

*Meeting*                    **Leicestershire Schools' Forum**

*Date/Time*                **Thursday, 18 September 2014 at 2.00 pm**

*Location*                 **Beaumanor Hall, Beaumanor Drive, Woodhouse, Leicestershire**

*Officer to contact*   **Karen Brown / Bryn Emerson (Tel. 0116 305 6432) (Tel. )**

*E-Mail*

### **Membership**

	Tim Moralee (Chairman)	
Ed McGovern	Jean Lewis	
Bill Nash	Michael Murphy	
Richard Spurr	Suzanne Uprichard	
Alex Green	Brian Myatt	
Sonia Singleton	David Lloyd	
Heather Sewell	Karen Allen	
Vacancy	David Thomas	
John Bassford	Sue Horn	
Jason Brooks	Louisa Hallam	
Nigel Leigh	Ian Sharpe	
Alison Deacon	Chris Davies	

### **AGENDA**

<u>Item</u>	<u>Report by</u>	<u>Marked</u>
1. Election of Chair and Vice Chair		
2. Apologies for absence/Substitutions.		
3. Membership Update		
4. Minutes of the Meeting held on 16 June 2014 and 5 September 2014 (previously circulated) and matters arising.		4
5. Oakfield Update		5
6. 2013/14 School Balances		6
7. Personal Budgets		7
8. 2015/16 School Funding		8
Due to the funding consultation not closing until 17 <sup>th</sup> September these papers were only made live on the morning of the 18 <sup>th</sup> September.		
9. Any other business.		

10. Date of next meeting.

Next meetings (to be agreed):

Thursday 4 December 2014

Monday 23 February 2015

Thursday 18 June 2015

Monday 21 September 2015

All above from 2.00 pm – 4.00 pm

Leicestershire Schools' ForumNotes of the meeting held on Monday 16 June 2014, 2.00 pm at Beaumanor Hall**Present**

<b>Tim Moralee</b> <b>Brian Myatt</b> <b>Alex Green</b> <b>Sonia Singleton</b>	Secondary Academy Headteachers
<b>Suzanne Uprichard</b> <b>Richard Spurr</b> <b>Michael Murphy</b> <b>Bill Nash</b>	Secondary Academy Governors
<b>Jean Lewis</b>	Primary Academy Governors
<b>Heather Sewell</b> <b>David Lloyd</b> <b>Karen Allen</b>	Primary Maintained Headteachers
<b>David Thomas</b>	Primary Maintained Governor
<b>Jason Brooks</b>	Maintained Representative – Special
<b>Suzanne Uprichard</b>	PRU representative

**In attendance:**

Jenny Lawrence, CYPS Finance Business Partner  
 Lesley Hagger, Director, Children and Families Service  
 Gill Weston, Assistant Director, Education, Skills and Learning  
 Chris Bristow, Interim Head of Strategy, Vulnerable Groups  
 Harvinder Lidher, Education Funding Agency

**Observer**

Andy Winter, Business Manager, Wreake Valley Academy

<b>1.</b>	<b>Apologies</b>  Apologies were received from Ivan Ould, Nigel Leigh, Tony Gelsthorpe, Ian Sharpe, Alison Deacon, Julie Kennedy, Ed McGovern and Louisa Hallam.	
<b>2.</b>	<b>Minutes</b>  The minutes of the meeting held on 13 February 2014 were agreed subject to slight amendment to the membership category for those present.	

3.	<p><b>SEND and Personalisation</b></p> <p>Chris Bristow gave a verbal report on SEND Reform and Personalisation of budgets and circulated a paper on personal budgets. Chris explained that from 1 September the 'local offer' would be in place. Schools had a responsibility to publish their own SEND advice and information, Leicestershire was currently working with early years' settings, schools and colleges to assist with this. Briefings were underway in schools and information would shortly be sent to schools.</p> <p>Chris added that the EHC Plan covers provision across education, health and care which was similar to a statement of special needs. Consultation with schools on providing top up funding was taking place and the SEN Support Plan would be used to trigger this process in place of a statutory assessment.</p> <p>The conversion of existing statements to an EHC plan was required by April 2018. Chris explained the prioritisation of this process and had spoken with pathfinder colleagues regarding best advice to convene an annual review. The statutory assessment would reduce from 26 weeks to 20 weeks and bureaucracy cut down through SEN support plan being the basis for EHC plan and encouraged personal centred approach where plans are devised and co-produced with the parent by SENCOs supported by practitioners.</p> <p>Chris added that there was more work to be carried out and joint commissioning work to be undertaken.</p> <p>Chris commented that the main discussion today was personalised budgets and referred to the previously circulated paper. Chris outlined how an EHC plan can be requested but said that the resource from education was unknown but that the provision specified in the EHC plan could include funding from the school budget share and schools would be encouraged to personalise the support they provide. The first £6,000 and additional top up funding that this is specified on the EHC plan.</p> <p>A Forum member asked what steps was the Local Authority taking about monitoring and evaluation of this new strategy and what role schools play. Gill commented that the whole SEND project would be reviewed in the first term.</p> <p>Karen Allen asked about the personalised budgets changes in SEND and the deadline for turnaround of assessments being 20 weeks. She added that there seemed to be a growing trend in schools that already have statements and annual reviews taking 8 months to get a decision in order to get more provision. She felt that the reason was a financial</p>	
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	<p>one. Chris stated that the delay was not due to financial reasons but to a staffing shortage for which the solution was being actioned.</p> <p>Chris explained that Leicester City was one of the pathfinder authorities and health colleagues are up to date with this agenda. The key thing was joint commissioning to align the relevant services. There are new requirements for care plans and health care plans and Health need to put together a health care plan.</p> <p>David Lloyd expressed extreme concern regarding child mental health as they not receiving the basic support to get on that ladder to get the help they need for mental health issues. He added that there was not enough support for mental health issues.</p> <p>Lesley Hagger stated that this had been identified for any pathway for CAMHS tiers 1 -4 and had at last been recognised in health. Lesley added that this workstream was being looked at.</p>	
4.	<p><b>2013/14 Schools Budget Outturn</b></p> <p>Jenny Lawrence introduced '2013/14 Schools Budget Outturn'. Jenny outlined that the Dedicated Schools Grant Reserve at the end of the financial year had nearly £1.4M sitting in an unallocated element.</p> <p>Jenny referred to the £2.2M current exposure to sponsored academy deficits for which £2.5M was set aside. Forum noted this position. Jenny added that funding was being held for the age range changes in 2015/16 in order to give a level of funding protection (£2.7M in 2014/15 and 2015/16). £1M had been set aside for demographic growth in primary places and other allocations for the continuation of the wind-down of Key Stage 3 provision and the Oakfield action plan.</p> <p>As part of the NNDR exercise across schools, maintained and academies would be fully funded for this. However the EFA would not fund any of the increase that relates to pre-conversion and this would be something the Local Authority would need to fund and is an additional and unexpected call on funding.</p> <p>Schools' Forum need to think about pupil number growth as this would become an issue over a number of years. Jenny said that over the last two years a contingency had been set aside because of changes to the high level needs provision which had been able to provide funding for a number of issues, however this was not a sustainable long term solution to funding growth.</p> <p>Jenny referred to academy provision for deficits and challenging discussions were being entered into with academy sponsors regarding outstanding building work, health and safety work not carried out.</p>	

	<p>It was not appropriate to set a growth fund for 2015/16 but there was a need to link into place strategy.</p> <p>Jenny said that there was no proposal to allocate the contingency. This would be taken into account with the 2015/16 discussion.</p>	
5.	<p><b>2015/16 School Funding</b></p> <p>Jenny introduced '2015/16 School Funding' which outlined the Local Authority's response to the DfE's consultation 'Fairer Schools Funding in 2015-16'. The consultation came out in March with a closing date of 30 April 2014. Feedback is expected towards the end of June 2014.</p> <p>Richard Spurr commented that the published figures for the proposed allocation to Leicestershire were based on 2013/14 data which could mean the final figures could be significantly different.</p> <p>David Thomas asked Jenny about the scale back for Leicestershire of £6.3m. Jenny commented that the methodology of the calculation does not take into account that everything is funded through the schools' formula. The extra £202 per pupil was in the allocation of funding to the LA and would not allow for schools to be funded at an additional £202 per pupil.</p> <p>The Schools' Forum noted the paper and acknowledged the analysis at this point for paper C.</p>	
6.	<p><b>Simplification of Academy Funding</b></p> <p>Jenny introduced the paper 'Simplification of Academy Funding' which outlined the Local Authority's response to the DfE's consultation 'Simplifying the administration of academies funding'.</p> <p>Jenny outlined the current funding process for how academies received DSG funding and the exceptions to the funding i.e. early converters, studio or free schools. The proposed changes would require the local authorities to treat studio and free schools and non-recoupment academies equally in terms of funding.</p> <p>This would give these providers access to local authority centrally managed schools budgets which would include any funding established within local authorities to fund growth in pupil numbers</p> <p>Richard Spurr asked about pupil estimates and whether this was a financial burden. Harvinder commented that there were lots of changes in Leicestershire and national move to the fair funding formula would have an impact at local level regarding age ranges. He added it was down to the Local Authority to provide growth funding where it is appropriate to do so.</p>	

	<p>Sonia Singleton commented that there were more and more calls on DSG regarding sponsorship. Some of the potential sponsors want problems fixing before they go into sponsorship. Either the Local Authority fix the problems and they sponsor or the sponsors fix the problems and sponsor. This point was mirrored by other Forum members.</p> <p>Discussion took place on the age range changes and potential building work which would require expansion in a few years time. Harvinder commented on the funding arrangements for 2015/16 where you can vary the funding according to numbers.</p> <p>Lesley Hagger said she had a meeting on the 30 June with the Chief Executive and the EFA to discuss how we would work together to make best use of all our resources. Lesley agreed to report back to the next Schools' Forum.</p> <p>The Schools' Forum noted the Local Authority's response to the consultation.</p>	<b>LH</b>
7.	<p><b>2015/16 School Funding Formula</b></p> <p>Jenny introduced '2015/16 School Funding' which presents an analysis of the Leicestershire school funding formula and the process and timetable for the development and approval of the 2015/16 school funding formula.</p> <p>Jenny commented that this was difficult to plan as we wanted to make sure the resource was used in the most appropriate way to support an enhanced pupil outcome and get as much equity into the system.</p> <p>Jenny referred to Appendix 1 which was an analysis of the formula factors used by local authorities in their 2014/15 formulae issued by the EFA in February 2014. This information gives a funding formula comparison for Leicestershire against statistical neighbours and the national position.</p> <p>Discussion had taken place with how best Leicestershire should use the additional funding for 2015/16 – appropriate to readdress the balance within the factors. Work on modelling had been carried out. Approval for the 2014/15 age range changes had been received. Criticisms were level of projection too high which also happened in 2014/15. There would be a need to go back and review whether 80% remained appropriate for 2015/16 especially as schools could now plan for the change.</p> <p>Schools Forum supported the approach to be taken by the Authority in allocating additional funding across primary and secondary schools as well as special schools &amp; units and early years providers.</p>	

