

Proposed Central Schools Services Block budgets 2019/20

The Central Schools Services Block funds a range of services within the former Schools Block, including those funded prior to April 2017 by the former Retained Education Services Grant (ESG), but not including funding de-delegated or levied sums from individual schools budgets.

These are statutory responsibilities of the LA both for maintained schools and academies. The Forum has the right of approval of expenditure from the central schools services block (except payments to the DfE for licences and subscriptions). The LA has the right of appeal to the Secretary of State.

The value of Surrey's central schools services block funding allocation is expected to be lower in 2019/20 than its notional equivalent in 2018/19, as transitional protection is removed, but the final allocation depends on Oct 2018 pupil numbers due to be published shortly.

The 2018/19 budgets and proposed 2019/20 budgets for the central schools services block are shown below.

<u>CSSB budgets (actual and proposed)</u>	budget 2018/19 £000s	budget 2019/20 £000s
<u>Services</u>		
Admissions service team costs	866	791
Admissions service overheads - (property, contact centre, IT, payroll etc)	1,002	1,002
Admissions appeals: community schools	125	125
Devolved admissions appeals funding	250	230
Schools Forum running costs	26	26
Copyright licences (sum charged by DfE)	710	730
	2,979	2,904
<u>Former Retained ESG functions (DSG funded part)-see Annex</u>		
Education welfare ¹	805	1,395
Asset management	19	19
Contribution to statutory/ regulatory duties (for all schools)		
Services currently provided by Babcock4S (IT, finance, SACRE)	155	155
Head of service (part)	250	250
Vulnerable learners/partnership lead(part) ²	166	165
Finance (Schools Funding & Fin Mgt Educn service budgets) ¹	814	224
Phase council supply cover ¹	29	29
Total former retained ESG services (see annex)	2,238	2,237
Total CSSB costs excluding historic commitments	5,217	5,141
Estimated CSSB allocation exc historic commitments	5,227	5,141

¹ See note on former retained ESG services below

² Or share of equivalent roles in previous years

The reductions in proposed budgets for Admissions and for devolved admissions appeals funding recognise underspends on these budgets in 2016/17 and 2017/18.

The CSSB also includes an allocation of £1.087m for “historic commitments”, but that has been delegated to individual schools since April 2018.

Estimated total cost of former Retained ESG services

Prior to April 2017 the DfE allocated Retained ESG funding to local authorities at £15/ pupil (a flat rate nationally), as a contribution to the cost of a range of statutory services which the LA had to provide on behalf of all schools and to the overall cost of managing the school system. Retained ESG funding was transferred into DSG in 2017/18, but the requirement on the LA to provide the services has not changed and indeed individual LAs may spend more or less on these services. Surrey spends far more than £15/head on these services but the amount requested from DSG in 2019/20 is £15/head, the same as in 2018/19 and the same as the amount transferred into DSG for this purpose. The additional costs of former retained ESG services were and will continue to be met from council tax, although the costs shown in the annex are estimates and may need to be reduced.

In 2019/20 we are proposing to increase the proportion of education welfare service work funded from DSG, and to reduce the cost of finance work met from DSG, There will be offsetting changes in the amount of each service funded from council tax. The changes will not affect the overall cost of either service, or the overall former retained ESG costs met from DSG, or the service provided to schools.

Recommendation

That the Forum approves the proposed expenditure from the central schools services block.

