NUT) and the Association of Teachers and Lecturers (ATL) joined to form the **National Education Union (NEU)**. The NEU is retaining NUT and ATL branches until January 2019 when the union will be fully formed. It should be noted that in Warrington currently, the same trade union colleague represents both of the NEU's NUT and ATL members.

TRADE UNION	MEMBERSHIP NUMBERS	18/19	17/18	VARIANCE (+/-)
National Association of Schoolmasters Union of Women Teachers (NASUWT)	838	0.75FTE	0.75FTE	No change
National Education Union (NEU) - Association of Teachers and Lecturers branch (ATL)	151	As and when	0.25FTE	-0.25FTE
National Education Union (NEU) – NEU new members & National Union of Teachers branch (ATL)	780	0.75 FTE	0.75FTE	No change

Figure 1 – Anticipated facilities time per trade union based on membership in schools expected to participate

3.4 This represents a total 0.25FTE reduction in teacher trade union facilities time as a result of the known and anticipated withdrawal of some academy schools from the pooled arrangement.

3.5 Under the terms of the Trade Union Facilities Agreement, changes to seconded trade union facility time must take effect from 1 September 2018.

4 ANTICIPATED 2018/19 FUNDING

- 4.1 Where schools convert to academy status within the first five months of the financial year, a proportionate amount of the funds de-delegated by them for teacher trade union facilities time is refunded to them, and they must then determine whether to voluntarily pay into the shared arrangement as an academy going forward.
- 4.2 The level of funds it is anticipated will be available for Trade Union Facilities Time for 2018-19 (based on current levels of participation by maintained and academy schools and taking account of those schools that have begun the conversion process but have indicated that they wish to continue to contribute) is approximately **£76,828**. This does not take account of any schools that are planning to convert in the first five months of the financial year that will not voluntarily contribute to the arrangement going forward, but does include funding from the High Needs Block for the maintained special schools.
- 4.3 The anticipated cost of teacher trade union facilities time from April 2018 based on:

1st April 2018 – 31st August 2018

1 FTE National Education Union (comprising 0.75FTE NUT branch and 0.25FTE ATL branch)
0.75FTE National Association of Schoolmasters Union of Women Teachers

1st September 2018 – 31st March 2019

0.75 FTE National Education Union (0.75 FTE NUT branch)
0.75FTE National Association of Schoolmasters Union of Women Teachers

is **£78,299**

This leads to an anticipated annual shortfall of **£1,471** for the 2018/19 financial year.

5 OPTIONS for 2018-19

5.1 Maintained schools continue to de-delegate funding for the purpose trade union facilities time for the 2018-19 financial year to the same level.

- 5.1.1 Under current arrangements, schools employing officials who are seconded to undertake trade union duties receive a refund from the facilities 'pot' equivalent to the salary of the seconded official plus on costs, in order to pay for cover arrangements during their absence.
- 5.1.2 Agreeing to refund schools for 1.5FTE seconded officials at the current level will lead to a shortfall of £1,471 and leave no room for contingency should any more schools decide to exit

the arrangement as a consequence of converting to academy status within the first five months of the academic year.

5.2 Maintained schools continue to de-delegate funding for the purpose trade union facilities time for the 2018-19 financial year, but collectively agree to apply a cap to refunds paid to the schools of seconded officials

5.2.1 Where seconded trade union representatives are UPS3 equivalent teachers (or, for example, carry a TLR), a refund to the school at this level could exceed the cost of paying for cover arrangements i.e. the teacher/supply teacher covering the seconded teacher may be lower down the payscale.

5.2.2 One option is for schools forum to agree to the principle that of refunding employing schools at a standard mid-point rate on the teachers' pay scale, for example the top of the main pay range. In this example, funding 1.5FTE trade union representatives at the top of M6 would reduce the cost to approximately £70,051 including on costs. This would provide an estimated £6.5k contingency for any reduction in the overall funding levels over the course of the year.

5.3 Taking a decision to de-delegate funding under the terms of 5.1 or 5.2 allows those schools participating to:

- Meet statutory responsibilities in relation to employment matters under which employees have a right to be accompanied by their trade union representative, e.g. disciplinary and grievance proceedings.
- Meet statutory responsibilities where employers are required to consult directly with trade unions e.g. in relation to proposed redundancies, TUPE transfers (including Academy conversions), policy development and negotiation with trade unions in relation to terms and conditions of employment. This is a statutory requirement regardless of the level of trade union membership in the school.
- Meet statutory responsibilities in relation to Health and Safety through a collaborative inspection programme, reducing the potential number of safety representative visits and any unnecessary disruption to schools.
- Access trade union officials who are able to act on behalf of members in your school in collective
- Access trade Union officials who have signed up to the Local Authority Facilities Agreement which set out expected standards of behaviour and conduct for Trade Union representatives.

- Pool risk so that costs for facilities time do not fall unpredictably or unevenly across schools.

5.3.1 All academies are again invited to participate on an individual basis, or collectively in the case of a multi academy trust, by agreeing to pay into the arrangement on the same basis as maintained schools.

5.4 Maintained schools do not continue to de-delegate funding collectively.

5.4.1 If maintained schools do not continue to de-delegate funding for the 2018-19, it will not be possible to fund secondment time for teacher trade union representatives under the terms of the existing facilities agreement and it would not be feasible to maintain the arrangement on the basis of a small number of academies wishing to continue.

5.4.2 In doing this there are a number of practical and operational issues for schools and academies to consider:

- Where the absence of central arrangements means that their members are left unrepresented, trade unions may seek trade union representation from the workforce within the school or academy trust.
- Where representatives are nominated at school or trust level, schools must allow them reasonable paid time off from employment to carry out trade-union duties and to undertake trade-union training. This may necessitate time off for newly elected trade unions to undertake training in addition to reasonable paid time off for the exercise of trade union duties e.g. release from teaching to attend meetings, for example.
- Where a school representative is not elected, trade union members will receive advice from regional trade union officers. Typically, regional representatives are unable to attend for meetings within short timescales which can extend the resolution of cases.
- Due to the nature of their role, regional representatives may lack local knowledge and be unfamiliar with the practical application of local policies. They potentially also have less interest in developing and maintaining long standing positive relationships with local schools and their leaders than an engaged local representative.

5.4.3 Schools could seek to enter into their own facilities time arrangements with local trade union representatives and their employing school, which operate on a 'pay as you go' basis. This may be unpredictable in terms of costs depending upon the nature and level of TU activity in school. It would also require the school at which the trade union representative is employed to release them from their duties which may lead to meetings being undertaken outside of the normal working day. This arrangement would also necessitate the school at

which the representative is employed agreeing to the ad hoc release of the representative, and establish a process for invoicing those schools accessing that facilities time.

6. **RECOMMENDATIONS**

- 6.1 It is recommended that schools forum consider the options presented to them in this paper and make a decision on an approach.

REPORT

WARRINGTON
Borough Council 

Report to: Schools Forum

Item: 3

Date: 5th December 2017

For: Information

Title: Review of School Audits 2017

Author: Simon Bleckly

Presenter: Simon Bleckly

Internal Audit Service

FAMILIES AND WELLBEING DIRECTORATE

REVIEW OF SCHOOLS AUDITS 2017

DECEMBER 2017

Internal Audit
5th Floor Quattro
New Town House
Buttermarket Street
Warrington
WA1 2NH
<http://w2kwebint/audit>

WARRINGTON
Borough Council



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1. INTRODUCTION

This report presents the main findings from the school audits carried out by Internal Audit in 2017 and provides an overall opinion on the governance and control frameworks in place in schools, supporting the completion of the Council's Annual Governance Statement for 2016-17.

2. MAIN FINDINGS - AUDITS

Seven schools have been audited since the last report to Schools Forum in January 2017. The table below provides a comparison of the assurance ratings with previous years. Appendix One contains the definitions for the audit assurance opinions and recommendation risk ratings.

Summary of Audit Opinions, 2015 to 2017

	2015	2016	2017	Total
High	0	3	0	3
Substantial	6	3	7	16
Limited	0	1	0	1
Minimal	0	0	0	0
Total	6	7	7	20

The table below summarises the number of recommendations made in 2017, by priority, in each area of the schools testing programme. It was pleasing to note that there were no Critical or High priority recommendations made during the year.

Recommendations made in school audits in 2017

	Critical	High	Medium	Low
Leadership & governance	0	0	2	9
Financial management and control	0	0	9	7
Orders and payments	0	0	7	4
Bank imprest and petty cash	0	0	3	4
People management	0	0	2	3
Income and banking	0	0	6	8
Asset and security management	0	0	0	12
Unofficial funds	0	0	0	9
Total	0	0	29	58

The following are the most common issues identified during the audits. It should be noted that some of these issues recur regularly, even though most are matters that could be addressed without too much difficulty.

- Governors' financial skills not formally assessed / assessment out of date
- Lack of independent scrutiny of debit card transactions
- Authorised user's debit card being given to another member of staff to use
- Expenditure incurred without official orders being raised
- Lack of separation of duties or poor audit trail for orders / payroll / income and banking
- Late receipting of income on FMS
- Handovers of cash not signed in evidence

We review the information that schools provide and publish in relation to their use of pupil premium; effective use of this funding is seen by OFSTED as a key factor in schools closing the attainment gap between pupils. From our reviews we found that all schools bar one were publishing adequate information about how they were using this funding. We were able to verify that schools were using the funding for the stated purposes, although we do not review delivery of outcomes.

Our authority-wide payroll testing for 2017 did not include schools in the sample, but the Council's external auditors included schools in the payroll testing that they carry out as part of their final accounts work. No significant risks were identified from this testing.

We have recently undertaken a review of the declaration of gifts and hospitality across the council. Although schools were not included in the testing, the review emphasised the importance of ensuring that all staff are regularly reminded of the need to register any relevant interests.

3. REGIONAL AND NATIONAL ISSUES

Through our links with regional schools groups, we have identified a number of issues and matters arising that schools should be aware of. These are presented below for information.

- Awareness of IR35 and the implications for schools. IR35 defines the rules for operating PAYE tax and national insurance for a worker who directly provides a service to a client through an "intermediary". Guidance has been issued to Warrington schools from the Payroll department.
- The DfE "School Buying Strategy" which is intended to support schools to save over £1 billion a year by 2019-20 on their non-staff spend. This will include providing School Buying Hubs offering advice and guidance on procurement and purchasing and help with complex contracts such as technology services, catering, cleaning and premises.
- The increasing threat from ransomware and other online risks such as viruses highlighting the need for regular off-site backup of data, and training and awareness-raising in online security.
- A number of cases of conflicts of interest arising that had not been picked up by schools. These have highlighted the need to ensure that all new staff / governors complete declarations of interest and for the declarations to include any relationships between staff.
- Manipulation of ordering processes – for example, excessive purchasing of stationery in order to obtain "loyalty" gifts, withholding payments to suppliers to improve cashflow whilst recording the transactions as paid in the accounting system.

4. THE SCHOOLS FINANCIAL VALUE STANDARD

The Standard is a list of formal questions that school governing bodies are required to discuss with their head teacher and other senior staff in order to gain assurance that funds delegated to the school are safeguarded and spent effectively. Consideration of the questions can be delegated to a Finance Committee or equivalent, but the completed assurance statement must be signed by the Chair of Governors and considered by the Governing Body.

The completed statements have to be sent to the Council's section 151 Officer who will use this information to inform the schools audit programme and other financial assessments. The section 151 officer also has to submit a statement each year confirming the deployment of Dedicated Schools Grant.

73 of the 74 eligible Warrington schools submitted signed statements for 2016-17. Seven statements required resubmission for varying reasons including: use of the old proforma; inadequately detailed information; discrepancies between the narrative and the "completed" status; and missing authorisation. These issues were resolved before the deadline for the section 151 officer to submit his DSG statement in May 2017. We carry out a brief review of each school's latest SFVS as part of our audit visits, to ensure that the self-evaluation and any improvement actions identified are broadly in line with the results of our own testing. This was the case for the schools that we audited in 2017.