	<p>Jenny proposed that a Task and Finish Group was established to ensure schools are fully engaged with the local authority in developing the overall approach to school funding in 2015/16 and the development of the funding formula. The Group would assist the development of the proposals to provide challenge to the Local Authority. A number of business managers had been approached to be part of the group and Jenny asked that Schools' Forum nominate members to join the group.</p> <p>The first meeting had been arranged for 26 June 2014 at Beaumanor Hall to start looking at some the issues that are envisaged followed by meetings in July and August.</p> <p>Alex Green, Bill Nash and David Thomas agreed to be part of the Task and Finish Group.</p> <p>The Schools' Forum supported the three recommendations of the report.</p>	
<b>8.</b>	<p><b>2014/15 membership</b></p> <p>Jenny reported that the membership was assessed on an annual basis and for 2014/15 no changes were required.</p>	
<b>9.</b>	<p><b>Any Other Business</b></p> <p>There was no further business to discuss.</p>	
<b>10.</b>	<p><b>Date of Next Meeting</b></p> <p>Thursday 18 September, 2.00 – 4.00 pm at Beaumanor Hall.</p>	



**Leicestershire Schools' Forum****Notes of the meeting held on Friday 5 September 2014,  
10.00 am at Beaumanor Hall****Present**

<b>Tim Moralee Brian Myatt Alex Green Sonia Singleton</b>	Secondary Academy Headteachers
<b>Suzanne Uprichard Richard Spurr Michael Murphy Bill Nash</b>	Secondary Academy Governors
<b>Jean Lewis Ed McGovern</b>	Primary Academy Governors
<b>Heather Sewell Karen Allen Tony Gelsthorpe</b>	Primary Maintained Headteachers
<b>David Thomas</b>	Primary Maintained Governor
<b>Jason Brooks</b>	Maintained Representative – Special
<b>Suzanne Uprichard</b>	PRU representative
<b>Ian Sharpe</b>	CE Representative
<b>Louisa Hallam</b>	Early Years PVI provider
<b>Nigel Leigh</b>	Post 16 Provider
<b>Chris Davies</b>	RC Representative

**In attendance:**

Ivan Ould, Lead Member for Children and Family Services  
 Jenny Lawrence, Children and Family Services Finance Business Partner  
 Lesley Hagger, Director, Children and Family Services  
 Gill Weston, Assistant Director, Education, Learning & Skills  
 Chris Bristow, Interim Head of Strategy, Vulnerable Groups  
 David Heyes, Children and Family Services

**Apologies**

Apologies were received from Sue Horn.

1.	<p><b>2015/16 School Funding Consultation</b></p> <p>Tim Moralee welcomed everyone to the meeting. The purpose of the meeting was to allow Schools' Forum to consider the consultation before 18 September meeting.</p> <p>Jenny Lawrence reported challenging timescales for doing this as the final announcement by the DfE was during the summer holidays. A Working Group was set up over the holidays working with and challenging the Local Authority. Jenny thanked colleagues who came along and helped with that work.</p> <p>Schools' Forum supported the Local Authority's proposals on 16 June and that all educational providers should benefit from additional funding. Used analysis of schools formula, when compared to statistical neighbours.</p> <p>There were 2 areas agreed to target:</p> <ul style="list-style-type: none"> <li>• Primary Age Weighted Pupil Unit – lower than other authorities</li> <li>• Prior attainment funding – level in Leicestershire in general was low</li> </ul> <p>Proposals are to increase Primary Age Weighted Pupil Unit by 7%, to double the amount of funding paid out by prior attainment. Leaves estimated uplift to the Age Weighted Pupil Unit to all schools 1.5%.</p> <p>Needed to consider what we should do to realign the modelling for data changes. We have in 2015/16 first time studio schools that need to be funded through the formula. The modelling assumes this will be cash neutral.</p> <p>Also now have a lot of schools where rates demands have increased. All those changes need to be dealt with in fixed pot of funding.</p> <p>If data changes the funding will be adjusted by amending the general increase in AWPU of 1.5%.</p> <p>Proposals themselves only consider the distribution of the additional funding for Leicestershire of £20.5M – proposing no changes to the mechanism to fund age range changes for 2015/16. Also it has been confirmed we do not need Secretary of State approval for funding age range protection 2015/16 – that will carry forward, but we do have to seek approval for the minimum funding guarantee.</p> <p>Question of what will happen in 2016/17 - we have no idea. Will be a new Government potentially, new spending review, potentially 3 year settlement, potentially moving to national formula.</p>	
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	<p>Mr Ould reported that F40 are in negotiations on monthly basis with DfE officials, assuming increase this year will become part of the budget, until in place they can't be certain of that.</p> <p>Jenny Lawrence said the consultation paper had been set out in a format to allow schools to get greater understanding of how the schools funding system work. We were very keen to try and make schools understand we are getting additional money in the pupil settlement, but as school level funding values differ for each element of the formula, it is not possible to fund all schools at additional £240 per pupil. Calculation we did based on the funding needed to achieve a minimum increase of £240 per pupil in every school would be £131M as we have a number of schools so heavily protected by minimum funding guarantee.</p> <p>Tried to articulate very clearly, there is no requirement for that entire element to be delegated to schools given that the Local Authority holds budgets for things like redundancies, first stage of process is to take that funding out of funding settlement. There is a requirement for Schools' Forum to agree those amounts can be centrally retained.</p> <p>It is also important to note individual blocks of Schools Grant are not being ring fenced and currently £2M of the Schools Block is used to fund High Needs.</p> <p>Increased funding will find its way into maintained schools budgets from April 2015 and Academies September 2015.</p> <p>Proposals also allow 2 other increases. 3.6% base rate nursery education providers. Also increase the amount of funding in special school pot by 3.6%. The Working Group felt we should use average of the secondary school increase, which was 3.6%. This was felt to be fairer than using the higher primary school increase.</p> <p>Not all schools will receive an increase in budget – 23 schools will remain on minimum funding guarantee and will not receive a cash increase in budget, but will not see a reduction in budget for 2015/16.</p> <p>Consultation questions – whether proposals we are consulting on seem a reasonable approach and do you agree with the Local Authority proposals. Also allowed some free text so schools can raise any other issues.</p> <p>A very short consultation timescale – closes on 17 September to bring back to Schools' Forum on 18 September. A paper will be tabled on the day. Cabinet will consider the proposals on 13 October to which must be submitted to the EFA by 31 October.</p>	
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	<p>The purpose of the additional meeting is to engage Schools' Forum in discussion, collect views and ensure that Forum members were using contacts and networks to ensure that schools are aware of and responding to the consultation.</p> <p>Information went out via Director's newsletter on 1 September and on EIS, a reminder will go out to schools on 8 September.</p> <p>Questions raised:</p> <p>Richard Spurr – minimum funding guarantee of £3.3M drops considerably to £0.7M – big deal for individual schools, is that mostly down to the extra money?</p> <p>Jenny Lawrence responded – it is all down to the extra money, modelling we have done on current year data. Without the additional money schools could be losing 1.5% per pupil. Those 23 schools will not see decrease per pupil.</p> <p>Tony Gelsthorpe supported the proposal – actually principled, clear, transparent and can understand them. Quite a few references to age range changes and the mechanism.</p> <p>Tony Gelsthorpe asked if we knew what the cost of protection for age range changes was. Our latest estimate for 2015/16 is £1.9M. This amount is covered by the funds set aside for protection in the Dedicated Schools Grant Reserve.</p> <p>The meeting concluded at 10.30am.</p>	
2.	<p><b>Any Other Business</b></p> <p>There was no further business to discuss.</p>	
3.	<p><b>Date of Next Meeting</b></p> <p>Thursday 18 September, 2.00 – 4.00 pm at Beaumanor Hall. Apologies received from: Mr Ould and Tim Moralee. Tony Gelsthorpe to chair the meeting.</p>	



## SCHOOLS FORUM

18 September 2014

### Oakfield Short Stay School Funding

Content Applicable to;		School Phase;	
Maintained Primary and Secondary Schools	X	Pre School	
Academies	X	Foundation Stage	
PVI Settings		Primary	X
Special Schools / Academies	X	Secondary	
Local Authority	X	Post 16	
		High Needs	X

#### Purpose of Report

Content Requires;		By;	
Noting	X	Maintained Primary School Members	X
Decision	X	Maintained Secondary School Members	
		Maintained Special School Members	
		Academy Members	X
		All Schools Forum	

1. This report presents an analysis of the funding streams required for Oakfield Short Stay School and the Proposed Outreach Services for Leicestershire.

#### Recommendations

2. That the centrally commissioned arrangement funding arrangement be carried forward for 2014-15.
3. That Schools Forum notes the use DSG reserves to fund an additional teacher for outreach work from January - April 2015 and administrative support from September 2014 to April 2015 at a cost of £31,090.

## **Introduction**

4. The school funding system envisages commissioning arrangements for PRU's whereby schools are the commissioners for dual registered places and the local authority for permanent exclusions. This model is not in place in Leicestershire, Schools Forum has previously agreed that all places at Oakfield School would be centrally commissioned by the Local Authority from DSG. A continuation of this arrangement is sought.
5. New arrangements have been put in place with regard to access to Oakfield and to develop school-to-school support for pupils experiencing behaviour difficulties to build capacity and expertise across Leicestershire. These arrangements have initial set-up costs for which funding is being sought.

## **Background**

6. In May 2014, Oakfield Short Stay School, Leicestershire's Pupil Referral Unit (PRU) for pupils aged 5-11 was judged by Ofsted to be a good school in all aspects having previously been in special measures. From 28<sup>th</sup> April the school has been a primary only facility. The school caters for pupils at risk of or who have been permanently excluded.

## **The Core Oakfield Budget**

7. The 2013-14 Oakfield delegated budget was for £1.56m for 51 places. This was split on a weighted basis to reflect the different per pupil funding rates within the Leicestershire school funding formula for primary and KS3 pupil funding. The place and funding arrangements were for 30 primary places totalling £782,347; and for KS3, 21 places totalling £777,653. The latter amount was partially devolved to secondary behaviour partnerships from Easter 2014 and fully devolved from 1 September 2014.
8. During the school year 2103-14, Oakfield School was subject to a staffing reduction action plan which effected reductions in the overall staffing budget and created savings in running costs with canteen staff being replaced by the County Schools Meals Service, and the loss of one primary and three secondary teachers. In addition, Teaching Assistant and administrative posts were reduced in line with reduced pupil numbers. Oakfield School as a primary provision, has implemented measures to reduce its running costs; mothballing buildings in line with LCC procedures to safeguard the fabric and safety of the buildings and re-organising classrooms to establish a more effective and efficient provision.
9. School Funding reform introduced in April 2013, required that all direct state-funded PRUs received base funding of £8,000 per place, topped up by funding from the commissioning LA or school for each pupil admitted to the provision with the total cost of a KS1/2 place being £26,078. The top-up fee for schools wishing a placement at Oakfield is therefore £18,078 per year per pupil. Nationally there is concern about this model and the financial instability it introduces. Firstly, as the cost is in considerable excess of the pupil funding rate schools receive schools would be unlikely to pay this amount. Secondly, such a funding arrangement does not provide a stable structure on which the school can budget from year to year, the £8,000 per pupil place being insufficient to provide the stability required to maintain high-quality core functions of the school. The Department for Education (DfE) under the Fairer

Funding proposals for 2015/16 have increased the place fee to £10,000 which will reduce the top up funding to £16,078

10. Schools Forum, 20 February 2013 agreed funding to Oakfield School as a result of the School Funding Reform when considering the 2013/14 Schools Budget and that the Local Authority would act as the commissioner for the places at Oakfield School on behalf of all schools, the full cost of the Oakfield provision being sourced from the DSG. It is recommended that this centrally commissioned arrangement be continued until such point the DfE model becomes viable.