Annex

Former retained ESG services, showing proposed DSG and council funding

	2018/19 s251 budget			2019/20 proposed budget		
	DSG £000s	council £000s	total £000s	DSG £000s	council £000s	total £000s
Education welfare service (part)	805	1,038	1,843	1,395	448	1,843
Child employment		215	215		215	215
Asset management (share of Schools	19	19	38	19	19	38
Commissioning time for overall						
capital			0			0
programme management)			0			0
"Statutory/regulatory" (includes)			0			0
Dept central costs ¹		119	119		116	116
Head of service and related costs	250		250	250		250
B4S finance (part) and ICT (part)	155	58	213	155	61	216
Partnership lead/area lead for						
vulnerable learners ²	166	24	190	165	24	189
Exclusion admin/support		104	104		104	104
Head of service contingency		617	617		617	617
Whole service change						
management		370	370		370	370
Schools commissioning ³		226	226		226	226
Central performance, data analysis						
and commissioning functions		858	858		858	858
Finance teams ⁴	814	204	1018	224	794	1,018
Shared services(creditors, income,		379	379		379	379
payroll etc)			0			0
Audit (excluding maintained schs)		48	48		48	48
Legal		287	287		287	287
Phase council supply cover	29		29	29		29
Others incl Education share of		254	254		254	254
contact centre, procurement,			0			0
Member allocation admin)			0			0
	2,238	4,820	7,058	2,237	4,820	7,057

Notes

1 A range of central costs including publications and room hire.

2 Current posts, subject to change as part of reorganisations in progress

3 A range of service wide duties including contract management and management of the academies transfer process and liaison with academies.

4 For 2019/20 the sum attributed to DSG is for schools funding and schools financial management tasks (relating to all schools) only.

Subject to change as a result of reorganisations currently in progress

Item 5 part 2
Schools Forum
11 December 2018

Central services levy on maintained schools 2019/20

The local authority (LA) has a number of responsibilities for maintained schools which until September 2017 were funded by Education Services Grant (General Duties). This grant was also paid directly by the ESFA to academies as these responsibilities transfer to academies or Multi Academy Trusts (MAT).

Following the withdrawal of ESG, DfE regulations were amended to permit LAs to recover these costs from its maintained schools. In Surrey this is achieved via a per pupil levy (the “central services levy”) on maintained schools (per place for special schools and pupil referral units). This ceases as schools convert to academy status and the LA’s responsibilities then cease. Most Multi Academy Trusts (MATs) recover these costs via a top-slice on individual academies within their trust.

Maintained school representatives on the Schools Forum have the right of approval of the levy. The local authority has the right of appeal to the Secretary of State if necessary.

Annex A shows the functions for which the LA is permitted to levy maintained schools. These are unchanged from 2018/19. Annex B shows the proposed deductions for 2019/20 compared to the initial proposals for 2018/19.

The central services levy deduction cannot apply to maintained nursery schools.

Savings

If charged at the current rate of £37.96, the total income from the levy is estimated to reduce from £2.538m (original estimate) in 2018/19 to £2.350m in 2019/20 as maintained school pupil numbers fall due to academy conversions. The LA has had to make savings in the cost of services in order to reflect this, although in practice this is difficult because of diseconomies of scale as the number of maintained schools falls. In order to reduce the unit rate for schools, a further reduction of £0.122m has been made and the proposed levy for 2019/20 is £35.98 per pupil, a reduction of £1.98 per pupil from the 2018/19 rate.

Recommendation

That representatives of maintained primary, secondary and special schools and PRUs approve a levy on those sectors of £35.98 per pupil/place, for central services to maintained schools.

Annex A

LA Responsibilities to Maintained Schools within the scope of the central services levy