5. THE AUDIT TESTING PROGRAMME, 2017 AND PLANNING FOR 2018

In order to ensure that our audits remain as effective as possible, we regularly review the content of our testing programme. No significant changes to the programme were made for the reviews carried out this year, but we are currently assessing whether the People and Management section should be amended to include testing in relation to IR35 assessments (to ensure that PAYE tax and NI deductions are made correctly for workers providing services to schools through an intermediary).

We have started planning for 2018, and will be consulting with staff in Families and Wellbeing to identify schools for review. As part of this process, we will take into account any plans for schools to become Academies.

6. REDUCING THE RISK OF FRAUD IN SCHOOLS

In the current economic climate, schools and other public bodies can face an increased risk of fraud, from internal and external sources. Thankfully, frauds committed by school staff remain rare, both locally and nationally, but the consequences can be severe. Most cases involve an abuse of position, and are often driven by financial pressures or changes in personal circumstances. Recent examples of national cases have included staff:

- Writing and cashing cheques.
- Making payments to non-existent suppliers.
- Using school procurement cards for personal purchases, and keeping or selling the goods.
- Falsely claiming additional payments (including overtime).

One formal investigation is currently in progress in relation to disappearance of monies from a school. The Council now have a Corporate Counter Fraud Unit in operation and all allegations of theft or missing monies will now be formally investigated by the Unit.

Schools do continue to be a prime target for external fraudsters. We regularly brief schools on national alerts issued by the National Anti-Fraud Network and other agencies, containing details of frauds and attempted scams. Since 2015/16, we have issued relevant alerts via the My School Services website. Examples of scams against schools include:

- Letters or emails purporting to come from suppliers, requesting that their bank account details be changed.
- Phishing e-mails, often asking you to enter your bank account details or passwords in order to “unlock” an account with your bank or a supplier (e.g. Amazon, Apple).
- Emails stating they are from HMRC regarding tax refunds.
- Bogus calls or visits from people pretending to work for companies that schools deal with, e.g. photographers, cash collection firms, asking to pick up income held by the school.

One school was targeted this year by a “courier” fraud, which is where a fraudster uses a stolen card online to order goods (often items like iPads) and puts the delivery address as a public building such as a school. The fraudster subsequently rings up, pretending to be from the supplier, stating that the delivery has been made to them in error and a courier will be sent round to pick it up. In this case, the school were suspicious and checked back to the supplier, identifying it as a fraud.

To help governors’ oversight of the financial management of their school, we have created a Schools Anti-Fraud Toolkit, containing information on identifying fraud behaviours and other potential indicators, as well as recent national fraud cases in schools. The Toolkit also has a checklist that will assist with the completion of the SFVS. The Toolkit and checklist are available via My School Services.

7. CONCLUSION AND AUDIT OPINION ON SCHOOLS’ SYSTEMS OF INTERNAL CONTROL

The Council's Annual Governance Statement has to include assurances that there are effective controls and governance arrangements in place in all schools.

For 2016-17, the assurance for the AGS was largely provided from the programme of school reviews and other relevant work, as summarised in this report and the report presented to Schools Forum in January. These reports are submitted as part of the evidence to support the AGS and therefore include a conclusion and audit opinion (below) giving our assessment of the overall control framework in operation in schools. Assurance has also been obtained from the submission of SFVS statements from schools.

Our audit and assessment work continues to provide assurance that schools in Warrington have effective systems of financial management. The reviews that we have carried out in the last five years, covering the majority of the Council's schools, have identified no significant risks or control issues that would require disclosure in the Council's Annual Governance Statement.

We are satisfied that there is an effective framework for reporting our findings and recommendations to governors and senior managers and for appropriate action to be taken to improve existing controls.

We therefore conclude that there is **Substantial Assurance that Warrington schools have effective systems of governance and internal control in place.**

The Forum is asked to note and comment on the contents of the report.

Simon Bleckly
Audit Manager,
Audit Services
December 2017

APPENDIX ONE
Assurance Opinions for Audits

Opinion	Narrative
High Assurance	Key controls are being applied consistently and effectively. This means that the key risks in the terms of reference are being properly managed and our review did not identify any weaknesses that would impact on the achievement of the key system, function or process objectives.
Substantial Assurance	Key controls exist but there is some inconsistency in their application and some of the key risks in the terms of reference may need attention. The likely impact of these weaknesses on the achievement of the key system, function or process objectives is not expected to be significant.
Limited Assurance	A number of key controls do not exist and/or are not applied consistently or effectively. This means that a number of the key risks in the terms of reference need attention. These weaknesses in the design and/or operation of key controls could impact upon achievement of key system, function or process objectives.
Minimal Assurance	A significant number of key controls do not exist and/or there are major omissions in the application of key controls. This means that a significant number of risks in the terms of reference are not being managed properly, which may put the achievement of the Council's objectives at risk.

Recommendation Risk Definitions

Priority	Definition
Critical	A top priority owing to a control weakness that has or could have a significant impact on the achievement of key system, function, or process objectives, and also the Council's objectives.
High	An important issue owing to a control weakness that has or could have a significant impact on the achievement of key system, function, or process objectives.
Medium	A control weakness that has or could have an impact on the achievement of the key system, function or process objectives. An issue, which, if addressed, would contribute towards raising the standard of internal control.

Low

A minor issue which does not impact upon the achievement of key system, function or process objectives. However implementation of the recommendation would improve overall control or help to reduce a minor level of non-compliance with an existing control process.

Warrington Schools Forum
Minutes – 3 October 2017

Draft to be confirmed December 2017

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	10 Jan 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	P			Jan 2020
Special School Staff (1)	Special School Headteachers Group	Mike Frost (MF)	P	S	P	P	P	P	P			Jan 2020
Special School Governor (1)	Governors Forum	Mike Evans (ME)	P	P	P	P	P	P	P			Jan 2020
PRU (1)	PRU Management Board	Sam Rigby-White (SRW) <i>from 3 Oct</i>	A	S	A	S	X	X	S			Jan 2020
Academy (4)	Academy Schools	Gwyn Williams (GW)	P	P	P	P	P	A	P			Jan 2020
		Tim Long (TL)	A	P	P	P	P	A	P			Jan 2020
		John Carlin (JC) <i>from 3 Oct</i>	-	-	A	P	S	S	A			Jan 2020
		Andrew Bent (AB)	P	A	P	X	X	X	X			Jan 2020
Maintained Primary School Sector (9)	WAPH (5)	Andrew Redman (AR)	A	P	P	P	P	S	P			Jan 2020
		Hazel Fryman (HF) <i>from 3 Oct</i>	-	-	P	P	A	A	P			Jan 2020
		Gary Cunningham (GC)	P	A	P	P	S	P	P			Jan 2020
		Lesley McGann (LM)	-	-	P	A	P	X	P			Jan 2020
		Lyndsey Glass (LG)	P	P	P	P	P	P	P			Jan 2020
	Governors Forum (4)	Stuart Munslow (SM)	P	P	P	P	P	P	P			Jan 2020
		David Hart (DH)	P	P	A	P	P	P	P			Jan 2020
		Janet Lazarus (JL)	P	P	P	P	P	P	P			Jan 2020
		Peter Ashurst (PA)	P	P	P	P	P	A	P			Jan 2020
Maintained Secondary School Sector (3)	WASCL (2)	Bev Scott-Herron (BSH)	P	P	P	P	A	P	P			Jan 2020
		Chris Hunt (CH)	-	-	-	P	A	P	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	A			Jan 2020

Representing	Member	22 March 2016	28 June 2016	27 Sept 2016	10 Jan 2017	2 March 2017	27 June 2017	3 October 2017	5 Dec 2017	Tenure Ends
Non-Schools Members (4)										
Anglican Diocese (1)	Jacqui Wightman (JWig)	P	P	S	P	P	P	P		Jan 2020
Roman Catholic Diocese (1)	Tim Warren (TW)	P	X	X	A	P	P	P		Jan 2020
16-19 Institutions (1)		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	P		Jan 2020
Representing										
Warrington Borough Council										
Head of Education	Hilary Smith (HS)	P	P	P	P	P	P	P		
Chief Finance Officer	James Campbell (JC)	P	P	P	P	P	P	P		
	Garry Bradbury (GB)	P	P	P	P	P	P	P		
Executive Member for Children and Young People's Services	Clr Jean Carter (ClrJC)	A	P	A	A	P	P	P		

Key

P ~ Present

A ~ Apologies

X ~ Absent with no apologies

S ~ Substitute

- ~ Vacancy

O ~ Observer

Substitute

Jennifer Appleton – attending on behalf of Sam Rigby-White

Non-School Member Representing Trades Unions

Shaun Everett (NUT & ATL)

Gary Moge (NASUWT)

Observer:

Steve Peddie

Presenting an Item:

Paula Worthington

Dave Roberts

Angela Conway

Minutes:

Gill Sykes

	<i>Item</i>	Action
1	<p>Apologies and Welcome</p> <p>The chairperson welcomed all to the meeting and introductions were made around the table. Apologies were received from John Carlin, Ginny Taylor and Sam Rigby-White.</p>	
2	<p>Minutes From the Previous Meeting and Matters Arising</p> <p>The minutes were accepted as a true record with the following amendment:</p> <ul style="list-style-type: none"> • Action 8 (page 6) referred to Mike Evans and should be Mike Frost. • Mike Frost was marked as “absent with no apologies” on 02/03/17 and 27/06/17 but was in attendance. <p>Matters arising:</p> <p>(a) Surface water charges: No evidence of the promised reductions yet. GB has raised this with colleagues at the NW finance meeting and will feed back at the next Schools Forum. A communication will also be included in School News. Action 1: GB to provide feedback at the next Schools Forum and include a communication in School News.</p> <p>(b) The RSC Future Tech budget issue ongoing and HS will raise again at the upcoming meeting with the RSC.</p> <p>(c) Additional pupils in secondary DPs will receive the additional pupil number contingency.</p> <p>(d) Funding for children too ill to attend school – there is a bank of tutors to support. HS has details and will bring to the next Schools Forum. Action 2: HS to bring details to the next Schools Forum.</p> <p>(e) LG queried the PEP support and questioned the need for an additional PEP Officer. Melissa Young to be invited to WAPH/LA to discuss and to bring sample PEPs. Action 3: HS to invite Melissa Young to WAPH/LA to discuss PEPs.</p>	<p>GB</p> <p>HS</p> <p>HS</p>
3	<p>Items and Feedback from Formula Funding Working Group:</p> <p>GB provided feedback from the recent meeting of the Formula Funding Working Group and noted that the agenda for that meeting had been set before the most recent National Funding Formula (NFF) proposals.</p> <p>(a) Impact of minimum funding guarantee and recommended way forward</p> <p>(b) Deprivation funding – to look at various models using IDACI indicator and FSM indicators. Discussion parked until formal position on NFF published.</p> <p>(c) Impact of changes to funding for Designated Provision (<i>HN to Mainstream</i>). There is a technical change next year when the number of DP students will go back into the mainstream formula calculation (e.g. £10K will reduce to £6K). This would mean 8 DPs would see a funding increase and 3 DPs would see a funding decrease (based on current numbers and current formula).</p>	