#### **i) Access to Oakfield School**

11. The Locality Support Team budget was delegated in April 2013 at a rate of £6.43 per primary pupil to help schools meet the needs of their pupils with social, emotional and behaviour difficulties. The service continued until August 31<sup>st</sup> 2013 funded by the local authority. Over the last year the number of referrals and requests to Oakfield has been rising and the school was almost full at the end of the summer term 2014. 18 pupils were on roll at the start of September 2014 with a further 10 waiting places who will have their induction period in early September; this is compared to 19 at the start of September 2013 and 13 in September 2012. This may be due, in part, to the disestablishment of locality support teams which happened in July 2013 when funding was delegated to schools. Although some schools, including groups of schools, have taken the opportunity to begin to build local capacity and expertise, others have expressed concern that they neither have the expertise nor know where to access support when they have a child with challenging behaviour. Where schools are accessing support, for example, through Education Psychology Service, there is limited capacity to provide the volume of universal support that is required.
12. In November 2013 the local authority agreed to meet with Leicestershire Primary Headteachers Group, Oakfield school management committee and ex-chairs of primary behaviour partnerships. The purpose of these meetings was to gather views in order that a number of options can be considered which will provide a structured framework that ensures that schools are supported to deal with challenging pupils through early identification and intervention. The three key areas which schools identified as critical to improving this type of provision are:
  - Ensuring a fair admissions process: since the disbanding of local partnerships, the gate-keeping process has been removed.
  - Sharing information, advice and guidance: schools requested that local partnerships are established where there is an opportunity to share issues, access expertise, signposting and guidance which would reduce the demand for places at Oakfield.
  - Access to expertise: Oakfield staff has a wealth of expertise and experience which could support schools in building local capacity and expertise. Developing outreach and a training programme which is part of a wider departmental offer to schools would support the principles of a self-improving school system.
13. A two-fold approach has been developed through this consultation. Firstly, a Primary Behaviour Forum is being set up across Leicestershire which will enable schools to discuss specific cases causing concern. It is proposed that the forum will be held around the County and become aligned to the secondary partnership areas and Early Help structures. A vital part of this structure is the school-to-school support that will be facilitated at these meetings. Experienced and current practitioners from

Oakfield will attend these meetings offering further advice and guidance. To enable this to happen, job descriptions at Oakfield will be re-negotiated and further capacity in the system will be required to backfill the time spent on outreach work. In addition, Oakfield will host a “One –Stop Shop” each month enabling schools to bring cases to Oakfield where a placement is being considered.

14. It should be noted that secondary behaviour partnership Chairs have also indicated that they would support any developments in localities for primary schools. Discussions are on-going with headteachers about the development of early help locality support. Any long term development needs to take account of this and the wider departmental and multi-agency offer.
15. The Primary Behaviour Forum and the One-Stop Shop will require co-ordination and administrative support ensuring that the cases brought in a timely manner with appropriate supporting information distributed in advance of the meetings. The system will be trialled over the remainder of the academic year so that primary schools can evaluate the strategy and confirm with the Local Authority that this is a viable method of support for pupils with social, emotional and behaviour difficulties. The plan from April 2015 will require that full-cost recovery is in place for both the One-Stop Shop and the Primary Behaviour Forum with schools contributing for that service. The detail of this structure will need to be worked up with schools via the Primary Partnership Consultation Steering Group once the trial has been evaluated.

### **Resource Implications**

As an interim measure, it is recommended that DSG reserves are used to fund the additional teacher from January - April 2015 and administrative support from September 2014 to April 2015 at a cost of £31,100

It is intended that if this model proves successful, a traded model will be developed in consultation with schools with schools bearing the cost.

### **Equal Opportunity Issues**

A significant number of pupils accessing provision at Oakfield leave to move on to specialist provision and have a statement of educational need.

### **Background Papers**

Schools Forum, 20 February 2013 – 2013/14 Schools Budget.

Funding, staffing and legislation for pupil referral units (PRUs) from April 2013. Department for Education, available at [www.education.gov.uk](http://www.education.gov.uk).

### **Officers to Contact**

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## SCHOOLS FORUM

### 2013/14 School Balances

18 September 2014

Content Applicable to;		School Phase;	
Maintained Primary and Secondary Schools	X	Pre School	
Academies		Foundation Stage	X
PVI Settings		Primary	X
Special Schools / Academies	X	Secondary	X
Local Authority	X	Post 16	
		High Needs	

#### Purpose of Report

Content Requires;		By;	
Noting	X	Maintained Primary School Members	X
Decision		Maintained Secondary School Members	X
		Maintained Special School Members	X
		Academy Members	
		All Schools Forum	
<p><b>‘X’ denotes what actions are required and the groups of members that are able enact the recommendations within the report.</b></p> <p><b>Where information is targeted at a particular group of Schools Forum it does not preclude other members from participating in debate.</b></p>			

1. This report sets out the position in regard to school balances for all schools that were maintained by the local authority on March 31 2013 and the 2013/14 financial year.

#### Recommendation

2. That Schools Forum note the position on the 2013/14 school balances for local authority maintained schools.

### **Introduction**

3. This report presents the annual position on school balances, it provides that information at individual school level.

### **Background**

4. School balances are only able to be formally measured by the local authority at the closure of the financial year. Balances are taken from the Consistent Financial Reporting return submitted by individual schools to the local authority.
5. Reporting locally is the first stage of publication of school balance information. Once all school returns are consolidated that information is submitted to the Department for Education (DfE) who subsequently publish that information on a national basis at both local authority and individual school level.
6. Whilst this report presents the position for maintained schools, information on the financial position of academies is not published in the same manner. The DfE publish the individual statutory financial statements for academies, the information is difficult to locate, does not allow an easy view on unspent funds and is not brought together in a manner in which it would be possible to ascertain the overall financial performance of academies in a particular location.
7. Whilst Schools Forum agreed at its meeting on June 20 2013 to remove the mechanism for controlling school revenue balances, national controls remain on Devolved Formula Capital (DFC) which remains limited to use over three years.

### **2013/14 School Balances**

8. The analysis of school balances is shown in Appendix 1. The figures include all schools that were local authority maintained schools for the full financial year i.e. between April 1 2012 and March 31<sup>st</sup> 2014 except those converting to academy status on 1<sup>st</sup> April, for these schools although balances remain with the local authority on March 31<sup>st</sup> and are included in the balances reported nationally by the Department for Education (DfE) they have been excluded from the report. Schools that have converted to academies up between April and July are denoted on the report.
9. Given the exclusion of balances for converted academies during 2013/14 the 2012/13 balances reported here will not match those reported at the end of 2012/13 but the comparison between years is valid as it includes schools maintained for the full financial year.
10. The total level of all school balances at 31<sup>st</sup> March 2014 was £8.3m which is an increase of £1.6m (23%) from the comparative 2012/13 position. The gross revenue position is an increase of £2.8m (41%).
13. Overall % of primary schools have balances over 3%, the position in secondary schools shows % in that position;

	<b>Primary</b>	<b>Secondary</b>	<b>Special</b>
--	----------------	------------------	----------------

Deficit	9 (6%)	5 (72%)	1 (33%)
Surplus 0% - 1%	2 (1%)		
Surplus 1.1% - 3%	21 (14%)	1 (14%)	
Surplus 3.1% - 5%	19 (13%)	1 (14%)	
Surplus 5.1% - 8%	33 (22%)		2 (67%)
Surplus 8.1% +	67 (44%)		
<b>Total</b>	<b>151</b>	<b>7</b>	<b>3</b>

14. Care needs to be taken when analysing school balances as they show a position at a single point in time. Whilst it is the responsibility of the governing body to set a school budget, the finance team will continue to analyse the budget intention returns from schools to identify whether any of the schools currently reporting a surplus expect to move to deficit and if necessary that those schools are operating with an agreed deficit recovery plan. As discussed at previous the finance service has limited tools to undertake this type of exercise and is dependent upon schools sharing accurate information. Once this exercise is completed the finance service is totally dependent upon schools to raise concerns over their financial position if unplanned events occur.
15. The finance service works pro-actively with schools in, or at risk of, a deficit budget and schools must gain local authority approval for any deficit and within that process must identify the actions to be taken to revert the school to a balanced budget.

### **Balance Control Mechanism**

16. Schools Forum removed the mechanism for controlling schools balances when approving The Scheme for Financing Schools at its meeting on 20 June 2013. Had the scheme remained in place at 8% for primary schools, funding totalling £2.5m would have been reclaimed from 77 schools. Had the limit been 10% £1.5m would have been reclaimed from 53 primaries. It is unclear whether the position would have been different had a mechanism been in place. By its very application a control scheme changes school behaviour for example if a school was likely to be in breach of the limit they could purchase supplies and equipment during March instead of in April.
17. The local authority has discussed the issue of school balances with the Schools Forum annually. A reduction in balances occurred between 2011/12 and 2012/13 which has been the only recent overall reduction. The rise in revenue balances held by primary schools is alarming and at 41.7% significant. The school budget is made available to meet the education needs for the pupils on roll in that year. The local authority will align school performance data and the attainment gap at each school with excessive balances, LEEP will receive this information and consider any actions that may be necessary where a primary school may have excessive balances and under performance.
18. The analysis of the 2014/15 Leicestershire school funding formula identified that the pupil led funding within primary schools was lower than similar authorities yet 100

(66%) of schools had revenue balances in excess of 5% at 31<sup>st</sup> March. Primary schools have declared that £8.1m of revenue was uncommitted at year end, it is uncertain how much of this funding has been used by those schools to support 2014/15 budgets, the local authority will ask a sample of schools to declare how much of their carry forward being used for this purpose. It is imperative that schools use the funding they have in their budgets is to support the pupils on roll for that year and that the additional funding that Leicestershire schools will receive in 2015/16 is used to deliver an effective education for the children that generate

### **Resource Implications**

19. Resource implications are included throughout this report. However the unused resources sitting at individual school level give rise for concern, especially given the overall financial schools allocation to Leicestershire and the recognition for 2015/16 that Leicestershire and its schools are one of the least fair funded authority and will receive additional funding. The focus of the allocation of the additional funding is the primary Age Weighted Pupil Unit (AWPU) where analysis of local authority funding formula allocations show primary schools to be lower funded than those in similar authorities. An increase in revenue balances and this position are difficult to reconcile.