<p>Babcock Support to Maintained Schools: Finance, HR advice, Governance, facilities management (including health & safety), ICT (data collection)</p>	<p>The LA has statutory obligations relating to assessment for maintained schools as directed by the Standards & Testing Agency (STA). These include:</p> <p><u>National Curriculum Assessment</u></p> <ul style="list-style-type: none">• responsibilities for monitoring of key stage tests in maintained primary schools and other education settings• Support for new and experienced Year 2 and Year 6 teachers so that they understand STA requirements.• Quality assurance procedures are in place and data submitted to the DfE is accurate and consistent with national standards.• Statutory guidance and DfE updates are disseminated and shared with schools <p><u>Finance:</u></p> <ul style="list-style-type: none">• Payment of funding tranches to schools• Ensuring proper monitoring of schools' expenditure and accounting on schools and council systems, reconciliation of Local Bank Accounts, external audit liaison. (Includes Consistent Financial Reporting functions (Sec 44 of the 2002 Act)• Promoting strong financial management – via Finance Manual, bulletins, support on CFR etc;• Validating budget plans and assisting schools in deficit <p><u>HR</u></p> <ul style="list-style-type: none">• Undertaking statutory HR responsibilities in respect of schools where SCC is the employer and supporting other maintained schools in meeting their HR employment and education legal responsibilities.• Supporting schools with their statutory and good employment practice obligations in relation to HR issues arising from the safeguarding of children and young people.• Developing and maintaining effective partnerships with unions and professional associations on matters relating to schools. <p><u>Governance</u></p>
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	<ul style="list-style-type: none"> • SCC fulfils its statutory obligations with regard to the governance of its maintained schools. Surrey governing bodies operate effectively and individual governors have the opportunity to be well informed of their roles and responsibilities. • An accurate Surrey governor database is maintained. • Chairs of Governors, individual members of governing bodies and clerks of SCC schools have access to up to date guidance and support via Governor Update, website, helpdesk, email alerts and access to training and development opportunities. • Two Chairs of Governors liaison and briefing meetings are provided per term, administered and supported by Babcock 4S. Clerks' Briefings are organised on a termly basis (traded service). • Additional Skills Governors are recruited, trained, and deployed to schools <p><u>Facilities Management</u></p> <ul style="list-style-type: none"> • Ensuring schools are complying with statutory health & safety obligations where the LA is the ultimate employer and supporting all maintained schools, as partners in education • Providing web site, helpdesk, briefings to heads and email support ensuring up to date advice and intervention • Tree stock located on maintained schools' premises are inspected under a cyclical three year inspection programme <p><u>ICT (including data collection)</u></p> <ul style="list-style-type: none"> • Facilitating data transfer including data storage. Management & assistance with statutory data collections for maintained schools (eg Consistent Financial Reporting, pupil census etc) • Support to schools to ensure accurate data – and therefore accurate funding entitlements to schools
Teachers pensions admin	Provision of accurate information to the Teachers Pensions Agency thereby ensuring accurate deductions are made and accounted for and pension entitlements are protected.

	Resolving queries and tracking staff as they enter and leave the scheme.
Schools' strategic risk management	<p>Includes compliance with duties under the Health & Safety at Work Act.</p> <p>Updates on regulatory & legislation changes via School Bulletin and SRM Health & Safety newsletter</p> <p>Unlimited access to telephone and email support</p> <p>Provision of Oshens – online accident reporting system</p> <p>Provision of Evolve – offsite trips website</p> <p>Support with accident investigations and RIDDOR reporting</p> <p>Fire safety advice and support with fire risk assessments</p> <p>Radiation Protection Advisor (RPA) for secondary schools</p> <p>Membership of CLEAPSS for Science / DT H&S advice and membership of ROSPA</p>
Schools' Audit & CSF Finance	Provision of adequate internal audit and other tasks related to the authority's chief finance officer responsibilities under Section 151 of the LGA 1972 for maintained schools.
Basic Need Capital & asset management	<p>General landlord duties for all maintained schools; responsibilities under School Premises Regulations 2012 to ensure school buildings have appropriate facilities, the ability to sustain appropriate loads, safe escape routes, water, lighting, heating & ventilation to required standards. Management of asbestos risks.</p> <p>Management of individual maintained schools' capital projects.</p>
Redundancy costs in maintained schools	Costs of redundancies (teaching and support staff) in Surrey maintained schools.
Other	<p>Provision of information on maintained schools to or at request of government departments</p> <p>Investigation and resolution of complaints relating to maintained schools.</p> <p>Overheads relating to the above services and ensuring payments are made in respect of taxation, national insurance and pension contributions.</p>