	<i>Item</i>	Action
	<p>Options were considered:</p> <ul style="list-style-type: none"> (i) Additional funding is put into the existing Warrington formula and added to the pupil premium formula. (ii) Implementing the NFF as it is next year. (iii) Implement mostly the NFF and maintain the lump sum for primaries. <p>Discussion took place around NFF values. It was noted that the £3m extra for Warrington is misleading and with moving the DF funding into the mainstream formula the overall is more likely to be £2.2m. There is a two year transition moving from a local decision to a national decision. It is possible that no school will be worse off as a consequence of the proposals.</p> <p>A decision on the formula needs to be made at the next Schools Forum (5 December) and proposals for the formula have to be submitted in January 2018. It was suggested for the Formula Working Group to meet in the middle of October to have plenty of time to consider options.</p> <p>Action 4: Formula Working Group meeting to be arranged for 16 October 2017 (at 3.30 pm at Cobbs Infants)</p> <p>GB noted that we don't yet have the data from the DfE to run figures for Warrington schools for 2018/2019, but it is expected shortly.</p> <p>GC noted frustration with trying to get the census data correct with regards to FSM applications. FSM figures need to be accurate for schools to receive appropriate funding. The question was raised around whether there is a mechanism that could be used without individual families having to complete and sign a form.</p> <p>Action 5: HS to follow up with Jen Green and Catherine Thompson.</p>	<p>HS</p> <p>HS</p>
4	<p>Update on High Needs</p> <p>HS informed that Paula Worthington (PW), Interim Assistant Director Early Help and SEND, is leading on High Needs.</p> <p>It was noted that in the last financial year we highlighted a potential overspend of between £800k and £1m and, all things being equal at least a similar overspend in this financial year. As a consequence a working group was established to consider what action was required and a plan was produced and supported by Schools Forum which included a package of short-term measures for 16/17 and actions required to try to alleviate pressure and reduce demand where possible.</p> <p>The current position on 2017/18 is that there continue to be increased pressures in the three main areas highlighted previously: Top ups for mainstream; Post 16; and Independent School fees. GB highlighted that the current projected overspend, mainly associated with Post 16 and Independent School fees is £1.5 million.</p>	

	<i>Item</i>	Action
	<p>Concern was raised about the increase, with frustration expressed by members about the significant escalation of cost.</p> <p>The query was raised about the need for a strategic plan for meeting SEN in Warrington to manage the risk of top slice from schools to the HN block. It was suggested that we may need to be more radical in our approach. HS highlighted the fact that the application for an ASD Free School was in response to the rising demand for ASD. Unfortunately this application was not successful and therefore we do need to consider how we take forward, including bidding again if possible.</p> <p>PW commented that there are a number of areas that have been highlighted which are contributing to the increased demand and expenditure It was noted that the EHCP approval rate in Warrington may be too high and there needs to be more challenge in the system and more robust scrutiny in signing off plans and packages of support. Additionally looking at ways to address parental expectation of their entitlement in Warrington.</p> <p>PW advised in response to the ASD proposal that initial feedback from the commissioning team on external placements suggested that to develop some provision within the borough, in their opinion, may be cost neutral. It was noted that analysis is required detailing costs around external placements.</p> <p>SP acknowledged the concerns raised and agreed the need for this to be addressed quickly and with clarity. An outcome and strategy going forward is needed for the next Schools Forum (5 Dec). <i>Subsequent to Schools Forum a meeting was arranged to consider the key issues impacting on schools funding with attendees from the local authority, Chair of Schools Forum, Chair of WAPH and the Chair of WASCL.</i></p> <p>It was noted that if required an extraordinary meeting of Schools Forum could be called.</p> <p>Action 6: Update on High Needs to be a standing agenda item for Schools Forum</p>	PW
5	<p>2017/2018 LA to Schools Trading Position and Comparison with 2016/2017</p> <p>Dave Roberts presented a report on the Annual Service Level Agreement (SLA) review to update Schools Forum around the levels of buyback on SLAs offered to schools and the progress being made under the Enterprising Warrington Strategy.</p> <p>There are a few services that are subsidised, and there are no intentions of removing services without consultation with schools.</p> <p>The following points were noted:</p> <ul style="list-style-type: none"> GC expressed surprise at the significant reduction in buyback for Procurement and communication was noted as a key issue. 	

	<i>Item</i>	Action
	<ul style="list-style-type: none"> • TW requested confirmation that admissions charges are the same for community and VA schools. It was confirmed that there is no difference. Secondary schools have agreed to contribute toward the cost of maintaining the current arrangements for the Fair Access Protocol as these are proving to be highly effective. • Tree and Woodland Management – this reduction in buyback was queried. The reduction is due mainly in schools converting to academies, but also a number of primaries opted out this year. It was noted that WAPH agreed as a family of schools to buy into this SLA. Action 7: Tree and Woodland Management to be discussed at WAPH. • PA noted that the Careers Service shows a reduction and is also impacted in the redesign which is out for consultation. <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. NOTED (ii) Recognise that the LA is an important provider, commissioner and participant in the Warrington education system. NOTED (iii) Encourage colleagues to provide feedback on the future shape of traded services. NOTED 	WAPH
6	<p>Update on Early Years</p> <p>Angela Conway presented a report to address some of the comments from Schools Forum in March, which picks up three particular Early Years agenda items:</p> <ul style="list-style-type: none"> • Early Years SEND offer and the financial impact • Changes to funding of a nursery when a school becomes an academy • How to address the Early Years DSG budget deficit <p>To support Warrington’s Early Years SEND Graduated Pathway an Inclusion Panel will be established with effect from the Spring Term 2018 (details of the panel can be found in paragraph 2.1 of the report). Thanks were expressed for bringing this forward and for having everything in one place, for which there is strong support in the early years and primary sectors.</p> <p>Concern was raised around detail in paragraph 2.7 regarding nursery class/academy status. It was noted that the report assumes maintained nurseries will disappear and become private nurseries within the school (academy), worried this would be a watering down of provision within the borough, and concerned this was noted in the report.</p> <p>Discussion took place around the Early Years DSG budget deficit, and the recommendations from the report were considered.</p>	

	<i>Item</i>	Action
	<p>It is recommended:</p> <ul style="list-style-type: none"> (i) For Schools Forum to note the report. NOTED (ii) For Schools Forum to note the extension of the Portage team until March 2021. NOTED (iii) For Schools Forum to agree to the allocated Inclusion Fund until March 2021. AGREED (iv) 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. AGREED (v) For Schools Forum to note the change in early years funding to Academies with a nursery class from 2018/19. NOTED (vi) For Schools Forum to note that this budget will only support these services up to 2021. NOTED 	
7	<p>AOB</p> <p>Union representatives made a plea regarding teacher pay policies, requesting 2% increase across all pay scales. It was noted that schools have the option to make different arrangements, but unions felt that the fair and most effective way to address recruitment and retention issues would be a 2% increase across all pay scales. Headteacher members of Schools Forum questioned the rationale for the suggested approach; including what evidence there was to support the issue of recruitment and retention; and also that the issue of affordability cannot be ignored when taking account of the relatively low level of funding received by Warrington compared to others in the region.</p>	
8	<p>Meeting schedule:</p> <ul style="list-style-type: none"> • Tuesday 5 December 2017 at 5.15 pm <p>Proposed meeting schedule 2018:</p> <ul style="list-style-type: none"> • Tuesday 6 March 2018 5.15pm • Tuesday 26 June 2018 5.15pm • Tuesday 2 October 2018 5.15pm • Tuesday 4 December 2018 5.15pm <p><i>(Conference Room NTH reserved for all these dates)</i></p> <p>Proposed dates to be agreed at meeting in December 2017.</p>	

The Chair thanked everyone for attending and the meeting was closed.

REPORT

WARRINGTON
Borough Council



Report to:	Schools Forum	Item:	5
Date:	5 th December 2017	For:	Information/Decision
Title:	Formula Working Group Formula Recommendations 2018/19		
Author:	Garry Bradbury	Presenter:	Garry Bradbury

1. INTRODUCTION & BACKGROUND

1.1 The purpose of this report is to brief full Schools Forum on the recommendations from Formula Working Group for implementation of the mainstream schools funding formula for 2018/19, in the light of the outcome of the National Funding Formula consultation, and its effects locally to Warrington Borough Council (WBC) schools.

2. NATIONAL FUNDING FORMULA (NFF) OUTCOME

2.1 The broad outcome of the Government response to consultation on NFF was discussed at last Schools Forum. Essentially the model remained as per the previous stage of consultation, except that the basic per pupil factors (Age Weighted Pupil Units, AWPU) had been increased in recognition of the additional funding announced by the Secretary of State after the recent election. Illustrative school by school allocations had been produced – showing what would have been the effect on school budgets had NFF been implemented for the current financial year (hence using data from October 2016 census). It was stressed that this was not a guaranteed level of funding, as the calculation would change once updated for 2017 information. The full detailed effect on schools was not clear at the time of the last meeting, as the Area Cost Adjustment (ACA) weighting factor applied to formula values was undisclosed, and also the application of floors and capping to modify final outcomes was not available.

2.2 These omissions were rectified in time to consider the three models agreed to be evaluated at the Formula Working Group (FWG) meeting of 16th October 2017. For information, the ACA multiplier was confirmed as 0.356% (nationally, a range between 0% and 18.2% is applied)

2.3 The three models discussed were:

1. Current WBC formula, plus the extra funding through per pupil factors
2. NFF, but with protection of the core Primary sector lump sum value (capping adjustment to render affordable)
3. NFF from financial year 2018/19 onwards

2.4 Within existing Regulations, the formula adopted by Local Authorities for 2018/19 remains discretionary. NFF will be used to generate the total value of the Dedicated Schools Grant's (DSG) Schools Block, but in the years of "soft formula" (2018/19 and 2019/20 at a minimum), this may be allocated *at school level* by a local model discussed with Schools Forum.

3. OBSERVATIONS ON THE THREE MODELS

3.1 The overall effect of the three options, based on a quantum of funding derived from the total of illustrative NFF allocation i.e. the amount aggregating to the Schools Block of funding, is shown in **Appendix 1**.

3.2 Applying NFF delivers an increase in Warrington's Schools Block of around £ 3 million, increasing it from £125.453 m to £128.469 m. However £729,151 of this increase is because of the technical change to funding of Designated Provision places – there is a compensatory reduction in High Needs Block funding.

Option 1: WBC with extra AWPU

3.3 With a net increase of £2.3 million, it is possible to maintain the current Warrington formula, and add £73.55 to primary per pupil values, and £94.75 to secondary (in proportion to the NFF funding ratio of 1:1.29). However, because the protection in the Warrington model is the national minimum funding guarantee (MFG) of -1.5%, for a small number of schools the direct increase of the additional AWPU does not compensate fully for the diminishing effect of MFG, which on static numbers reduces year on year. Schools affected in this way are those with large MFG protection levels, and a disproportionately smaller contribution of AWPU to their overall funding total.

3.4 FWG felt that an option which could not deliver a demonstrable benefit to all Warrington schools was unsatisfactory. The other significant argument against continuing with a largely unchanged formula methodology was that it meant that deferring meaningful transition to the "hard NFF" for a year could cause greater turbulence and difficulty for the future.

Option 2: NFF with amended Prim Lump Sum

- 3.5 The second option, for a modified NFF, was only relevant for the primary sector, as it involved maintaining a core value for the lump sum (£132,283), in preference to the NFF value of £110,392.
- 3.6 Because this higher level of lump sum required substantial redirection of funding (more than £1.5 m), the tightening of the NFF capping necessary to render it affordable within the same funding meant that the net effect compared with 'unmodified' NFF was actually a reduction of overall funding to some schools. 24 primary schools benefitted, but rather more (41) were disadvantaged. The average gain was therefore greater than the average loss, but the FWG still felt the model was destabilising and should not therefore be supported.

Option 3: NFF as per ESFA

- 3.7 In considering implementation of NFF for 2018/19 it was an important criterion for FWG that because of the funding floors built in, on current data, no school would be disadvantaged by the formula - although increases were modest for the majority of schools. There is an obvious benefit of moving more quickly towards implementation; that traumas of transition are eliminated, with no deferring of hard decisions until, in funding terms, the very last moments.
- 3.8 Nevertheless, the NFF is not without risks. There are obvious concerns about the overall profile of the formula, which delivers negligible increases for the many, and substantial increases for the few. It is more volatile than the current Warrington formula; schools will get greater funding for increased numbers, but consequently lose more when numbers reduced. Perhaps the most worrying issue is that of the illustrative increase in funding of £2.3 m, almost £2 m of this is based upon protections (largely, the 0.5% funding floor). Should these protections at any future point be removed, reversed or diluted at the direction of the Department for Education, the effect on Warrington schools could be severe. Practically, this should not influence Schools Forum's deliberations - protection is baked-in at least until the scheduled start of the "hard formula", at which point whether we approve or not, NFF will be fully implemented.
- 3.9 Overall, the FWG, after much debate, recommends to Schools Forum that as far as is practical, the mainstream schools formula for primary and secondary schools for 2018/19 should emulate the NFF as it applies to Warrington.
- 3.10 Whatever is the final recommendation of Schools Forum will be considered by Families & Wellbeing (FWB) Directorate Management Team, and FWB Executive Director, and then at the next available Council Senior Management Team (SMT). On approval, this model will then be submitted to the Education and Skills Funding Agency by their deadline of 19th January, to form Warrington's official formula submission.