### **Equal Opportunity Issues**

20. Non arising directly from this report

### **Background Papers**

None

### **Officer to Contact**

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## SCHOOLS FORUM

11<sup>TH</sup> SEPTEMBER 2014

### SEND REFORM AND PERSONAL BUDGETS

Content Applicable to;		School Phase;	
Maintained Primary and Secondary Schools	X	Pre School	X
Academies	X	Foundation Stage	X
PVI Settings	X	Primary	X
Special Schools / Academies	X	Secondary	X
Local Authority	X	Post 16	X
		High Needs	X

#### Purpose of Report

Content Requires;		By;	
Noting		Maintained Primary School Members	X
Decision	X	Maintained Secondary School Members	X
		Maintained Special School Members	X
		Academy Members	X
		All Schools Forum	X

1. To make Schools Forum aware of the responsibility to develop personal budgets and this to include funding in the high needs block.

#### Recommendation

2. Schools Forum are asked to nominate a member to be part of a small working group of Headteachers, to agree the scope and mechanism to deliver personal budgets for children and young people with education health and care plans

## **Introduction**

3. This report is to make Schools Forum aware of SEND reform, the potential impact of 'Personal Budgets' on the high needs block of the Direct schools grant and the authorities intention to engage with schools to establish a robust and transparent system to fulfil this requirement.

## **Background**

4. The Children and Families Act 2014 requires local authorities to offer families a Personal Budget so that they have more choice and control over the support they need. Personalisation is at the heart of the Special Educational Needs and Disability (SEND) reforms, and is about putting children, young people and their families at the centre of the Education, Health and Care (EHC) process. Leicestershire County Council and health are committed to developing joint arrangements for commissioning services to improve outcomes for children and young people with special educational needs or disabilities.
5. A personal budget is an amount of money that can be used to arrange and pay for the support agreed in Education, Health and Care plans. The amount allocated depends on the needs and outcomes identified in each plan and will alter as they change. Personal Budgets gives parents/young adults more flexibility, choice and control over the way that support is delivered and enables them to be in charge of how the money for support is spent to meet the outcomes outlined in an EHC plan.
6. From the 1st of September 2014 Leicestershire will be offering personal budgets and direct payments in accordance with existing policies and procedures across health and children's/adults social care. Currently there are no 'personal budget options' for education. The scope of Personal Budgets will need to increase over time to achieve the ambition of the legislation.
7. A child or young person who has an Education Health and Care Plan and is resident in Leicestershire may be eligible to have a Personal Budget to meet the outcomes detailed in their EHC Plan. The personal budget may include funding from education, health and social care although the amount of the personal budget will vary depending on eligibility, child's/young person's needs and the outcomes to be achieved. A personal budget will not include the funding for a school place and the scope for a personal budget will vary depending on the school preference, i.e. Some (special) schools Will have services and provisions as part of their school's 'normal' provision which would mitigate against specified [provisions in the Education health and care plan being offered as a personal budget.
8. What is in scope for discussion is therefore element 2 and element 3 (top up funding). Element 2 funding being schools funding for the first £6,000 of a pupils additional needs and access top up funding where the cost of the additional support exceeds

£6,000, whilst schools will continue to meet needs in this manner the funding cannot be used to create a personal budget without the permission of the school.

9. A further consideration will need to include what should also be included in top up funding, for example input from SEN services set out in the child's/young person's education, health and care plan.
10. School's Forum should note that prior to any personal budget allocation being agreed, then for 'special educational provision' the school's agreement must be sought. The current methodology for identifying the needs of individual pupils may need to be reviewed as a result of both personalisation and that in funding terms we are required to fund 'additional' needs rather than special educational needs.
11. From the 1st of September 14 Leicestershire will not be in a position to offer a personal budget for education but we need in the process of developing this to provide young people and families with greater choice and control.
12. In the future this will mean that children and young people who need additional educational support, agreed as part of their EHC plan may be able to have a personal budget from education to arrange the support themselves.
13. Personal budgets are not from a new pot of money they are just a more transparent way to spend the money that is available to support children and young people up to the age of 25 years old with special educational needs.
14. There are four ways in which the young person/parent can manage their Personal Budget. These are as follows:
  - a) Direct payments also referred to as a cash payment, this is where individuals receive the cash to contract, purchase and manage services themselves. A Direct Payment is money given to people to buy the support agreed in the EHC plan instead of Leicestershire County Council, school and/or health commissioning and arranging services for them.
  - b) Third party arrangements also referred to as a third party cash/ direct payment, this is where the money is paid to someone that the family/young person choose an individual or an organisation that runs a payments service. Or the money is sent to a support provider referred to as a Provider Managed Account.
  - c) An organised arrangement also referred to as a managed budget, this is where Leicestershire County Council, school, college or health services hold the funds and commissions the support specified in the EHC plan with contracted providers.
  - d) A combination of the above

15. The code of practice states the following;

*9.112 The **special** educational provision specified in an EHC plan can include provision funded from the school's budget share (or in colleges from their formula funding) and more specialist provision funded wholly or partly from the local authority's high needs funding. It is this latter funding that is used for Personal Budgets, although schools and colleges should be encouraged to personalise the support they provide and they can choose to contribute their own funding to a Personal Budget (this will usually be an organised arrangement managed by the setting, but some schools and colleges, including specialist settings, have made innovative arrangements with young people, giving them direct (cash) payments).*

*9.113 High needs funding can also be used to commission services from schools and colleges, including from special schools. In practice, this will mean the funding from the local authority's high needs budget for the SEN element of a Personal Budget will vary depending on how services are commissioned locally and what schools and colleges are expected to provide as part of the Local Offer. The child's parent or the young person should be made aware that the scope for a Personal Budget varies depending on their school preference. For example, as part of their core provision, special schools and colleges make some specialist provision available that is not normally available at mainstream schools and colleges. The particular choice of a special school, with integrated specialist provision, might reduce the scope for a Personal Budget, whereas the choice of a place in a mainstream school that does not make that particular provision could increase the opportunity for a Personal Budget. '*

16. Given the complex nature of these requirements, then a working group to work up proposals and policy recommendations regarding this is being recommended. Any working party will need to include parent and young person input.

### **Resource Implications**

17. It is not possible to precisely quantify the financial implications from these requirements but the end point should be a zero impact on spend as personal budgets are a mechanism for transferring the same amount of money from one party to another.

### **Equal Opportunity Issues**

18. These changes should enable greater flexibility and choice for families and young people, deliver a person centred approach to achieving outcomes.

### **Officer to contact**

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**Background.**

The Children and Families Act 2014 requires Local Authorities to offer families a personal budget so that they have more choice and control over the support they need.

Personalisation is at the heart of the Special Educational Needs and Disability (SEND) reforms, and is about putting children, young people and their families at the centre of the Education, Health and Care (EHC) process. It means starting with the person as an individual with strengths, preferences and aspirations, identifying their needs and making choices about how and when they are supported to live their lives.

**Scope of this guidance.**

This guidance covers the approach taken by Leicestershire County Council and the two Leicestershire Clinical Commissioning Groups (CCG's) for personal budgets where a child or young person has an Education, Health and Care (EHC) plan. This document is intended to draw upon existing policies across Leicestershire County Council and the CCG's for personal budgets and/or direct payments.

This guidance does not replace Leicestershire County Council's duty to Carers and their right to have a Carers Assessment. Information for Carers can be found by following the link below.

[Looking after someone you care about?](#)

**Leicestershire County Council and Leicestershire Clinical Commissioning Group Commitment.**

Leicestershire County Council and the CCG's are committed to developing joint arrangements for commissioning services, to improve outcomes for children and young people with Special Educational Needs or Disabilities.

For the 1st of September 2014 Leicestershire will be offering personal budgets and direct payments in accordance with existing policies and procedures.

In the future this will be extended to personal budgets across education, health and social care. The scope of personal budgets will increase over time as joint commissioning arrangements provide greater opportunity for choice and control over local provision.

The involvement of children, young people and families is integral to the development of personal budgets and shaping local service delivery. Leicestershire County Council and the CCG's are committed to co-producing all planning of services, policies and procedures with children, young people and families to ensure that they are involved in decision making processes at both an individual and strategic level.

Parents and carers in Leicestershire have described co-production as:

“Co-production should be about children, their parent/ carers, local education authorities, health professionals, social workers and anyone else involved in the child's welfare coming together as equals to achieve a life changing document. Everyone's feelings and ideas should be considered and reflected at every stage and it is imperative that no one takes a role of dominance. The final document should be a shared agreement and understanding”.

“Co-production is the biggest and most exciting change to hit SEND in the years I've been involved. Parents being listened to, being equal partners in decision making and commissioning decisions. Getting away from that awful phrase 'what are they going to do for us?' and exchanging it for 'What can we do for ourselves, with their help?' Parents - and our kids themselves - being involved, empowered and listened to”.

### **What is a Personal Budget?**

A personal budget is an amount of money that can be used to arrange and pay for some of the support agreed in the child or young person's Education, Health and Care plan. The amount that is allocated depends on the needs and outcomes identified in the plan and can alter as they change. Personal budgets gives children, young people and families more flexibility, choice and control over the way that support is delivered and enables them to be in charge of how the money for support is spent to meet the outcomes outlined in an EHC plan.

### **Eligibility.**

A parent of a child and/or young person who has an Education Health and Care Plan and is resident in Leicestershire has the right to request a personal budget to meet the outcomes detailed in their EHC Plan. The personal budget may include funding from education, health and social care although the amount of the personal budget will vary depending on eligibility for the different components, the child or young person's needs and the outcomes to be achieved.

In some cases a parent of a child or young person may have a personal budget from one or more source, i.e. education, social care and/or health. An education, health and social care budget combined is sometimes referred to as an 'Individual Personal Budget'.

A parent of a child or young person may be offered a personal budget for social care or for health support without having an EHC plan, i.e. having an EHC plan is not the only way a personal budget may be offered to meet identified social care or health needs.

Education, health and social care have separate eligibility criteria's for funding and those services that can be provided by a direct/cash payment. There are three main sources of funding for a personal budget, which are:

### **Education.**

A Special Educational Needs (SEN) personal budget may be made available should a child or young person aged 0-25 years have an Education Health Care Plan. A SEN personal

budget is a sum of money made available by the Local Authority because it will not be possible to meet the child or young person's learning needs from the high needs funding made available to schools. The school/college involved has funding for special educational needs through the school funding system and therefore only children and young people with the most severe and complex learning support needs are likely to need a SEN personal budget.

A SEN personal budget will not be used to fund a school place or a post 16 institution. Funding for special educational provision in a personal budget will come from a high needs block (element 3) and will only include funding from a schools notional SEN budget (element 2) with the support and agreement of the head teacher. In addition schools will need to give permission before the Local Authority can agree to fund special educational provision through a direct payment to the family where the service or equipment is to be provided on the school premises.