Annex B Budgets for statutory LA services to be funded from the central services levy

	2018/19 Levy reported to Schools Forum 7 Dec 2017 (£)	2019/20 Estimated levy (£)
Statutory/regulatory duties		
Work currently undertaken by Babcock 4S (monitoring national curriculum assessments, financial administration, advice and monitoring of schools, HR support, governance, health and safety, facilities management, ICT/data collection) plus contract management	832,712	828,300
Teachers pensions admin	213,000	160,800
Schools risk management	200,700	193,500
Schools audit and CSF finance (part)	78,000	88,900
Asset management		
Basic need capital projects, asset management, site surveys, commissioning etc		
Property schools basic need	733,888	486,900
New redundancy costs in maintained schools	479,900	469,500
	2,538,200	2,227,900
Estimated pupil numbers	66,865	61,914
Reduction in funding to services	£310,300	
Levy per pupil	£37.96	£35.98

Item 6 (part)
Schools Forum
11 December 2018

Proposed changes to High Needs Planned Place Allocations for Academies and Colleges (2019-2020 academic year)

This is to be considered under item 6 .It is not intended to form the main focus if item 6

Summary

This paper provides an update on the number of high needs places which Surrey proposes to commission in academies and colleges for the academic year 2019-20, subject to ESFA approval. The cost of these places is met from the high needs block of the DSG. The Forum is invited to discuss the proposed changes.

Background

Maintained and academy special schools, SEN centres, Further Education (FE) colleges and other post-16 specialist SEN providers are funded in part on an agreed number of places. The cost of funding these places in Surrey providers is met from Surrey's high needs DSG. The number of places is reviewed annually.

In 2019-20, once again, the local authority (LA) was required to seek ESFA approval to change the number of funded places in academies and FE providers, by 16 November 2018. The LA may change the number of places in maintained schools without ESFA approval. The process for agreeing the number of High Needs planned places with maintained schools for 2019-20 is currently in progress, but we anticipate that the principles will be the same as those described below.

Commissioning increased places in state maintained provision is an important part of the SEND transformation strategy. The following principles have been applied by Surrey in reviewing 2019/20 high needs place planning for academies and colleges, which are broadly consistent with those used in previous years:

- For Surrey to reduce funded unoccupied places in settings which have a three year history of under occupancy and where this underoccupancy would be expected to continue were the places not reduced;
- To move places from those settings which are showing continuous under-occupancy across to settings which are showing either over occupancy or full occupancy (and where they have the accommodation and commitment to increase numbers) and where the LA expects continuing demand for a higher number of places, in particular where provision of a higher number of places is likely to allow us to place pupils who would otherwise have required NMI placements. In some cases these changes reflect expansion which has already occurred and where the places are being funded directly by the LA in 2018/19 because the expansion was agreed after the ESFA deadline for 2018/19 (November 2017);
- To ensure proposals reflect any changes in designation, capital build and arrangements

The ESFA will only agree changes relating to academies and colleges planned places which are agreed in advance with the academies and colleges, although there are default rules for resolving some 'non agreed' changes and there is a 'two week window' in January for agreeing changes which were not agreed at the date of submission.

Proposed changes for academies (net increase of 92 places)

We have asked for the following changes to high needs places in academies:

	Number with increased places	Number with reduced places	Total number of new places	Total number of places removed
Special academies	5	0	84	0
Academies with SEN centres	7	6	20	-12
Total			104	-12

Net increase 92

Estimated part year cost £537,000.

Where the LA identifies a need for further additional places for 2019/20, provision of and funding for those places will be negotiated and paid outside the ESFA funding mechanism for the first year.

Proposed changes for FE and sixth form colleges (overall increase of 122 places)

The FE sector has experienced significant growth in numbers of High Needs Students (HNS) as a result of both the raising of the participation age (RPA) and the implementation of the Children and Families Act. EHCP numbers continue to rise and we have seen a 138% growth in HNS at local GFE colleges since 2014-15, from 244 to 581.