- 3.11 This submission must be affordable within the limits of the actual DSG Schools Block settlement (not available until December), so dependent on the data, it may require a small degree of modification. Whatever intervention is necessary will be reported back to the next Schools Forum – by its nature, the changes necessary will be minimised the closer the recommendation is to the NFF, although please see 3.12, below.
- 3.12 It has been confirmed that the DSG settlement for 2018/19, while being underpinned by the NFF calculation, will not be informed by a **full recalculation** of the NFF model using all new census data. Instead, the NFF calculation for the current illustration is used to derive an individual per pupil funding value for primary (£3,909) and secondary (£4,887) sectors, which are then flexed by the October 2017 pupil numbers. The premises elements are added to these sector values, to resolve the total Schools Block funding. The implication of this is that if the values of formula elements other than NOR do not change in equal proportion, there will be either an over or under-funding, compared to an actual full and true refresh of the NFF calculation. We are assured that this simplification – and the issues it may create – will apply only to 2018/19 settlements, and that future years will be recalculated fully. Nevertheless, this creates a bizarre situation where NFF implementation may not be fully achievable, despite the funding available being *purportedly* based on it.
- 3.13 Consequently, we stress that the three models illustrated, and considered by Formula Working Group, may each require a small degree of modification to reflect the overall quantum of funding available. The LA proposes that if the Block settlement falls short of expectation, the adjustment will be made in the attainment and deprivation factors (as it will be these factors which will be ‘underfunded’). If the settlement is greater than expectation, the LA proposes to add the additional funding to the per pupil factor. We propose to apply these criteria if the variation from the ‘true’ value of the settlement is less than £0.5m. If the shortfall or surplus transpires to exceed this figure (representing c.0.4% of Schools Block), we request Schools Forum members be available to meet w/c 8th January to consider whether any more significant variation of the agreed formula is necessary. Assuming the data are available on the date promised by ESFA, we shall be able to confirm before the Christmas break whether this extraordinary session will be necessary.
- 3.14 There are additional funding decisions to be taken at this evening’s meeting of Schools Forum – we shall be considering, for example, how to accommodate the fact that available funding for rates will for the next two years be pegged at 2017/18 budgeted levels - but if these ultimately require some modification of the funding model, it will be applied to whatever is the agreed formula, and does not affect the relative merits of the three options. Similarly, the maintained schools will be asked to decide upon their de-delegations for the forthcoming year; again, a decision separate from the funding model.

4. RECOMMENDATIONS

- 4.1 It is recommended that Schools Forum note the contents of the report.
- 4.2 It is recommended that Schools Forum consider whether to uphold the recommendation of the Formula Working Group as its own recommendation to the LA for formula implementation 2018/19. Or, to propose an alternative.
- 4.3 It is recommended that Schools Forum agrees to the principles suggested in section 3.13 to 'match' the formula to available Schools Block resources.

Appendix 1: Formula Options Summary

	FORMULA WORKING GROUP SCENARIOS						NFF Protection & Capping
	2017/18	DP/FY change	2017/18 Equivalent	1: WBC with extra AWPU	2: NFF with amended Prim Lump Sum	3: NFF as per ESFA	
Bewsey Lodge Primary School	£1,179,468	£74,097	£1,253,565	£1,237,573	£1,243,587	£1,259,128	£58,590
Dallam Community Primary School	£959,012	£100,388	£1,059,400	£1,060,411	£1,051,063	£1,064,065	£25,449
Meadowside Community Primary School	£1,117,552	£79,019	£1,196,571	£1,181,227	£1,186,989	£1,201,916	£123,363
Bradshaw Community Primary School	£769,364		£769,364	£784,000	£784,240	£772,590	£10,243
Stockton Heath Primary School	£1,317,677		£1,317,677	£1,345,552	£1,352,079	£1,352,736	£10,816
Thelwall Community Junior School	£662,817		£662,817	£674,732	£658,072	£665,519	£37,289
The Cobbs Infant School	£977,507		£977,507	£996,924	£970,004	£981,716	£19,966
Statham Community Primary School	£756,705		£756,705	£770,827	£751,121	£759,866	£33,168
Ravenbank Community Primary School	£1,426,440		£1,426,440	£1,456,522	£1,458,860	£1,458,860	£81,217
Broomfields Junior School	£1,295,238		£1,295,238	£1,322,231	£1,311,380	£1,311,380	£25,489
Oughtrington Community Primary School	£1,406,106		£1,406,106	£1,436,924	£1,443,450	£1,444,107	£68,129
Appleton Thorn Primary School	£761,777		£761,777	£776,708	£770,354	£764,945	£16,482
Cherry Tree Primary School	£818,919		£818,919	£834,585	£812,793	£822,375	£35,005
Thelwall Community Infant School	£545,497		£545,497	£554,617	£541,823	£547,613	£37,063
Burtonwood Community Primary School	£819,917		£819,917	£834,848	£836,604	£823,385	£8,674
Croft Primary School	£812,050		£812,050	£827,495	£805,983	£815,475	£32,573
Culcheth Community Primary School	£846,375		£846,375	£862,042	£839,969	£849,986	£30,121
Great Sankey Primary School	£1,137,188		£1,137,188	£1,160,136	£1,128,365	£1,142,120	£33,377
Woolston Community Primary School	£917,415	£25,674	£943,089	£960,446	£935,936	£947,107	£32,548
Newchurch Community Primary School	£799,471		£799,471	£814,990	£793,498	£802,844	£30,148
Park Road Community Primary School	£787,494		£787,494	£802,718	£800,275	£790,807	£12,423
Chapelford Village Primary School	£1,783,796		£1,783,796	£1,821,454	£1,831,873	£1,832,530	£57,128
Twiss Green Community Primary School	£800,826		£800,826	£816,345	£794,868	£804,191	£47,002
Penketh South Community Primary School	£698,772		£698,772	£708,481	£712,310	£701,626	£11,208
Brook Acre Community Primary School	£1,130,912		£1,130,912	£1,147,240	£1,121,949	£1,135,920	£72,032
Locking Stumps Community Primary School	£1,281,047		£1,281,047	£1,305,980	£1,314,761	£1,293,152	-£0
Westbrook Old Hall Primary School	£1,423,855		£1,423,855	£1,454,158	£1,461,652	£1,462,308	£26,649
Gorse Covert Primary School	£1,078,736		£1,078,736	£1,101,242	£1,106,194	£1,102,200	£17,776
Callands Primary School	£1,156,568		£1,156,568	£1,179,589	£1,186,504	£1,184,324	£0
Barrow Hall Community Primary	£1,811,618		£1,811,618	£1,852,512	£1,865,520	£1,865,520	£24,517
Oakwood Avenue Community Primary School	£2,162,298	£73,317	£2,235,615	£2,277,170	£2,283,491	£2,261,600	£1
Latchford St James CofE Primary School	£819,981		£819,981	£833,735	£840,515	£823,513	-£271
Grappenhall Heys Community Primary School	£791,560		£791,560	£807,005	£785,784	£794,825	£24,483
Alderman Bolton Community Primary School	£1,290,712		£1,290,712	£1,311,601	£1,310,272	£1,296,535	£8,155
Sankey Valley St James' CE Primary School	£930,120		£930,120	£918,583	£922,859	£934,197	£100,086
St Elphin's (Fairfield) C.E. Primary School	£1,470,783		£1,470,783	£1,499,099	£1,510,664	£1,498,478	-£0
St Margaret's CE Vol Aided Primary School	£1,652,890		£1,652,890	£1,684,516	£1,698,226	£1,698,882	-£34,434
Warrington St Ann's CE Primary School	£926,679		£926,679	£915,170	£936,706	£930,746	£15,932
Warrington St Barnabas' CE Primary School	£889,796		£889,796	£904,359	£912,321	£893,679	£3,250
St. Andrew's CE Primary School	£913,105		£913,105	£918,637	£905,982	£917,106	£20,834
Birchwood CE Primary School	£892,542		£892,542	£892,254	£885,620	£896,435	£54,858
Our Lady's Catholic Primary School	£808,207		£808,207	£822,255	£828,401	£819,424	£0
Sacred Heart Catholic Primary School	£831,273		£831,273	£845,910	£849,227	£834,863	£7,526
St Alban's Catholic Primary School	£780,214		£780,214	£794,115	£799,550	£800,207	-£45,976
St Benedict's Catholic Primary School	£828,333		£828,333	£843,485	£849,090	£849,747	-£13,076
St. Augustine's Catholic Primary School	£734,874		£734,874	£733,349	£729,383	£737,984	£39,390
ST STEPHEN'S CATHOLIC PRIMARY SCHOOL	£887,163		£887,163	£883,542	£909,732	£902,165	£0
Grappenhall St Wilfrid's CE Primary School	£1,357,150		£1,357,150	£1,387,747	£1,393,716	£1,394,373	£33,437
St. Thomas' CE Aided Primary School	£804,562		£804,562	£819,934	£798,449	£808,012	£45,040
St. Monica's Catholic Primary School	£762,846		£762,846	£777,629	£757,098	£766,096	£22,687
Glazebury CE (Aided) Primary School	£450,865		£450,865	£457,195	£447,972	£452,555	£41,948
Christ Church CE Primary School Padgate	£1,208,978		£1,208,978	£1,232,293	£1,199,172	£1,214,446	£17,930
Hollins Green St Helen's CE (Aided) Primary School	£579,622		£579,622	£589,772	£592,963	£581,955	£6,800
Winwick C.E Primary School	£723,467		£723,467	£737,148	£718,092	£726,514	£35,883
Woolston CE Aided Primary School	£785,072		£785,072	£800,738	£804,549	£788,428	£908
St Paul of the Cross Catholic Primary School	£715,769		£715,769	£728,493	£710,459	£718,780	£25,363
St Lewis' Catholic Primary School	£773,814		£773,814	£788,377	£767,968	£777,119	£42,577
St Oswald's Catholic Primary School	£788,773		£788,773	£804,366	£808,371	£796,379	-£0
St Peter's Catholic Primary	£775,351		£775,351	£788,337	£788,038	£778,660	£12,512
St Joseph's Catholic Primary School	£1,023,342		£1,023,342	£1,045,333	£1,049,836	£1,049,836	£35,997
St Vincent's Catholic Primary School	£907,669		£907,669	£925,983	£900,614	£911,634	£33,950
St Bridget's Catholic Primary School	£947,706		£947,706	£963,593	£972,057	£972,714	-£27,404
Cinnamon Brow CE Primary School	£1,211,739	£27,425	£1,239,164	£1,262,258	£1,266,790	£1,244,777	-£121
Stretton St Matthew's CE Primary School	£745,212		£745,212	£760,143	£739,635	£748,369	£28,481
St Philip (Westbrook) CE Aided Primary School	£1,541,774		£1,541,774	£1,576,122	£1,583,850	£1,584,507	£63,133
Beamont Community Primary	£1,626,916		£1,626,916	£1,655,527	£1,667,984	£1,646,092	£0
Culcheth High School	£5,305,125	-£5,335	£5,299,790	£5,410,582	£5,449,172	£5,449,172	£135,111
SIR THOMAS BOTELER C.E. HIGH S	£2,753,176	£57,001	£2,810,177	£2,863,632	£2,890,701	£2,890,701	-£44,944
St. Gregory's Catholic High School	£4,174,351	£68,517	£4,242,868	£4,332,657	£4,350,720	£4,350,720	£24,987
Cardinal Newman Catholic High School	£3,751,829	-£3,710	£3,748,119	£3,825,165	£3,856,772	£3,856,772	-£87,335
Evelyn Street Primary School	£1,099,985		£1,099,985	£1,085,883	£1,101,712	£1,101,822	£116,450
Penketh Primary School	£773,522		£773,522	£788,674	£778,637	£773,630	£13,694
Bruche Primary School	£799,134	-£3,168	£795,966	£793,559	£812,614	£803,041	-£3,168
Kings Leadership Academy	£2,356,337	£341,810	£2,698,147	£2,760,260	£2,775,990	£2,775,990	£49,822
University Academy Warrington	£2,230,611	£47,222	£2,277,833	£2,332,466	£2,340,996	£2,340,996	-£13,918
Beamont Collegiate Academy	£4,227,201	£62,604	£4,289,805	£4,303,570	£4,414,875	£4,414,875	-£126,601
Future Tech Studio	£877,608	-£506,792	£370,816	£374,320	£372,087	£372,087	£4,332
UTC Warrington	£918,836	£204,849	£1,123,685	£1,153,724	£1,181,840	£1,181,840	-£1