Not every child or young person with an EHC Plan will have a SEN personal budget. The scope of personal budgets will reflect local commissioning arrangements and will not normally be used for services that a school or college provides, from its own budget, as part of the local offer. In practice this means that the parent or young person will need to be made aware that the scope for a personal budget will differ depending on school placement. It may be that the setting already provides the specialist provision required and in such a case a personal budget would not be available. For example, as part of their core provision, special schools and colleges make some specialist provision available that is not normally available at mainstream schools and colleges. The particular choice of a special school, with integrated specialist provision, might reduce the scope for a personal budget, whereas the choice of a place in mainstream school that does not make that particular provision could increase the opportunity for a personal budget.

From the 1st of September 2014 Leicestershire County Council will not be offering a personal budget for education. We are in the process of working with partner agencies to develop this further to provide young people and families with greater choice and control. In the future this will mean that children and young people who need additional educational support agreed as part of their EHC plan may be able to have a personal budget from education to arrange the support themselves.

### **Social Care.**

A personal social care budget may be made available if a child or young person is assessed as needing additional and individual support at home and when out and about in the local and wider community. This may include, support to help in the home, support to access social activities and/or short break services to avoid family breakdown. Some children and young people may already be receiving a service or a direct payment from social care and this will continue throughout the process and be incorporated in the final EHC plan.

For the 1<sup>st</sup> of September 2014 Leicestershire County Council will offer a direct payment for eligible children and young people in line with existing policies and procedures for 0-18 year olds and a personal budget for young people aged 18 and above.

A parent of a disabled child or young person can request a Child in Need Assessment. The eligibility criteria used by the Disabled Children's Service primarily surrounds the care of the disabled child and the ability of the parent/carer to continue to care for the child/young person within the family home.

For young people age 18 and above, eligibility for social care support is assessed using Government Guidance on Eligibility Criteria for Adult Social Care. The eligibility decision is based on the risks to an individual's independence and wellbeing.

[Disabled Children and their Families.](#)

[Eligibility for support at home and in the community.](#)

### **Health.**

A personal health budget may be made available should a child or young person be eligible for NHS Continuing Care or have other health needs that the NHS assess are not being met sufficiently through services within the local offer. Children and young people who are supported through NHS Continuing Care funding, will have the right to request a personal health budget from April 2014, and this will become a right to have a personal health budget in October 2014.

There are very few things a personal health budget cannot be spent on, as it is designed to offer flexibility and control to children, young people and families and all proposals will be considered in this context. However, the support purchased must be agreed with the health professional and with the CCG to ensure that it is safe, clinically appropriate and meets the identified health outcomes. For these same reasons, some complex equipment that sustains life, such as a ventilator for example cannot be purchased through a personal health budget.

[NHS Continuing Care for Children.](#)

[NHS Continuing Healthcare.](#)

### **Preparing a Personal Budget and the process.**

Personal budgets are not from a new pot of money they are just a more transparent way to spend the money that is available to support children, young people and families up to the age of 25 years with Special Educational Needs or Disability.

If a child or young person has been assessed as needing an EHC plan, a parent or young person can request a personal budget. Personal budgets are optional and children and young people can continue with their existing arrangements if they want to. The professional coordinating the EHC plan will discuss the option of a personal budget with the



parent or young person and provide information on having and managing a personal budget. A personal budget may also be requested during a statutory review or a reassessment of an existing EHC plan.

It is important that personal budgets are considered as part of the coordinated assessment and EHC planning process, with a clear focus on improving outcomes for children and young people.

### **How is funding for a Personal Budget determined?**

Professionals from services that contribute to an EHC plan (i.e. health, social care and education) will be required to provide indicative budgets based on their assessment of a child or young person's level of need. These indicative budgets will be added together to provide a total budget which is agreed at the EHC panel if an EHC plan is agreed.

For 1st September 2014 existing direct payment mechanisms will be used as part of the offer from the Disabled Children's Service and existing personal budget arrangements for Adult Social Care (young people 18 and above). We are looking to extend this further next year to include personal SEN budgets and the development of a Resource Allocation System.

CCG's are currently developing and trialling their personal health budget offer and children and young people with Continuing Care needs or particularly complex health needs are welcome to request a personal health budget at this time. From October 2014 children and young people with Continuing Care needs have the right to have a personal health budget, and the CCG's are on track to have the process working properly for that time.

### **Disagreements/Complaints.**

If a direct payment for special educational provision is refused on the grounds set out in The Special Educational Needs (Personal Budgets) Regulations 2014 Leicestershire County Council will set out the reasons in writing and inform the parent or the young person of their right to request a formal review of the decision. Where requested to do so, the Local Authority will review its decision and consider any representations made by the child's parent or young person. The Local Authority will write to the child's parent or the young person to notify them of the outcome of the review outlining the reasons for the decision.

Where the disagreement relates to the special educational provision secured through a personal budget the parent or young person can appeal to the First – tier Tribunal (SEN and Disability), as with any disagreement about provision to be specified in an EHC plan.

If the parent or young person is not happy with a decision made in relation to the health and/or social care element of a personal budget the parent or young person will need to be directed to the appropriate complaints procedure for the CCG and/or Social Care.

### **Different options for managing a Personal Budget.**

There are four ways in which a personal budget can be managed.

- Direct Payments are cash payments which enable a parent or young person to organise, purchase and manage services themselves. A direct payment may be utilised to purchase a range of services as part of a child or young person's EHC plan, such as to provide personal care within the home or support to access social activities. A Direct Payment can also be used to employ a Personal Assistant.
- Third party arrangements also referred to as a third party cash/ direct payment, this is where the money is paid to a nominated person, for example, a friend or relative, or an organisation that runs a payments service. Or the money could be sent to a support provider - this is called a Provider Managed Account. An agency acting as a third party may make a charge for doing this.
- An organised arrangement also referred to as a managed/notional budget, is where Leicestershire County Council, the CCG, school or college holds the funds and commissions the support specified in the EHC plan with contracted providers.
- A combination of the above. For example; a direct payment to employ a Personal Assistant to access the local community and a council managed domiciliary care service for support to get up and ready in the morning.

### **What is included in the personal budget?**

From the 1<sup>st</sup> September 2014 Leicestershire County Council will not be offering a SEN personal budget. However in the future if a child or young person is eligible for a personal SEN budget they may be able to use the budget to fund different ways of meeting the identified education outcome.

Leicestershire County Council and the CCG's have separate guidance which specifies what a direct/cash payment can be spent on. A common theme is that a personal budget can only be used to meet the needs and outcomes agreed in the support plan. Examples of how children and young people are currently using their cash/direct payment in Leicestershire include; short breaks, domiciliary care to provide support in the home, employing a Personal Assistant and support to access social activities.

Information on each agency's direct/cash payment guidance and about services that are available in the area for children and young people to access through a personal budget and direct payment will be made available on the local offer website and will be updated regularly.

### **What is not included in the Personal Budget?**

Information on each agency's direct/cash payment guidance will be made available on the local offer website. The existing guidance outlines what a direct/cash payment can and cannot be spent on. Common themes that a cash/direct payment cannot be spent on include; anything that does not meet an identified outcome within the support plan, anything that isn't safe or legal, to purchase alcohol and tobacco, for betting or gambling, to pay for housing or other household costs, permanent residential/nursing care, to employ someone

living in the same household except where due to exceptional circumstances this is the only available option.

### **Who can receive a direct/cash payment?**

Direct payments for special educational provision, health and social care provision are subject to separate regulations. These are:

The Community Care, services for Carers and Children's Services (Direct Payments) regulations 2009 (the 2009 regulations will be replaced by those made under the Care Act 2014).

The National Health Service (Direct Payment) Regulations 2013.

The Special Educational Needs (Personal Budgets) Regulations 2014.

The regulations have common requirements including those covering consent, use of nominees, conditions of receipt, monitoring and review of direct payments and persons to whom direct payments must not be made (such as those subject to certain rehabilitation orders). Regulations governing the use of direct payments for special educational provision place a number of additional requirements on both local authorities and parents before a direct payment can be agreed. These include requirements to consider the impact on other service users and value for money and to seek agreement from educational establishments where a service funded by direct payments is delivered on their premises.

### **Mental Capacity.**

Where a person lacks capacity and direct payments are being considered as a means of providing support, professionals must establish that the person lacks capacity by carrying out an appropriate mental capacity test and best interest's evaluation in accordance with the Mental Capacity Act 2005.

The Mental Capacity Act 2005 provides a framework to empower and protect people who may lack capacity to make some decisions for themselves. The Mental Capacity Act make clear who can take decisions in which situations, and how they should go about this. Anyone who works with or cares for an adult (a person aged 16 or over) who lacks capacity must comply with the Mental Capacity Act 2005 when making decisions or acting for that person.

The underlying philosophy of the Mental Capacity Act 2005 is to ensure that those who lack capacity are empowered to make as many decisions for themselves as possible and that any decision made, or action taken, on their behalf is made in their best interests.

The representative who has consented to manage the direct payment on behalf of a person who has been deemed to lack the capacity to consent must always act in the best interest of that person. Representatives and professionals making best interest decisions for a person who lacks the capacity to make specific decisions must evidence that they have acted in accordance with [the Mental Capacity Act 2005](#).

## **Managing and Using the Personal Budget.**

A Parent or young person will be offered advice and support about personal budgets and managing direct payments. This will include employing Personal Assistants and the legal responsibilities of being an employer, i.e. sickness and holidays, tax and National Insurance contributions, Disclosure and Barring checks (DBS) and Employers Liability Insurance.

Information will be made available on payroll services and third party management support and details will be published on the local offer website. Children and young people receiving a direct/cash payment from Leicestershire County Council have the option of using the Local Authorities Payroll Service.

The support provided to parents and young people to set up, manage and review the direct/cash payment will be provided in accordance with Leicestershire County Council and the CCG's existing policies and procedures. A summary of what it involved is outlined below.

A written agreement will need be signed before a payment is made which will outline the responsibilities and obligations of the funding agency and those of the parent or young person. This will include signing to accept the responsibility to arrange and manage the direct/cash payment to purchase support to meet the identified needs and outcomes outlined in the support plan. If a parent or young person does not adhere to the agreement that has been signed, for example, if the money is misused then it may have to be paid back and the cash/direct payment withdrawn or further conditions imposed. CCG's will require a separate agreement with the parent or young person, as it is a separate legal entity to the Local Authority.

A separate bank or building society account will need to be set up for the direct/cash payment to be paid into. If there is a health component to the personal budget, this may be paid into the same bank account so that the recipient has all the money in one place.

Records of expenditure will need to be kept to evidence how the cash/direct payment has been spent. This includes; bank statements, invoices and receipts. These will be audited when the support plan is reviewed in line with each agency's existing policies and procedures.

If there is a surplus of money in the account that has not been agreed for specific expenditure in the EHC plan then this money may have to be returned. There may also be situations where the cash payment may be temporarily suspended for a period of time. For example; if a child or young person goes into hospital. Specific details will be outlined in each agencies direct/cash payment agreement.

Each funding agency will conduct a statutory review of the personal budget in line with their existing policies and procedures. For example: The Disabled Children's Team will review the cash/direct payment 3 months after receiving the direct payment and 6 monthly thereafter. Adult Social Care (if a young person is 18 and above) will carry out a light touch review within 3 months of receiving the cash/direct payment and 12 monthly thereafter

unless a shorter period has been identified. The CCG will review the direct payment at three months and then at six months. After that it will be reviewed six monthly or yearly depending on individual circumstances.

The EHC plan will be reviewed by Leicestershire County Council as a minimum every 12 months. The review will focus on the child or young person's progress and will include information on existing personal budget arrangements across education, health and social care and how they contribute towards achieving the outcomes specified in the EHC plan.

### **Safeguarding.**

The move towards personalisation of services and self-directed support, although a positive step in improving choice and control for parents and young people, does not replace, or reduce the Local Authority's duty of care to ensure that children and vulnerable adults are protected from abuse.

If a safeguarding concern is reported regarding someone who is in receipt of a personal budget, including a direct payment, this will be investigated following the appropriate safeguarding procedure.

### **Change of circumstances.**

If a child or young person's circumstances change in any way then this will be taken into account as part of the annual review of the EHC plan. If there is a significant change in the child or young person's educational circumstances then the parent or young person can request a reassessment or early review of the EHC plan. If there is a change of circumstances or significant change that may affect the social care or health element of the EHC plan then the parent or young person can contact the appropriate lead professional or agency i.e. the Disabled Children's Team/Adult Social Care/ the CCG and request a reassessment.

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## SCHOOLS FORUM

### 2015/16 School Funding Consultation

18 September 2014

Content Applicable to;		School Phase;	
Maintained Primary and Secondary Schools	X	Pre School	X
Academies	X	Foundation Stage	X
PVI Settings		Primary	X
Special Schools / Academies	X	Secondary	X
Local Authority	X	Post 16	
		High Needs	X

#### Purpose of Report

Content Requires;		By;	
Noting	X	Maintained Primary School Members	
Decision	X	Maintained Secondary School Members	
		Maintained Special School Members	
		Academy Members	
		All Schools Forum	X

1. This report presents the consultation responses on 2015/16 school funding, seeks Schools Forum support on the recommendations to be made to the County Council's Cabinet on 13 October and collect any comments that Schools Forum would wish to be included in the Cabinet Report.
2. The accepted process for the issue of reports to Schools Forum is that they are issued one week in advance of the meeting. The timescale in which to deliver the 2015/16 school formula, the inability to consult with schools during the summer break and the need to maximise the consultation timescale with schools result in the consultation feedback being presented to the meeting. In order to allow Members to consider the views of schools it is recommended that the meeting

should be adjourned for 30 minutes after the presentation of this report to give time for consideration of the issues raised.

### **Recommendations**

3. That Schools Forum consider the consultation responses and the local authority reply to them.
4. That Schools Forum consider whether the proposals supported unanimously in previous meetings should be amended as a result of the consultation responses.
5. That Schools Forum supports the formula proposals for presentation to Cabinet on 13 October for decision together with any comments to be included in the report.

### **Background**

6. Schools Forum considered and supported the local authority's principles for the allocation of the additional funding for 2015/16 at meetings on 16 June and 5 September. At both meetings the principles have been supported which have been;
  - a) To address two key areas where the analysis of the Leicestershire school funding formula provided less funding than in similar local authorities, namely primary basic entitlement and prior attainment.
  - b) That all education providers across Leicestershire have been affected by low funding levels and should receive an increase in funding
  - c) That the formula should not contain any additional factors from those used in 2014/15
7. The 2015/16 School Funding Task and Finish Group met on three occasions, 25 June, 28 July and 11 August. The group consisting of all school phases, headteachers, governors and business managers fully endorsed the principles for the allocation of funding. It also considered further principles and constraints in determining the best solution for all Leicestershire pupils;
  - a) The Minimum Funding Guarantee (MFG) is so engrained in school funding that some schools will not benefit from additional funding until it is removed and that the additional funding is insufficient to do this
  - b) The Government policy which is moving in the direction of more pupil led funding
  - c) That high needs and early years providers should receive an increase in funding commensurate with that for secondary schools given the focus given to increasing primary AWPU
8. Consultation with schools was launched on 1 September and closed on 17 September. Schools have been made aware of the consultation through 2 posts on EIS and through the Directors newsletter circulated to all headteachers. Briefings through LPH and LSH were offered, a meeting open to LSH was held on 16



September and briefings for LPH will be held on 30 September and 1 October. LSSH have been engaged through their Headteacher group.

### **Consultation Outcome**

9. 13 formal consultation responses were received;
  - 7 primary all in favour of the proposals
  - 6 secondary, 2 generally supportive of the proposals but with some caveats and 4 not supportive
10. Appendix 1 gives the consultation feedback submitted to the local authority, the consultation clearly stated that emailed responses would not be considered as formal consultation but are shown to ensure Schools Forum has sight of all feedback received. Where schools have requested clarification or specific information on the proposals this is not included.

### **Local Authority Response**

11. The following key messages address a number of the points raised through the consultation, there is not a response to every point but responds to the key groups of issues. It is not presented in order of importance or impact and is purely a list;
  - a) The timescale of the consultation and release of information - the DfE issued the information after Leicestershire schools has entered the summer break, consultation was released at the commencement of the autumn term. Decisions must be taken by Cabinet on 13 October to ensure proposals are with the DfE by 31 October.
  - b) Age Range Changes – the proposals make no changes to the proposals for funding age range changes given the national expectation of the Education Funding Agency (EFA) is that they should be funded by local authorities otherwise funding will be withdrawn to allow the EFA to fund them directly. The financial impact of age range changes is an issue for individual schools to be considered when making decisions on change, the role of the local authority and the Schools Forum has been to define an approach to funding that allows schools to expand and for schools reducing in roll to have limited protection to provide a best solution for Leicestershire which would not be the case should the local authority have not acted and the EFA imposed a significant reduction in funding. The basic allocation for school funding is pupils on roll, the lesser the pupils, the lesser the funding.
  - c) Lagged Funding – the local authority is in no position to alter the national school funding system which is based on lagged funding.
  - d) Should other elements of the formula have been changed – the process has been to allocate additional funding and not to do a wide scale formula review which was not possible in the timescale. The proposals fund areas where comparison with similar authorities showed lower funding for Leicestershire schools, areas that have funding allocations in excess of that in similar authorities remain at that level.
  - e) Allocations to early years and special needs providers – One of the fundamental local principles in determining the allocation of this funding is that all providers should benefit. For all the Dedicated Schools Grant (DSG) blocks of funding

Leicestershire has a relative low funding position. The proposals are to increase funding by the lower increase of primary and secondary funding. For early year this removes £0.75m (3%) from the additional £20.48m from the funding distributed to primary and secondary schools, the increase to special needs providers is funded from current resources. The DSG blocks have been and will continue to be used flexibly to best meet the needs of all Leicestershire pupils, for example age range change protection in 2015/16 will be funded from early years and high needs underspends but supports largely secondary schools.

- f) Why can't all schools just get an additional £240 per pupil – for schools protected by MFG it is necessary to provide sufficient funding to increase the formula allocation in excess of the guaranteed funding level and then an additional £240 per pupil. To illustrate, for the primary school with the highest proportion of their budget provided by MFG would require a per pupil increase of £1,367 and for the highest protected secondary school £779 to ensure an additional £240 per pupil. This is not affordable within the grant increase.
- g) Why such a large increase in primary AWPU – the fundamental principle followed has been to bring funding in line with similar authorities where the comparison identified where schools in Leicestershire received lower funding.
- h) KS4 should receive more as the cost of education is greater – the current formula recognises this through the Age Weighted Pupil Unit (AWPU) which recognises that costs increase over primary at KS3 and again for KS4, this position is unchanged by the proposals.
- i) The additional funding is meant for primary and secondary schools they should receive it all – the proposal deliver 97% of the additional funding to primary and secondary schools and the remainder to early years providers. Published research shows that pupils that have received good early learning provision enter school better prepared and able to learn and achieve better outcomes.
- j) Why can't schools all get the minimum funding levels quoted by the DfE – the minimum funding levels are used to allocate funding to local authorities, they do not however recognise all funding elements used within the school funding formula such as rent, rates and MFG nor do they provide funding for the budgets centrally retained by the local authority on behalf of schools such as copyright, schools causing concern, past retirement costs. Additionally £2m has been transferred annually from the school block to the high needs block to meet school based high needs costs since the separation of DSG into three blocks of funding. It is therefore not possible to fund school equal to the minimum funding levels. The EFA have no expectation that local authorities should implement minimum funding levels in their formula and allocation is a matter for local decision.
- k) The DfE say schools should get an additional £240 per pupil – the £240 per pupil is additional funding to the local authority points f & j detail why it is not possible to fund all schools at that level.. The decision on allocation of the additional funding is one for the local authority and the funding blocks remain flexible.
- l) Statistical neighbour comparison is not valid for making funding decisions – the process has been to identify the most appropriate basis of allocation and not

conduct a full formula review. A formula review was rejected by the 2013/14 school funding working group given the first movement to a national formula had created significant turbulence in school budgets, age range changes were creating turbulence for secondary schools and therefore 2014/15 should be used to generate a period of relative stability, this position is unchanged. This level of financial information was made available by the EFA for the first time in 2013/14 and was also used by the 2014/15 school funding working group in formulating this decision. Statistical neighbour comparison is widely used within performance indicators and the data sets used by OfSTED and other government departments.

### **Conclusion**

12. The proposals have been formulated and tested with a wide range of schools through both the Schools Forum and the 2015/16 School Funding Task and Finish Group. They are based on a set of principles that have been unanimously endorsed by Schools Forum and the Task and Finish Group as providing the best overall solution for Leicestershire pupils and to ensure that the next stage of transition to a national funding formula leaves schools best placed to respond to the future changes.
13. All education providers receive an element of additional funding, school phases and types are not individual but elements of an education system meeting the needs of pupils aged 2 to 15 and in line with the pupils educated from DSG resources. Whilst the Department for Education (DfE) have stated its intention to review the funding allocations for both high needs and early years there is no indication of time scale. By allocating 3% of the additional funding to early years providers it can be ensured that all receive an increase over the current low funded position.
14. The local authority has considered the responses from schools and would like to seek the views of Schools Forum in an amendment to the proposals that would be in keeping with the fundamental principles but respond to the concerns of secondary schools. This would be to:
  - a) Increase the primary AWPU by 7%, this is unchanged from the consultation proposal
  - b) Increase prior attainment funding by 100%, this is unchanged from the consultation proposal
  - c) Increase secondary AWPU by 2.75%, this is changed from the consultation which distributed the remaining funding across both primary and secondary AWPU.
  - d) Align the budget to the final funding allocation to reflect underlying data changes by an adjustment to primary and secondary AWPU, the proposal in the consultation was that this should be achieved by amending the general 1.5% AWPU increase.
15. This change would however require the funding to be allocated to early years providers being increased from £0.73m to £0.93m in order to maintain the principle that the increase should be in line with that for secondary schools which would

increase from 3.6% to 4.5%, this level of increase could be accommodated for high needs providers within current resources.