Appendix 1: Formula Options Summary

	2017/18	DP/FY change	2017/18 Equivalent	1: WBC with extra AWPU	2: NFF with amended Prim Lump Sum	3: NFF as per ESFA	NFF Protection & Capping
Penketh High School	£4,829,324	£33,396	£4,862,720	£4,980,758	£4,916,355	£4,916,355	-£19,388
Great Sankey High School	£6,752,639	-£54,021	£6,698,618	£6,895,333	£6,927,600	£6,927,600	£79,763
Birchwood Community High	£4,358,924	-£34,503	£4,324,421	£4,443,157	£4,450,667	£4,450,667	-£48,884
Bridgewater High School	£6,947,920	£60,985	£7,008,905	£7,242,156	£7,229,200	£7,229,200	£135,872
Lymm High School	£6,675,558	-£48,586	£6,626,972	£6,815,219	£6,821,920	£6,821,920	£156,282
	£125,453,355		£126,053,544	£128,469,397	£128,469,372	£128,469,334	£1,990,400

Note: All calculations using 2017/18 data for formula variables. 2017/18 baseline for Academies adjusted per ESFA for different financial year

REPORT

WARRINGTON
Borough Council 

Report to: Schools Forum

Item: 6

Date: 5 December 2017

For: Information/Decision

Title: High Needs Budget Pressures

Author: Paula Worthington

Presenter: Paula Worthington

1. PURPOSE

- 1.1 The purpose of this report is to provide Schools Forum with an update on the High Needs budget pressures as requested at the meeting on 3 October 2017 regarding the forecast overspend of approximately £2 million in 2017/18.
- 1.2 The report includes an overview of the current arrangements which support children and young people with special educational needs and/or disabilities (SEND) and the measures required for Warrington to realise a long term sustainable financial position.

2. INTRODUCTION

- 2.1 It is essential that the local authority and school leaders work together as closely as possible to achieve the best possible outcomes for children and young people who have SEND, but the shortage of funding to meet our collective needs is a national challenge. As such, the Association of Directors of Children's Services (ADCS) have recently consulted with its members to understand the pressures on High Needs Block, quantify the financial strains and identify the contextual drivers increasing spend.
- 2.2 Only a small number reported that in 2016/17 their actual spend was within their allocation. In fact 80% stated that there was an overspend totalling £139.5 million – an average of £2.05 million per council area. The local authorities consulted reported that had employed a range of tactics to manage their deficit with the three most common being:

- Utilising reserves in the Dedicated Schools Grant (DSG) - as a result a number of local authorities reported that the DSG reserves were now either depleted or were in deficit.
- Transferring funding from the Schools and Early Years Blocks to the High Needs Block.
- Carrying the deficit forward into the current financial year.

2.3 Given the new schools national funding formula and in light of the changes which will ring-fence the Schools Block with minimal flexibility to transfer funds to offset pressures in the High Needs Block, a number of local authorities reported a lack of clarity as to what measures could be employed in future to address an in-year overspend.

2.4 Local authorities were also asked about the specific issues which were driving demand and from the received responses, three themes emerged:

- The increase in numbers of children with SEND related to the extension of support to young people up to the age of 25 and early identification of additional needs, particularly in the early years;
- Increasing complexity of need; and
- A lack of capacity within mainstream settings to provide a graduated response to additional needs before turning to statutory processes.

3. BACKGROUND

3.1 The increased demand for provision for children and young people who have SEND in Warrington has been a topic of discussion with schools since early 2016. Warrington Schools Forum has received a number of reports highlighting the pressures on the High Needs Block throughout 2016/17 and at the start of 2017/18. These reports identified that increasing demand was in turn increasing expenditure and that a comprehensive review of the identification, assessment and financial arrangements was required in order to develop a more sustainable local offer.

3.2 It was also highlighted that changes would take time to implement and therefore a staged approach involving short-term “quick wins” and longer-term solutions was needed.

3.3 At the meeting on 28 June 2016 a proposal was made to redistribute a proportion of school balances from maintained schools to offset the projected shortfall in 2016/17 arising from increased costs in the High Needs Block. A new approach to the

financial year-end school balance challenge process was established to create the opportunity to clawback excessive balances and this was implemented in 2016/17 with the reclaim of £51,000 carried forward to the 2017/18 High Needs Block.

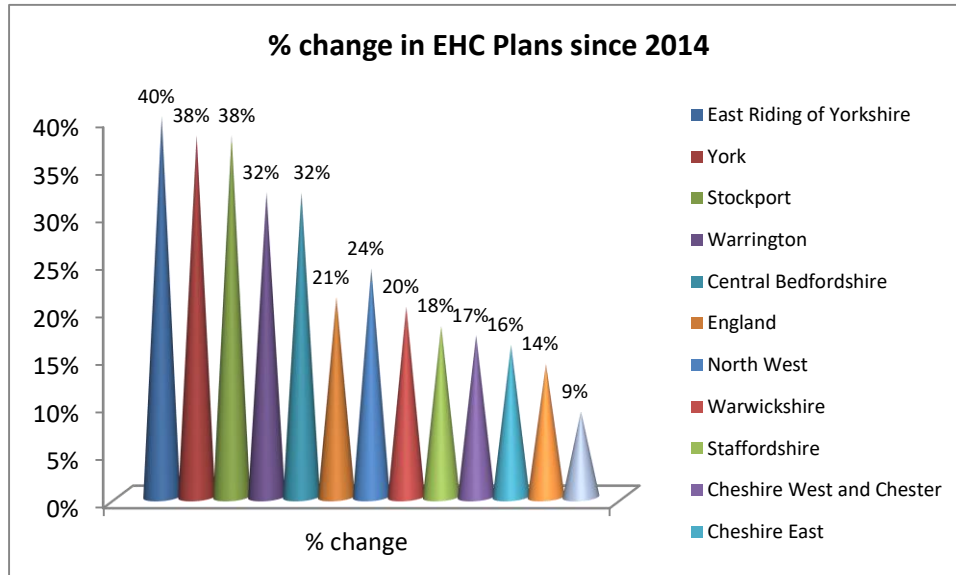
- 3.4 At the meeting on 10 January 2017 the overspend for 2016/17 was estimated to be in the region of £1 million. A range of short-term and one-off measures was agreed with schools to offset the pressures in that year and resulted in the avoidance of a potential top-slice in 2017/18. These resulted in a deficit of £82,694 which was carried forward to 2017/18.
- 3.5 Commitment to developing a collective response to the financial and services challenges has been discussed by school leaders and council officers at the Executive Directors briefing in April 2017 and the annual Inclusion Hub Conference in July 2017. In order to steer the changes, a discussion at the July 2017 meeting of Schools Forum prompted agreement for Headteachers to deliver a presentation at the Executive Directors briefing in September 2017.
- 3.6 Although significant work has been undertaken in relation to improving inclusive practice across schools, Warrington has been unable to 'turn the curve' and reduce the number of Education, Health and Care (EHC) Plans and ease the pressures on the High Needs Block.

4.0 LOCAL CONTEXT

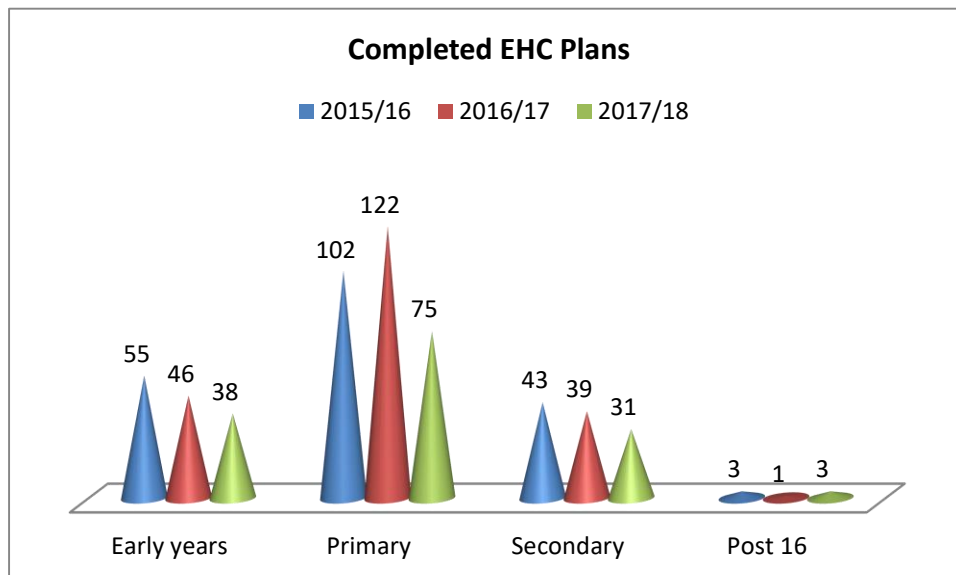
- 4.1 As outlined in section 2, government reforms in support of SEND are contributing to the increase in demand both nationally and locally. However the data has revealed that there are specific issues around Warrington's approach that are also impacting on the increase.
- 4.2 Pupils requiring lower levels of assistance and categorised as requiring SEN support in schools has reduced dramatically by 54% from 5,189 in 2010 to 2,806 in 2017.
- 4.3 Since 2014 there has been significant rise in the combined number of Statements and Education, Health and Care (EHC) Plans maintained by Warrington Borough Council from a relatively stable position of 969 in 2014 to 1,280 in 2017¹. This number has continued to rise and as of the 17 November 2017 there were 1,590 active EHC Plans recorded on Capita One. This is much higher than expected - the projected number for the end of 2017 was estimated to be 1,318 based on the average annual change since 2010.

¹ Statements of SEN and EHC Plans, SFR22/2017, Department for Education, 25 May 2017

4.4 The percentage increase in EHC Plans has been much higher in Warrington – 32% compared to 24% in the North West and 21% across England. In comparison to its statistical neighbours Warrington has had the joint third highest increase in EHC Plans since 2014².



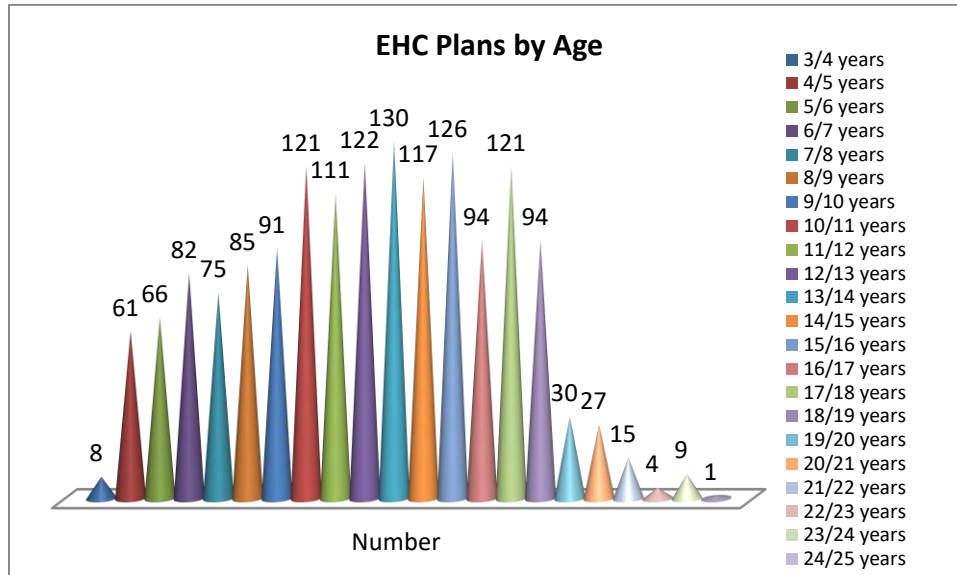
4.5 The growth in part can be explained by the widening of the age range for EHC Plans described as a national trend (see paragraph 2.4) but intelligence shows that the majority of new EHC Plans continue to be for school aged pupils.