16. The consultation proposal resulted in 23 school remaining on MFG, whilst these schools will see no cash increase as a result of the proposals neither will they see a 1.5% reduction in per pupil funding in 2015/16. Should the amendment detailed above be adopted then the number of schools in this position would increase to 26.

### **Resource Implications**

16. Resources implications are considered throughout the report.

### **Equal Opportunity Issues**

17. There are no direct equal opportunity implications, the proposals however will increase funding targeted at pupils with low prior attainment

### **Background Papers**

Schools Forum 5 June 2014 – 2015/16 Funding Consultation

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1018&MId=4192&Ver=4>

Schools Forum 16 June 2014 - 2015/16 School Funding

Schools Forum 16 June 2014 – 2015/16 Funding Formula

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1018&MId=4118&Ver=4>

### **Officers to Contact**

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LEICESTERSHIRE COUNTY COUNCIL'SPROPOSALS FOR 2015/16 SCHOOL FUNDING

1. Leicestershire County will receive an additional £240 per pupil in school funding for 2015/16, the background and context are set out in the following document;

This document sets out the process followed by the local authority in defining the basis for the allocation of this funding.

The proposed approach to allocate the additional funding received support from the Schools Forum at its meeting on 16 June and have been formulated in conjunction with the 2015/16 School Funding task and Finish Group consisting of a cross section of headteachers, governors, business managers and Schools Forum Members from maintained schools and academies across Leicestershire

<b>Do you agree with the approach taken by the local authority for the distribution of the additional funding?</b>
Yes
Yes
YES
Yes
Yes we agree with the principles determined by the local authority for the distribution of the additional monies.
Yes
<p>The Chair of Governors and Chair of Finance, Pay and Personnel of xxxx Primary Academy Trust in consultation with our Head xxxx agree wholeheartedly to the approach. We have based our agreement on points 7 and 8 in the consultation document (shown below). Furthermore we have calculated that the academy will receive in the region of £44,000 additional funding should the suggested funding formulae be applied. This would have significant positive impact upon the learning environment for pupils, staff and support staff within the academy.</p> <p>7. Analysis of the 2014/15 Leicestershire school funding formula identified two areas where funding levels were out of line with those in similar authorities, the level of funding provided to primary schools through the Age Weighted Pupil Unit (AWPU) was low and that the level of funding targeted at low prior attainment was also below that in other authorities. The first call on the additional 2015/16 funding is to redress this position.</p> <p>8. The local authority established a School Funding Task and Finish Group consisting of headteachers, governors, members of the Schools Forum and</p>

<p>school business managers to challenge the local authorities perspective and engage schools in developing the proposals for 2015/16. The Task and Finish Group have concluded that the proposals present the best overall option for all educational providers in Leicestershire</p>
<p>I agree with the process.</p>
<p>We note that the LA approach is based upon working towards providing similar levels of funding to that of statistical neighbours, and we acknowledge that primary AWPU's should be the first priority. Whilst we recognise cost pressures in all phases, we are not convinced of the argument that Early Years provision should benefit from the additional funding which was given to support the Schools block particularly.</p>
<p>No.</p> <p>The announcement made by Ministers earlier in the year led all Leicestershire Schools to assume they would be getting a £242 per pupil rise.</p> <p>As an Upper School this would equate to a welcome 5.6% increase in AWPU. In reality less than 2% is now proposed for KS4.</p> <p>Whilst we accept that the Dedicated Schools Grant is allocated in three blocks covering Schools, High Needs and Early Years, the announcement did not mention as far as we recall, Early Years or High Needs.</p> <p>As a result we do not agree with the approach being taken by the Local Authority for the distribution of additional funding and feel the money should be allocated to schools only. Similarly, if the Government had announced additional revenue for Early Years and/or High Needs , we would not as a school, expect to receive any of the additional funding.</p>
<p>Agree this is difficult and appreciate that school staff have been included in the consultation.</p>
<p>No.</p> <p>Using statistical neighbours to compare funding allocations lacks validity and is potentially flawed. Each forum will decide on how much to spend at each key stage and many LAs will have spent more money on key stages 1 and 2 in order to bring about improvements in outcomes. Given that our key stage 2 outcomes are broadly comparable with our neighbours it would suggest that we are providing good value for money and delivering an efficient service.</p>
<p>No.</p> <p>The original announcement and the final guidance document (Fairer schools funding, Arrangements for 2015 to 2016, July 2014) set a very clear rationale for the additional funding and very clear recommendations about how it should be spent (although the advice is not mandatory).</p>

We believe that Leicestershire should top up all AWPU's by £240. If necessary, the lump sum should be reduced (to the recommended minimum) to fund this.

The benchmarking exercise which has prompted this proposal has chosen to look only at the pupil led elements and has ignored the fact that some benchmarked authorities have smaller lump sums.

This means that primary schools that already benefit from high lump sum amount will benefit disproportionately from this proposal.

If the original allocations AWPU have been wrong historically, this should be addressed, but not through this particular process.

2. For schools the proposals will deliver:

- An increase of 7% to the primary Age Weighted Pupil Unit (AWPU)
- An increase in the funding targeted at low prior attainment by 100%

These increases will bring the proportion of funding allocated to Leicestershire schools in line with that recorded in similar local authorities in 2014/15.

- Increase primary, Key Stage 3 and Key Stage 4 AWPU by 1.5% (subject to any adjustment for underlying school data changes)

All maintained schools and academies receive funding through the AWPU and low prior attainment factors.

It is further proposed that early years providers will receive an increase in the base rate of funding of 3.6%

<b>Do you agree with the proposed distribution?</b>
Yes
Yes
I would prefer to see a higher % allocated to AWPU and a lower % to low prior attainment.
Yes
Yes we agree with the proposed distribution which recognises the comparative shortfalls for Leicestershire Schools.
Yes
Yes we agree with this proposal because it looks to redress the balance of funding to Primary AWPU and for prior low attainment. It should be pointed out that at present KS3 funding is significantly greater than for KS1/2. The proposal

<p>above only closes the gap by approximately 20%.</p>
<p>No. I do not agree that there should be any differential between the increase in the primary and the secondary AWPU.</p> <p>I do agree with the proposal to double the low prior attainment factor.</p>
<p>As above, we recognise the LAs approach to distributing the additional funding in a manner which will bring us in line with statistical neighbours and may make any future transition to a national formula less of a radical change</p>
<p>No.</p> <p>Whilst acknowledging the need to redress the issue of funding for Primary children and those with low prior attainment, we feel the percentage increase to Primary Schools compared to Key Stage 3 and Key Stage 4 is too great (we assume the third bullet point 'Increase in Primary, Key Stage 3 and Key Stage 4 AWPU by 1.5%' is a mistake and the Primary AWPU is not increasing by a further 1.5% in addition to the 7% increase proposed in bullet point one). Assuming my interpretations are correct we feel the difference in the increase in AWPU between Primary, Key Stage 3 and Key Stage 4 should be lower and propose for the first bullet point an increase of 5%. For the third bullet point an increase of 3.5%. If the percentages included in the proposals remain as in bullet point one and three we disagree fully with the proposals and feel the percentage increase should be identical for all Primary, Key Stage 3 and Key Stage 4 pupils.</p> <p>We disagree with bullet point two as additional income has and continues to be targeted predominantly to students with low prior attainment, i.e. Pupil Premium money and this is already in school budgets.</p>
<p>Feel there is disproportionate amount being allocated to both early years and primary. Understand wanting to be fair with funding, however, feel that comparing with statistical neighbours does not take into account local context. If there is any balancing of funding it should be in line with moving towards national funding as planned for the future.</p>
<p>No, the rationale for such an enormous variation in key stage increases is unclear as using statistical neighbours is a dubious model given that we don't know why other LAs have made their decisions.</p> <p>Funding an increase for key stages 1 and 2 at over four times the rate for secondary age funding increase and funding early years by two and half times the secondary is unfair and unjust.</p> <p>The funding should be used to create a fairer funding platform at all key stages and to increase one key stage at the expense of another is inappropriate.</p> <p>The decision to target the funding at low attaining students by doubling the amount is again without foundation. In recent times the forum has altered the</p>



funding mechanism to provide additional funding to students in areas of deprivation. Many of these students already attract Pupil Premium funding which has already increased. Given that many of these students have already attracted significant increases in funding there is little or no evidence to indicate a significant impact on outcomes. Until we see the benefits of the existing funding increases I believe that more funding should be allocated to the AWPU. A further increase will be the fourth substantial increase affecting many of the same students.

If you then look at the total schools budget (taking all funding sources into account) you will see a huge differential that is increasing.

There is very little evidence to indicate that all of this additionality is having an impact.

I would prefer to see a greater AWPU contribution given across all sectors and less targeted funding at particular groups.

Many schools were anticipating a significant increase in their AWPU funding and at secondary level this actually amounts to £67 per pupil. Given the national headlines and publicity of £240 per pupil this will add a major financial pressure for many schools.

No.

This money is for statutory aged children, not early years.

The idea of fairer funding is to fairly fund pupils across the country, therefore raising the primary and secondary AWPU in line with similar authorities makes sense. However, the extra funding relates to Schools Block only, so should not be used to raise allocations for Early Years or High Needs provisions.

The extra funding should be directed at the area it is meant for only. Would like to see fairer funding for schools as per the DfE published minimum funding levels for 2015-2016, increase in AWPU and a reduction in deprivation and lump sum funding. KS3 funding, in particular is grossly out of line.

3. All modelling has been completed using October 2013 school census data, final school budgets will be based upon October 2014 data and it may be necessary to adjust the funding values in order to deliver a balanced budget in 2015/16. It is proposed that in this instance that the general increase in AWPU of 1.5% will be amended.

<b>Do you agree with this proposal?</b>
Yes
Yes
Yes

Yes
We agree that any subsequent minor adjustments should be made to the AWPU.
Yes
We agree with this proposal in principle, as it accepted that school census data changes year on year. We do request however, that any necessary amendments required to deliver a balanced budget are communicated in advance to all parties affected.
Yes
Yes. It is acknowledged that other pupil characteristics will vary from census to census, and that the first priorities shall be Primary AWPU uplift, and Prior Attainment, and that once these costs have been met, then any balance should be used to increase AWPU's across the board.
We agree with this proposal.
Yes.
We do not agree with the starting point, however, if the proposal is approved, then we would only agree to a change in the AWPU if it was increased. By more than 1.5%

4. We would like to capture any other views that you may have on the proposals.

<b>Please detail any general comments you may have on the proposed allocation of the additional funding</b>
This seems fair to me given the criteria the funding is to address. It is concerning that we are still very poorly funded compared to other authorities. I trust this level of funding will be maintained.
We are pleased with the proposed arrangements, it gives our school a fairer allocation.
It is right that LCC is brought into line with similar authorities.  It will be essential to know as soon as possible if these funding rates will remain in place in 2016.
None
With respect to each school individual funding calculation detail. Will each school receive advance notification of the calculation detail together with the funding value?