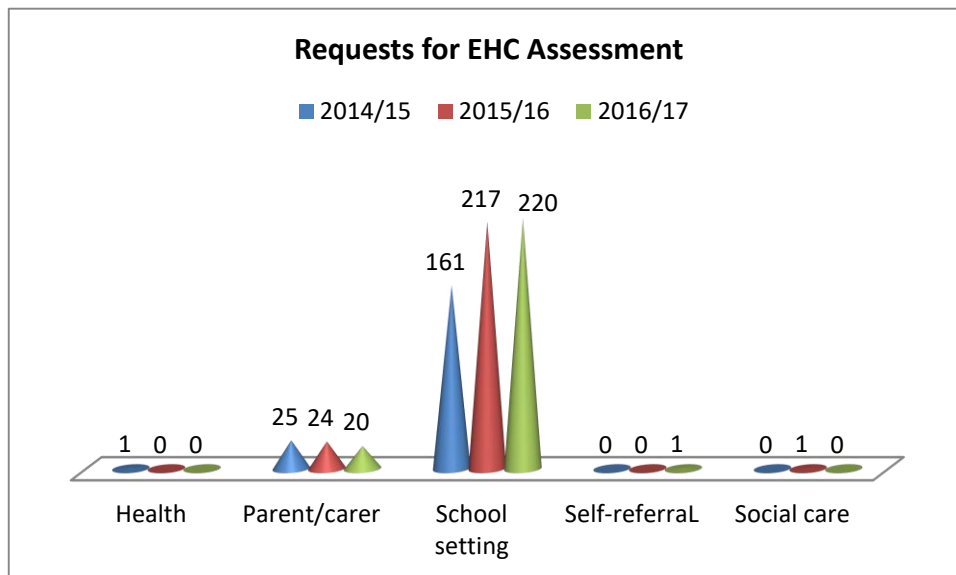
4.6 The widening of the age range will continue to create further demand as six cohorts of pupils will remain in the system for longer. The profile of children and young people

² Statements of SEN and EHC Plans, SFR22/2017, Department for Education, 25 May 2017

with EHC Plans and their National Curriculum Age shows that only one Plan is due to cease in this financial year. The cost of continuing to maintain the remaining 300 EHC Plans past the persons 18th birthday will result in an additional financial pressure of £2,511,300³.

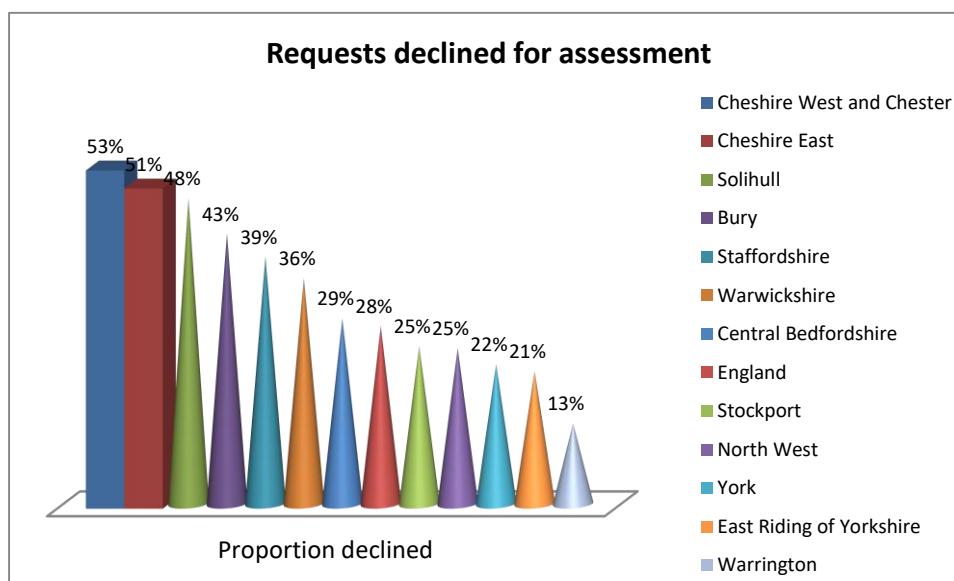


4.7 The vast majority of requests for an EHC Assessment tend to be from school settings and over the past three years the proportion requested from this sector has increased from 86% to 91%.



³ The calculation is made using the EHCP top-up spend was £3,034,509 – so for 1,280 EHCPs that gives an average Element 3 of £2,371, plus the Element 2 and the full cost is £8,371 per pupil.

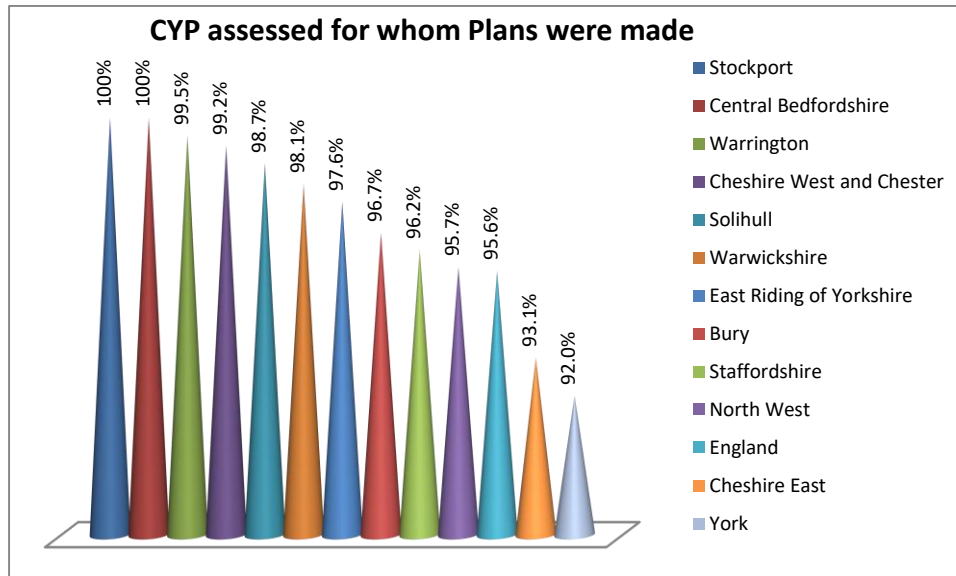
4.8 Over the past two years Warrington’s multi-agency Referral and Resource Panel declined a small proportion of requests for assessments – 14% in 2015 and 13% in 2016. In the latter period this was significantly below the national and regional levels and resulted in the lowest refusal rate in its statistical neighbour group⁴. Observations have highlighted the need to review the form and function of the different Panels which exist in Warrington to ensure that there is effective and robust challenge in respect of decision making.



4.9 The overwhelming majority of assessments undertaken by the EHC Assessment Team result in an EHC Plan being issued – in the calendar year of 2016 the proportion of children and young people assessed for whom it was decided to not issue a Plan was 0.5% or one child/young person. This is well below the national average of 4.4% and North West average of 4.3%⁵ and places Warrington second in its statistical neighbour group.

⁴ Statements of SEN and EHC Plans, SFR22/2017, Department for Education, 25 May 2017

⁵ Statements of SEN and EHC Plans, SFR22/2017, Department for Education, 25 May 2017



4.10 Further analysis shows that there is also a higher proportion of pupils with a Statement/EHC Plan in Warrington schools than in other local authority areas ranking Warrington second in its statistical neighbour group.

	2010	2011	2012	2013	2014	2015	2016	2017
Stockport	3.3	3.5	3.5	3.6	3.6	3.8	3.9	3.9
Warrington	3.4	3.2	3.1	3.1	3.1	3.3	3.4	3.5
Bury	3.3	3.2	3.4	3.5	3.6	3.8	3.5	3.4
Cheshire West and Chester	3.3	3.0	3.0	3.0	3.1	3.1	3.1	3.2
Warwickshire	2.9	2.9	2.9	3.1	3.1	3.1	3.1	3.1
Staffordshire	2.9	2.9	2.9	2.9	2.9	3.0	3.0	3.0
Solihull	2.9	3.0	3.0	3.1	3.2	3.1	3.0	3.0
North West Average	2.9	2.8	2.8	2.8	2.8	2.9	2.8	2.9
Central Bedfordshire	2.7	2.7	2.7	2.7	2.6	2.6	2.6	2.8
England Average	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
East Riding of Yorkshire	2.0	2.0	1.9	2.0	2.1	2.2	2.3	2.4
Cheshire East	2.6	2.4	2.4	2.4	2.3	2.3	2.3	2.2
York	1.8	1.8	1.9	2.0	1.9	2.0	2.1	2.1

4.11 If Warrington's rate was at the England average level in 2017 there would have been 203 fewer pupils with a Statement or EHC Plan⁶ in Warrington schools. At an average spend of £8,371 per pupil; this level of Plans would have resulted in a reduction in the budget pressure of £1,699,331 in 2017.

4.12 The biggest increases in spend between 2014/15 and 2017/18 continue to be those reported previously as follows:

⁶ Special educational needs in England, SFR37/2017, Department for Education, 27 July 2017

- Independent School Fees – this has been driven by the rise in the number of children and young people being placed out of area from 73 in 2014/15 to 129 in 2017/18 whose needs cannot be met in borough as both designated and specialist provision are currently full to capacity. The spend has increased by 50% from £2,333,424 in 2014/15 to £3,511,136 in 2017/18. This has been compounded by fee increases from some of our providers – some around 5%.
- Post 16 Spend – there is a lack of suitable education, training and supported employment opportunities in Warrington for young people over the age of 16 years and this has resulted in a number of placements being made out of area rising. In this area spend has also increased by 30% from £3,001,365 in 2014/15 to £3,887,798 in 2017/18.
- Top-ups to mainstream schools – the spend in this area has risen by 16% from £1,961,145 to £2,226,622 and is a result of the large number of children and young people being placed in mainstream provision compared to the national average (52% compared to 43%). This is despite the changes made to increase the core hours delivered by schools from 12 to 15 hours, however if the change had not been introduced, the increase would have been much greater.

4.13 Since 2014, demand has increased across a range of needs including Autistic Spectrum Disorder (ASD), Speech, Language and Communications Needs and Social, Emotional and Mental Health (previously defined as Behaviour, Emotional & Social Difficulties). A number of activities are currently underway to create additional capacity to manage behaviour in mainstream and it is generally accepted that additional specialist places are also required.

	2014	2015	2016	2017	% change
Physical Disability	42	37	42	36	-14%
Moderate Learning Difficulty	216	241	202	211	-2%
Severe Learning Difficulty	67	36	70	66	-1%
Social, Emotional and Mental Health (previously defined as Behaviour, Emotional & Social Difficulties)	152	194	149	159	5%
Profound & Multiple Learning Difficulty	25	20	24	27	8%
Specific Learning Difficulty	65	38	68	72	11%
Autistic Spectrum Disorder	197	236	240	239	21%
Hearing Impairment	13	20	17	16	23%
Speech, Language and Communications Needs	134	133	150	176	31%
Visual Impairment	9	10	14	13	44%
Multi-Sensory Impairment	0	0	1	2	100%
Other	18	33	45	43	139%

4.14 Similarly additional special places are required to address the needs of children and young people with ASD; however an application to establish an ASD Special Free School in Warrington was not supported by the DfE. This means that the approach to creating additional capacity will need to be reviewed and additional places created at existing provisions.

5.0 MANAGING THE DEFICIT IN 2017/18

5.1 As partners, Warrington Borough Council and school leaders continue to work together to ensure that we meet the needs of children and young people with SEND in a way which improves outcomes for them and their families.

5.2 The pressures in the High Needs Block are not unique to Warrington and the funding challenge is partly as a result of the changes introduced by the Children and Families Act 2014.

5.3 Considerable work has been undertaken in partnership with schools already which resulted in a reduction in the projected overspend from £1 million to £82,694 in 2016/17.

5.4 At a Schools Forum Meeting on the 10 January 2017 a further package of financial measures was agreed equating to a further £1,010,650 of savings as a way to contain the expected overspend in 2017/18, some of which have been achieved.

5.5 The package of measures included an amendment in the allocation for EHC Plan funding support as part of top up arrangements to bring Warrington in line with other local authorities in the region. It is thought that there is scope to review the children placed on Bands F and G to ensure that their needs are sufficient to warrant this level of support and it is recommended that Warrington Inclusion Hub pick this up as a priority action.

5.6 Furthermore, an exercise will be undertaken to interrogate the budget and identify any opportunities for recovering unspent funding or recoding some activities to other budgets.

5.7 Despite this there remains a significant deficit in the High Needs Block of **£1.993** million as of period 7 and school leaders have been given assurances in terms of this will be handled in this financial year. The challenge remains, for the future, for how we design a model and set of processes that will help us to live within our means.

6.0 FUTURE PROOFING

6.1 A number of priority projects will need to be undertaken to reduce spend given the commitments made around EHC Plans.

- A. An application has been made to the LGA to work with us on a behaviour insight project to address the behavioural and cultural practices which may be driving demand for EHC Plans. As part of this, a new approach will be piloted for the triage and assessment process for EHC Plans. The local authority will be notified at the end of November 2017 as to whether or not we have been successful.
- B. A Contract and Commissioning Officer post will be established to ensure that Independent School places are made in the best interests of the child and improve outcomes. The post-holder will be required to work closely with the Virtual Headteacher and the Commissioning Team to ensure that placements made with external providers comply with their contractual obligations and deliver value for money. Furthermore, the post will enable the local authority to comply with the statutory guidance issued by the Department for Education and Department of Health for 'Statutory visits to children with SEND or health conditions in long-term residential settings'.
- C. A Transition Manager post is being recruited to and will develop arrangements for young people with SEND post 16, which will include reviewing processes for supporting young people into adulthood and developing the local offer of support available for young adults in education, employment or training. This post will also have a critical focus on the key transition points for children as the data demonstrates an increase in requests for EHC Plans at year 6.
- D. The increase in spend in the High Needs Block has also in part been driven by gaps in the type of some education provision in Warrington for particular presenting needs such as ASD. A much higher proportion of children and young people with SEND are also educated in mainstream schools in Warrington compared to the national and regional averages – 52% compared to 40% across the North West and 43% in England. This reflects the smaller number of education places available in the Warrington both in designated and specialist provision. There is £590,000 SEND capital available to tackle some of the provision issues and an SEN Review will be undertaken to establish the level of provision required to meet those needs which is leading to commissioned placements from independent school providers. This includes revisiting the Business Case for the ASD Free School.
- E. Early identification and communication processes will be strengthened; in particular intelligence sharing between schools, health and the local authority about the children with the most complex needs so that decisions can be made

in advance for school place planning purposes about the number of local designated and special school places required.

- F. Consideration will be given as to whether it is appropriate to reintroduce a CLASP-type funding arrangement as a way of establishing a graduated response to children and young people's learning needs and preventing the escalation of cost.
- G. Necessary changes will be made to strengthen our transactional processes and decision making forums.
- H. The SLA with Sandy Lane nursery is currently under review, having not been reviewed or monitored for some time, and will be strengthened with clear performance indicators. This is a valued service which works to support our youngest children with their early education and the identification of their next placement.

7 RECOMMENDATIONS

7.1 Schools Forum is asked to:

- a) Note that the projected overspend as of the end of period 7
- b) Agree to receive regular performance and financial information from the service to ensure that school leaders are sighted on the service and budgetary challenges in Warrington
- c) Support and commit to the programme of work around the SEND agenda including:
 - i. Project work using behavioural insight techniques with different key stakeholders to address the behaviours which may be artificially increasing the number of EHC Plans
 - ii. A new approach to triaging and assessing children and young people for EHC Plans will be trialled in the New Year and will include the development of new documentation in conjunction with Warrington Inclusion Hub
 - iii. Necessary changes to the gatekeeping process and decision making forums to ensure that resources are allocated in the best interests of the child

- iv. Continued collaboration to establish a shared solution to the service and financial challenges alongside WarrPAC and other parents to successfully manage expectations
- v. Strengthened governance and accountability arrangements, including the establishment of a SEND Improvement Board, for which we seek your opinion about a non-local authority Chair.

Appendix A – Action Plan

Priority area	Actions required	By who	By when
1. Finance (including approvals and authorisation)	a) All FAs to be signed off by PW and FW where there is an education recharge	PW/FW	Complete
	b) Panel authorisation levels to be revised along with the role and function of panels	PW/TJ	In progress
	c) Develop a more manageable cost structure which enables the reporting of unit costs and the prediction of trends	PW/GB/TJ	In progress
	d) The practice of raising ‘bulk’ purchase orders for placements to be ceased to support more accurate forecasting	RG/TJ/GB	Complete
	e) Bring all financial approvals in line with the Council Financial Procedure Rules especially for panels	PW/GB/TJ	Complete
	f) Composite document to be produced which outlines who we are funding, how much does it cost for each individual, age range for each of the commitments, presenting issue, average unit cost for an average education placement for a non CIC - this information will then be reviewed at a newly formed placement panel and will form the performance scorecard for the service	PW/GB/DK/RH/TJ	In progress
	g) Clearly articulate all other budget pressures across Integrated Services (and any impact on the high needs block) for example within CWD and the OT equipment budgets	GB with TJ and team GB with PW	In progress, meetings planned 18 th and 20 th October

Priority area	Actions required	By who	By when
	h) All placements, packages of support, short breaks and direct payments to be made subject to the financial authorisation process	PW	Complete
	i) Placement and Provision Panel to be now chaired by the Head of Service	PW/TJ	Complete
2. Performance information	a) Work with Capita and MOSAIC to create a suite of performance information which relates to the range of services within Integrated Services which enables the more accurate prediction/reporting of demand and the impact of the interventions offered to families. This information will be shared with key managers at regular performance sessions to 'hold the service to account'	PW/DK/MJ/TJ	First performance workshops booked January 2017 Monthly performance meetings are now in place Performance scorecards are in the process of being finalised
3. Service documentation to be finalised to improve the access to plans, the quality of plans and the financial package attached to the plan	a) Short breaks statement to be finalised	CP	17 th November 2017
	b) SEND strategy to be consulted on and then implemented	KW/WarPACC	4 December 2017 to 26 January 2018
	c) Graduated response document to be completed and to be reviewed and agreed by Warrington Inclusion Hub	TJ/AB/MA Warrington Inclusion Hib	December 2017
	d) Top up information – update and finalise the process and guidance. To be reviewed and agreed by Warrington Inclusion Hub	TJ	30 th October 2017 December 2017
4. Gatekeeping process for EHCP and threshold for	a) Finalise the EP service specification	TJ/WR/AR	In progress – draft produced

Priority area	Actions required	By who	By when
support to be strengthened			
	b) Finalise the inclusion fund process	AR/AC	In progress – awaiting the outcome of the consultation
	c) Revise the terms of reference for the EHC placement and provision panel and refresh membership where required	PW/TJ/AB	In progress
	d) Work with Heads and the CDC on the behaviour support work	PW/TJ/AB	February 2018
	e) Develop the Autism conference	WR	February 2018
5. Revisit the ASD free school proposal in line with a review of overall provision in the area linked to the recently released SEN capital funding announcements	a) Revisit the business case with colleagues in commissioning in respect of creating our own specialised provision within Borough to negate the requirement for so many external placements	PW/HS/TJ	Initial meeting booked for 24 th October 17
	b) Explore how to create additional capacity, especially post 16 provision in the Borough, with our current provision	PW/HS/TJ	Discussions commenced with local providers
6. Review the commissioning arrangements for short breaks	a) Develop paperwork to measure the outcomes and cost effective of all current short break placements but as a first priority the most high cost placements	JF/CP	In progress
7. SEND transport	a) Bring the SEND transport allocation process in line with the EHCP process to reduce the current burden on the transport budget and to manage parental expectation	PW/TJ/CT/DC/AJ	In progress
	b) Mainstream and SEN transport budgets need to be disaggregated to more accurately report on the budget pressure within SEN	GB	In progress

Priority area	Actions required	By who	By when
	c) Review the current fleet vehicle and SLA arrangements	PW/IB/TJ/AJ	In progress
	d) Review the Post 16s receiving a transport allocation	TJ/PW/SMcG	In progress
	e) Develop a travel training offer	AJ	In progress
8. Undertake strategic conversations with providers re uplifts they have imposed	a) Invite key external partners to a strategic conversation meeting to discuss charges and value for money	RH/TJ/PW	In progress
9. Undertake a strategic conversation with Health in relation to Turnaround and potential implications for Continuing Health Care assessments and the current 50/50 contribution arrangement	a) Urgent conversation required with the CCG who are planning to review CHC packages in light of Turnaround. If re assessment determines non eligibility there real concern that full financial liability will pass to the LA. The CCG are also taking legal advice internally to review the current 50/50 contribution position	PW/SP	
10. Participate in the internal audit review of integrated services	a) Initial meeting booked with Jean Gleave to agree the scope of the review	PW/JG	Complete
	b) Interviews with key contributors	TJ – 24.10.17	Complete
	c) Finding report with key actions	PW	Complete
11. Review Integrated Services	a) Develop a service specification for the review of integrated services	PW	No longer relevant – superseded by the iMPower work
	b) Commission someone to undertake the piece of work	PW/SP	No longer relevant – as above
	c) Review the location of the CWD service specifically	PW/FW	In progress
	d) Consider a wider review of integrated services and early help	PW	In progress

Priority area	Actions required	By who	By when
12. Safeguarding practice	a) Audit all CWD cases – focusing on the child protection cases first	PW/FW TJ/KH	Underway
13. Demand Management	a) Draft and submit bid to LGA for additional funding	KW/PW/SMG	In progress – awaiting response from LGA
	b) Commission independent provider to work with key stakeholders	SP	Complete
	c) Scope and define work programme	SP	In progress
	d) Work commences	iMPOWER	TBC
14. Pilot new approach to triaging and assessing children and young people	a) Scope and define the pilot	iMPOWER	TBC
	b) Undertake the pilot	iMPOWER	TBC
	c) Review and evaluate	iMPOWER	TBC
	d) Mobilisation of new approach	iMPOWER	TBC

REPORT

Report to:	Schools Forum	Item:	7
Date:	5 th December 2017	For:	Information/Decision
Title:	2018/19 Dedelegations		
Author:	Garry Bradbury	Presenter:	Garry Bradbury

1. INTRODUCTION & BACKGROUND

- 1.1 The current financial framework permits that notional allocations within the delegated budgets of maintained schools, for some centrally delivered school support services may, with Forum approval, be returned to the LA to continue the service provision, via a process of 'de-delegation'. The decision for each of this range of services must be reviewed annually by Forum members representing each of the maintained school phases. A majority decision for or against de-delegation is binding on each school in the respective phase. Phases may adopt a different decision for each of the potentially de-delegated items.
- 1.2 The process of de-delegation remains available during the period in which the National Funding Formula (NFF) is used to calculate the overall funding quantum for local authorities, and not, mandatorily, the actual individual school allocations i.e. the period in which NFF is a 'soft formula'. At a minimum, this will include the forthcoming financial year (2018/19), and the one thereafter (2019/20). Ultimately, any services covered by de-delegation will need to be replaced by individual trading arrangements with each participating school, if they are to continue. It may of course be considered prudent to move towards this model, either wholly or in part, before it is effectively imposed.