I feel strongly that this additional funding should have been utilised at least partly to fully compensate schools adversely affected by age-range changes. The move to actual NOR funding for 7/12 of the financial year led to a one-off financial penalty on schools with falling rolls created by competing schools increasing their age range. Only 80% protection was provided, leaving a considerable shortfall for schools like XXXXXX College.

The issue of Early Years funding is already emerging as a potential topic of debate ahead of the general election. If a decision is made to use some of the additional funding to increase Early Years rates at this time, we trust that this will be reciprocated in future, should Early Years funding be increased by a future govt, and that the value of funding (uplifted for inflation) which is transferred to early years by these proposals is transferred back to schools funding in future

It is disappointing that the consultation for the proposals and the decision making process does not allow sufficient time for adequate reflection and discussion. We note that the consultation report by necessity of the timescale will not be published in advance of the next school forum and will be handed out at the meeting. It is generally accepted practice to have reports 2 weeks prior to any meeting and this should have been the case for this meeting particularly when such important decisions are being made.

We are pleased to note that Age Range Funding protection remains at 80%, without this some schools including ourselves, would have had a deficit which would be irretrievable. However we need to draw the Forum's attention to the potential consequences of the Age Range changes, particularly as when previous decisions regarding this were made no modelling of the impact on individual schools was taken into account. So we believe Schools Forum were making decisions without having the detailed information they required.

Even with the protection one school will lose over 3 years £1.8million that it would have normally received through lagged funding. This clearly is unacceptable as it will have an adverse effect on the quality of education provided for the young people at the school.

It is ironic that this loss occurs after the majority of schools in the county are implementing the recommendation from the County Council that schools change their age range to become 11-16 or 11-18 establishments. This was also supported by the Schools Minister and DfE as it was envisaged the standards of achievement for young people at 16 would improve as a result - something we all passionately desire! Little did we know that this would result in some schools educating young people without receiving any revenue to do so - surely this cannot be right?

It would appear that each of the three High Schools that first changed their age range to 11-16 benefited enormously from the EFA who awarded additional finances to ensure the change in age range did not disadvantage any student being educated in Leicestershire.

We feel strongly that the lagged funding system should have remained and that either the EFA or LA should have continued to provide start-up funds to schools gaining pupils through Age Range changes, rather than penalising some schools by removing lagged funding. Funding which has been unfairly taken from existing students already in year 10 at Upper schools that would have been entitled to the full funding (not 80%) at year 11.

There is no doubt that if this funding regime does not change and protection funds are not found for schools that 'lose out' under Age Range reform then it will have significant consequences and inconsistencies on the quality of education delivered in any given area. In addition, with 80% protection some schools (including ours) will have no alternative but to set a deficit budget and the Schools Forum members need to be aware of this (please note this is not a threat it is just reality and would be unavoidable).

Both the LA and EFA have advocated Age Range changes across the County, yet neither appear to have given sufficient thought as to how this will be financed.

In light of this I feel that one of the proposals for 2015/16 which should have been included in this paper for Schools Forum to consider should have been to suggest redressing the significant loss of income some schools are facing as a result of age range change. I firmly believe some of the additional monies should have been used to address the massive imbalance which has been experienced by those schools. This would have allowed all schools who are changing their age range either from 14-16 to 11-16 or 14-18 to 11-18 to have started these exciting ventures on an equal footing. As mentioned earlier for a school to receive £1.8m less over three years than it would have under lagged funding cannot be deemed fair and I feel that the Schools Forum did not look at this issue with the seriousness that it deserved in recent times.

Given that increased numbers of students with additional needs are joining or engaged with mainstream provision, why are funds being reallocated to special schools from the contingency. Special schools are already funded at an exceptionally high base level, so why is this additional funding necessary?

I have spoken to special school heads and in several cases they are happy with their funding allocation.

This extra funding shouldn't be used for Early Years or High Needs funding increases. These areas **are** scheduled for a review, and LA should wait for the outcomes of these reviews before allocating funding.

In moving towards fairer schools funding, the Government has produced minimum funding levels for 2015-16, and the LA should attempt to replicate these as closely as possible. Would this be attainable if Early Years & High Needs increases were removed from the proposal?

The following email responses are presented for completeness, the consultation document clearly stated that email and verbal responses would not be considered as a formal response.

<b>Email Responses in addition to the Consultation Pro-Forma</b>
<p>To whom it may concern, I support the proposal to increase the primary awpu by 7%. If there is somewhere else I need to respond please let me know.</p>
<p>I have read the school funding consultation (for the first time) and don't profess to understand it completely yet. I have also discussed it (again very briefly) with my Business Manager.</p> <p>Firstly let me say that I fully appreciate this is an extremely complex issue and I am grateful for the consultation that has taken place during the summer and the work that has been put into this document. I also appreciate that proposals have been put forward based on the most noble of intentions.</p> <p>Having said that, the figure of £240 per pupil, which was quoted when the extra money was devolved to Leicestershire and is, indeed, mentioned in the very first paragraph of this consultation, is greatly reduced by page 4 of the document where, if my understanding is correct, it states that key stage 3 pupils will receive an extra £53.56 and key stage 4 pupils an extra £63.87. On the same page it states that the primary allocation per pupil (AWPU) is £216.45.</p> <p>Once again, I reiterate that I have read and think I understand the reasons for this large discrepancy. However, I do feel it is too large and ask that the AWPU allocation is reconsidered to arrive at a fairer settlement for secondary schools.</p> <p>As I have said, after a first reading of the document, I do not profess to understand all the complexities but in general terms, if my first impression is correct, secondary schools with low levels of deprivation will be disadvantaged by this proposal and I would ask that the School Forum considers further ways redress this inequality. The AWPU funding would seem to be the easiest solution.</p> <p>I know this will seem like we are robbing Peter to pay Paul but the discrepancy in funding needs to be addressed.</p>
<p>In principle, the Governing Body agrees to the proposals outlined for 2015/16 funding.</p>
<p>Complete agreement with proposals put to Funding Forum on 5 th Sept ( and congratulations to working party) Good selection of principles on which proposals founded - sound number crunching to reach final proposals. Only blip is that this is a one year only proposal - but this should not prevent us from</p>

agreeing these proposals

I would like to state that we would make the following points in response to the consultation document:

- We do not understand the decision behind the split-level funding to primary and secondary schools, without information provided on primary and secondary funding across Leicestershire and for statistical neighbours. This data is not available in the consultation document and we do not feel well informed about this. We need this information to understand why secondary schools in Leicestershire will receive less fairer funding uplift than primary schools and less than other secondary schools in LAs, also currently unfairly funded. How can we be reassured that the current Leicestershire funding system is unfair and that Leicestershire is wrong and not statistical neighbours, without this information?
- Why was the decision to change the funding system brought in at this time by the LA. Why was the system not changed previously if there are strong feelings that it is unfair? Why wait until this point, when there is very little time to make decisions that have far-reaching effects. The two matters should not be confused
- On this basis, the consultation requires the provision of further information and also opportunities to be briefed/meet, alongside a longer consultation period than 17 days
- We cannot understand the weighting being proposed to high needs pupils above other pupils, considering the finance currently already given to high needs pupils through the pupil premium and the catch-up funding. This would be money better shared amongst non high need pupils to retain equality for all

Consequently, based upon these views and the lack of pertinent information, as well as not having enough time for briefing and discussion, we cannot agree to the proposals made.

Having read the consultation document and rationale behind the proposal, we would like to make the following comments;-

- There is a disproportionate amount of funding that will be allocated to Early Years and Primary providers in comparison to the amount allocated to KS3 and 4 students. Recent funding has been targeted at Early Years provision and, at the Secondary end, we have felt no impact of this.
- Leicestershire Upper Schools, such as ourselves, have waited in hope for the fairer funding to have an impact on deficit budgets, caused by the poor funding of Leicestershire. Suddenly, the hope of a levelling of students funding in comparison with other counties appears to have been taken away from us. Whilst understanding that there are no

sureties, we were hoping that this additional funding would address issues which have gradually decreased our budget and our ability to raise standards.

- Whilst we can understand the need to compare situations in similar Authorities, the variables between Authorities are so great that a true comparison would be difficult to make. This was an ideal opportunity for Leicestershire to review historical funding formulas in order to achieve equity amongst its own county schools.
- Leicestershire supports age range change and has used much of its resources to support whole areas with such age range change (Melton , Loughborough.) It is now essential that those areas and schools who are now trying to accomplish those changes, for the good of the learners, receive the same level of support, in order to do so successfully.
- Whilst it is not part of the consultation, we were surprised to learn that all schools receive the same lump sum small school protection of £150k regardless of NOR. This cannot possibly be fair and should, in future funding formula, be related to students numbers.

I suspect I may be too late as I have been away but:

As a Governor for many years I have struggled to understand why in Leicestershire we are so poorly funded compared to other Counties. I thought we were supposed to carry out the same function, teaching and Learning!! If we moved The xxxxx less than a mile due south we would be in a much better financial position! I have written to the new Minister as being a Leicestershire MP, asking why this unfair funding has been allowed to continue for so long and apparently is going to continue.

Why do young people, Early Years, Primary providers warrant a greater finance share, surely older pupils require more expensive resources!

Response to 2015/16 School Funding Consultation

Whilst I understand the rationale behind the proposals I have to express my severe misgivings and disappointment. There seems to be merely a desire to bring funding in line with 'statistical neighbours' rather than analyse the issues in educational provision in Leicestershire and respond to these. I would argue that if the solution is to be anything other than to follow the £240 extra per pupil in every school (that is the government headline), then there must be educational reasons for a difference. Sadly, I cannot see any educational arguments made in the document or any reference as to how outcomes will be raised and to what level as a result of the proposals.

According to OFSTED and the LA, the vast majority of Leicestershire schools are good or better and this proportion is increasing. Seemingly, Leicestershire is doing well. Yet this is not borne out in the outcomes of young people where

iT most matters at KS4 GCSE. Leicestershire schools have produced lower than national average GCSE outcomes for the last two years at least, and the picture appears to be deteriorating. This is also echoed by OFSTED, outcomes where a frighteningly low proportion of schools delivering GCSE's and A level qualifications are rated 'Good' or better. Either the Local Authority believes that these schools are uniformly staffed with below average teachers and below average leaders or there must be other factors at work. As there is no dialogue about the former hypothesis at the LA then we must assume the latter.

In this time of huge transition from split secondary system to an 'all through' one, there is an immense threat to outcomes for young people. The LA's decision on transport has affected secondaries far more than primaries. It is upper schools that are affected by age range change and it is these schools that face the prospect of huge budget cuts. I would agree that in this context any other solution (other than £240 per pupil in every school) needs at least to be argued on an educational basis. We only have to look across the border into Leicester City to see the impact that the LA's funding of secondaries can have. Here significant additional resources were made available with clear expectations and highly aspirational targets. The results speak loudly for themselves. Surely we can show similar levels of wisdom in Leicestershire.

I look forward to your response to the points I have raised.