2. CURRENT DE-DELEGATIONS, AND PROPOSALS FOR 2018/19

- 2.1 **Appendix 1** illustrates the current position regarding de-delegations, and shows the clawback effect on maintained school budgets in 2018/19 for each setting if delegation was to be agreed, and agreed on the current methodology. The SIMS licence de-delegation is shown for completeness, but schools have already committed to continued de-delegation for the lifetime of the new system contract with Capita. This item will not therefore be under review.

2.2 The individual de-delegated items are described briefly below.

Contingency budgets

- Pupil Number Increases: Following the annual (previous) October census on which budgets are calculated, pupils continue to come and go from schools during the year. This contingency allows those mainstream schools that admit exceptional numbers of additional pupils to receive additional funding (triggered by numbers increases of 2.5% and above, the additional pupils being funded at the basic per-pupil rate). This helps to insulate the school against the cost pressures until the additional pupils can be reflected in the following year's budget allocation.
- Additional classes: Due to changes in pupil populations there are times at which a school needs to employ additional teachers, or at minimum, deploy additional learning resources. Schools Forum has established a methodology under which schools are reimbursed for above-normal admissions (a standard per pupil rate for up to 5 additional admissions, with funding for a teaching post for additional admissions of 5 and over).

Miscellaneous Licences

A range of smaller subscriptions and licences including some remaining copyright licences, Health Protection Radiation Protection Adviser Service, Fischer Family Trust, and other *ad hoc* arrangements.

CLEAPS

This pays for support to schools to ensure that the science curriculum is delivered safely.

Free School Meals Assessment

This budget funds the cost of assessing if a family is eligible for free school meals.

Teachers' Panel and Union Duties

This budget funds the facilities time of union representatives in relation to the work they do with schools and on behalf of their members who are employed by schools. It ensures that union representatives are able to engage in consultation and policy development with the Council, covers the costs of individual casework and also covers the time that union representatives give to health and safety visits to schools. Many of these representatives have substantive roles in a number of schools, and this fund reimburses their opportunity costs. The Facilities Agreement and its financial implications is also a separate agenda item this evening (item no 2), so it is expected that the de-delegation decision for this element will be dependent on the outcome of that debate.

Maternity/Paternity/Adoption Costs

This budget covers the cost of staff members' salaries whilst on these forms of leave from school. By de-delegating this budget, schools pick up only the cost of cover arrangements, not the total of this **and** the substantive salary combined.

- 2.3 The Local Authority proposes that each and any of the currently available de-delegated services shall continue, if the desire exists on the school side to repeat their de-delegation decisions, and that the de-delegation amounts will be recouped via the current formula methodology, irrespective of which school funding model is recommended for 2018/19 (Agenda item 5).

3. RECOMMENDATIONS

- 3.1 It is recommended that representatives from the maintained sectors are asked, for each phase, to decide which funding streams are to be de-delegated for 2018/19.
- 3.2 For services not agreed for de-delegation, but for which it is recognised that a demand still exists (either collectively or individually), that Schools Forum suggests an alternative model of remuneration, service delivery, or both.

REPORT

Report to:	Schools Forum	Item:	8
Date:	5 th December 2017	For:	Information/Decision
Title:	Rates funding		
Author:	Garry Bradbury	Presenter:	Garry Bradbury

1. INTRODUCTION & BACKGROUND

- 1.1 During the anticipated period in which the National Funding Formula (NFF) is in the 'soft' implementation phase (2018/19 and 2019/20), the allocation calculation to Local Authorities includes an element of funding for schools' individual rates commitments which is based on their 2017/18 budgeted allocations. These budgets are aggregated at LA level.
- 1.2 Inevitably, there will be instances in which the actual National Non-Domestic Rates (NNDR) bills are amended during the course of the year, perhaps due to individual or global revaluations, and this will have a recurrent effect carrying on into subsequent financial years. The freezing of discrete rates funding means that changes during this current financial year will not be reflected in available funding, nor obviously will any anticipated (or indeed unexpected) changes during 2018/19 (or 2019/20).
- 1.3 2017/18 has seen minor revision to the majority of schools' NNDR. Additionally, a small number of schools which have had recent construction/expansion activity have significantly increased NNDR. The current aggregate effect of this is approximately £50,000 - individual school effects are shown in Appendix 1. Consequently, if we were to fund Rates at current levels, this aggregate amount represents a shortfall of funding which would require modification of the 2018/19 funding formula to accommodate.

2. PROPOSALS FOR 2018/19

- 2.1 There are essentially three options to consider in addressing the current level of funding shortfall, but Schools Forum should additionally consider what, if anything, should be set in place to address any similar issue during 2018/19.

2.2 The funding options are:

- a) Disregard the issue, and fund rates according to the available resource i.e. 2018/19 budgeted funding at 2017/18 original budget levels. This will potentially overfund some schools, and underfund others, in some cases significantly.
- b) Set 2018/19 rates funding at current net spend, scaled back globally to reflect the current shortfall of £49,506. This would reduce funding for each school to 97.9% of current net spend.
- c) Set 2018/19 rates funding at current net spend levels, with the shortfall accommodated by adjustment to the funding formula elsewhere.

Schools Forum should also consider whether the funding formula in 2018/19 should additionally be modified to create a contingency to address the additional funding which will likely be required on an individual school basis over the course of the forthcoming financial year. And if so, what level? and which method of topslice?

2.3 In considering the consequences of the rates funding issue, Schools Forum will be aware of the requirement to make a decision on principle, as the situation as it stands is of unequal impact on individual schools. Whether or not there has been a significant revision of NNDR within the last financial year is not controllable at school, and the fact that Diocesan schools pay NNDR at a reduced rate distorts the effects overall.

3. RECOMMENDATIONS

- 3.1 That Schools Forum notes the contents of this report.
- 3.2 That Schools Forum recommends one of the options a) to c) to address the current funding shortfall.
- 3.3 That Schools Forum recommends what, if anything, should be done to anticipate and resolve any requirement for funding changes during 2018/19.

Appendix 1 Item 8 : NNDR funding changes 2017/18 to date

CC	School Name	Delegated Amount	Budget Adjustment	Rates Refund/Extra Payment	Additional In-Year Change	TOTAL as at 15.11.2017
35001	Bewsey Lodge Primary School	£30,720	-£64.00			-£64.00
35002	Dallam Primary School	£15,960	-£4,991.05			-£4,991.05
35004	Meadowside Community Primary School	£17,040	-£5,932.20			-£5,932.20
35005	Oakwood Avenue Primary School	£7,728	£12,904.40		£12,904.41	£25,808.81
35006	St Elphin's Primary School	£9,120	-£19.00			-£19.00
35007	St Andrew's Primary School	£2,400	-£335.60			-£335.60
35008	St Ann's Primary School	£2,808	-£538.16			-£538.16
35009	St Barnabas Primary School	£2,904	-£603.79	-£2,233.49		-£2,837.28
35010	St Margaret's Primary School	£9,408	-£19.60			-£19.60
35011	Our Lady's Primary School	£2,808	-£764.87	-£2,273.60		-£3,038.47
35012	Sacred Heart Primary School	£3,024	-£776.08			-£776.08
35013	St Alban's Primary School	£3,384	-£680.72			-£680.72
35014	St Augustine's Primary School	£2,448	-£548.91			-£548.91
35015	St Benedict's Primary School	£4,152	-£8.65			-£8.65
35016	St Stephen's Primary School	£2,568	-£276.89			-£276.89
35017	Appleton Thorn Primary School	£17,880	-£662.91			-£662.91
35018	Appleton The Cobbs Primary School	£25,200	-£52.50			-£52.50
35019	Broomfields Junior School	£26,880	-£56.00			-£56.00
35020	St Monica's Primary School	£2,448	-£382.30			-£382.30
35021	St Wilfrid's Primary School	£6,000	-£12.50			-£12.50
35022	Bradshaw Primary School	£13,680	-£3,266.44			-£3,266.44
35023	St Thomas Primary School	£4,176	-£841.64			-£841.64
35024	Stockton Heath Primary School	£38,640	£8,614.95			£8,614.95
35025	St Matthew's Primary School	£3,408	£88.70	-£646.67		-£557.97
35026	Thelwall Junior School	£12,000	-£3,530.30			-£3,530.30
35027	Thelwall Infants School	£11,760	-£5,373.02			-£5,373.02
35028	Statham Primary School	£14,160	-£4,718.37			-£4,718.37
35029	Cherry Tree Primary School	£17,160	-£4,941.42			-£4,941.42
35030	Ravenbank Primary School	£27,360	-£1,071.06			-£1,071.06
35031	Oughtrington Primary School	£29,040	-£539.50	-£4,820.95		-£5,360.45
35032	Glazebury Primary School	£2,400	-£252.29			-£252.29
35033	Culcheth Primary School	£13,920	-£3,922.98			-£3,922.98
35034	Newchurch Primary School	£14,400	-£2,736.81			-£2,736.81
35035	Twiss Green Primary School	£17,400	-£3,098.79	-£5,873.41		-£8,972.20
35036	St Paul Of The Cross Primary School	£3,216	-£6.70			-£6.70
35037	Burtonwood Primary School	£15,840	-£4,176.81			-£4,176.81
35038	Christ Church CE Primary School	£4,944	-£1,422.22			-£1,422.22
35039	St Oswald's Primary School	£3,216	-£494.05	-£851.94		-£1,345.99
35040	Brook Acre Primary School	£18,960	-£7,157.96	-£1,095.43		-£8,253.39
35042	St Bridget's Primary School	£3,720	-£259.14	-£1,299.20		-£1,558.34
35043	St Lewis Primary School	£2,520	-£480.12			-£480.12
35044	Croft Primary School	£16,680	-£2,795.25			-£2,795.25
35045	Locking Stumps Primary School	£24,960	-£52.00			-£52.00
35047	St Joseph's Primary School	£3,336	-£163.24			-£163.24
35048	St Vincent's Primary School	£4,320	-£481.89			-£481.89
35049	Penketh South Primary School	£17,520	-£5,856.81			-£5,856.81
35050	St Peter's Primary School	£3,288	-£394.23			-£394.23
35051	Woolston Primary School	£29,040	£3,292.65			£3,292.65
35052	Woolston CE Primary School	£3,552	-£484.46			-£484.46
35053	Great Sankey Primary School	£40,560	-£84.50			-£84.50
35054	Chapelford Village Primary School	£48,960	£2,589.55	£783.91		£3,373.46
35055	Park Road Primary School	£14,400	-£3,569.99			-£3,569.99

CC	School Name	Delegated Amount	Budget Adjustment	Rates Refund/Extra Payment	Additional In-Year Change	TOTAL as at 15.11.2017
35056	Barrowhall Lane Primary School	£30,720	£0.00		£73,809.45	£73,809.45
35057	Sankey Valley St James Primary School	£4,248	-£1,046.64			-£1,046.64
35058	St Helen's Primary School	£2,664	-£286.98			-£286.98
35059	Winwick Primary School	£3,672	-£7.65			-£7.65
35060	Birchwood Primary School	£3,660	£765.17			£765.17
35061	Gorse Covert Primary School	£31,200	-£1,752.42			-£1,752.42
35062	Cinnamon Brow C.E. School	£6,048	-£746.84			-£746.84
35063	Old Hall Primary School	£31,680	-£66.00			-£66.00
35064	Callands Primary School	£26,400	£2,340.00			£2,340.00
35065	St Phillip's C&C Primary School	£6,960	£560.30	-£952.23		-£391.93
35066	Grappenhall Heys Primary School	£28,080	-£58.50			-£58.50
35067	Latchford St James Primary School	£3,240	-£403.07			-£403.07
35068	Alderman Bolton Primary School	£15,773	-£3,466.03			-£3,466.03
35070	Beamont Community School	£29,520	-£2,061.78			-£2,061.78
35103	Culcheth High School	£210,000	£77,383.78			£77,383.78
35107	St Gregory's High School	£21,120	£0.00			£0.00
35115	Sir Thomas Boteler High School	£15,648	£0.00	-£996.24	-£36,660.69	-£37,656.93
35121	Cardinal Newman High School	£15,936	-£33.20			-£33.20
			£19,712.67	-£20,259.25	£50,053.17	£49,506.59