Numbers in General Further Education (GFE) and Sixth Form Colleges (SFC) have risen by 20% in the last year from 482 students in 2017/18 to 581 students in 2018/19. The high needs placement cost of Surrey's GFEs and SFCs is significantly less than the average placement cost of NMI placements.

Surrey County Council's SEND consultation, Closer to Home and Preparation for Adulthood Strategies have focussed on working closely with local providers to develop and increase provision in Surrey for young people with SEND whilst also reducing the numbers of those young people having to access NMI placements, often out of county.

The SEND Supported Internship Programme was also launched in 2016 and the programme is now in its second year and Supported Internships are being delivered by all 4 Surrey GFEs.

As a result of SCC's strategies and continued development of appropriate SEND provision within Surrey's mainstream colleges, we continue to see growth within all GFEs

It is therefore proposed that we agree to increase the planned place numbers at all 4 GFEs to match with current (2018/19) learner numbers and keep the small number of SFC places at the same levels as current actual learner numbers.

This means a net increase of 122 places

	Number with increased places	Number with reduced places	Total number of new places	Total number of places removed
Colleges	6	1	127	5

Net increase 122 Estimated cost part year £488,000 full year £732,000

Briefing paper on STIPS

Introduction

In July 2018, a STIPs proposal was presented to Schools Forum which summarised the functions of the service and its funding streams and requested further dedelegation until March 2020 in order to deliver a new targeted offer for maintained primary schools. This new targeted offer would replace the current hours allocation model with an offer of targeted support, so that schools can be better supported to meet the needs of a growing complexity of pupils with additional and Special Educational needs. Under this targeted offer, teams would deliver the support schools require to aid earlier intervention, either by brokerage in ensuring the delivery of training, or through direct support, escalation, and one to one learner support. This support would continue to be provided at quadrant level, with a named STIPs member of staff for each school who would link directly with SENCOs and Head teachers. In addition, a menu of available specialist support would be available to inform planning for each school to ensure pupils and the school community receive the right support at the right time. The aim is to facilitate earlier intervention and put greater depth into transition work between key stages to prevent placement breakdown, including exclusions, wherever possible.

Whilst positively received, questions raised by Schools Forum about this proposal concern evidence of impact, longer term sustainability of funding and alternative models used by other Local Authorities. It is the purpose of this paper to address these issues.

Evidence of impact

Significant work is currently underway to ascertain and evidence impact. A business case has been put forward for capacity from the Performance Knowledge and Management team to provide rigorous pupil-level data but in the interim, evidence already collected by the STIPS team of impact includes impact on pupil progress and qualitative data.

	Percentage	Number of pupils
Progress or Significant Progress Made	72%	1029
Signposted to other agencies	18%	257
Left School / County	10%	143

Figure 1 Progress Data 2016/17

	Percentage	Number of pupils
Progress or Significant Progress Made	62%	1102
Signposted to other agencies	30%	533
Left School / County	8%	142

Figure 2 Progress Data 2017/18



When considering Learning and Language Support, progress made refers to evidence of consistent small or measured steps with the potential to close the gap. Significant progress is a rate of progress that exceeds the historical learning path and which has halted or altered the current trajectory, closing the gap or diminishing the difference.

For Behaviour Support, progress made refers to the school feeling more confident that they can manage behaviors and although the behaviour may not be less challenging it can be monitored at school level. Significant progress made in relation to Behaviour Support refers to a turnaround in behaviours, improvement in the capacity of staff to manage behaviours or a reduction in incidents. There may no longer be a risk of exclusion or have reintegrated successfully to full time from a part time timetable.

A proxy measure to evidence impact is the spike in increased statutory plans and NMI places at the point when STIPS in Surrey moved to a model of trading with schools.

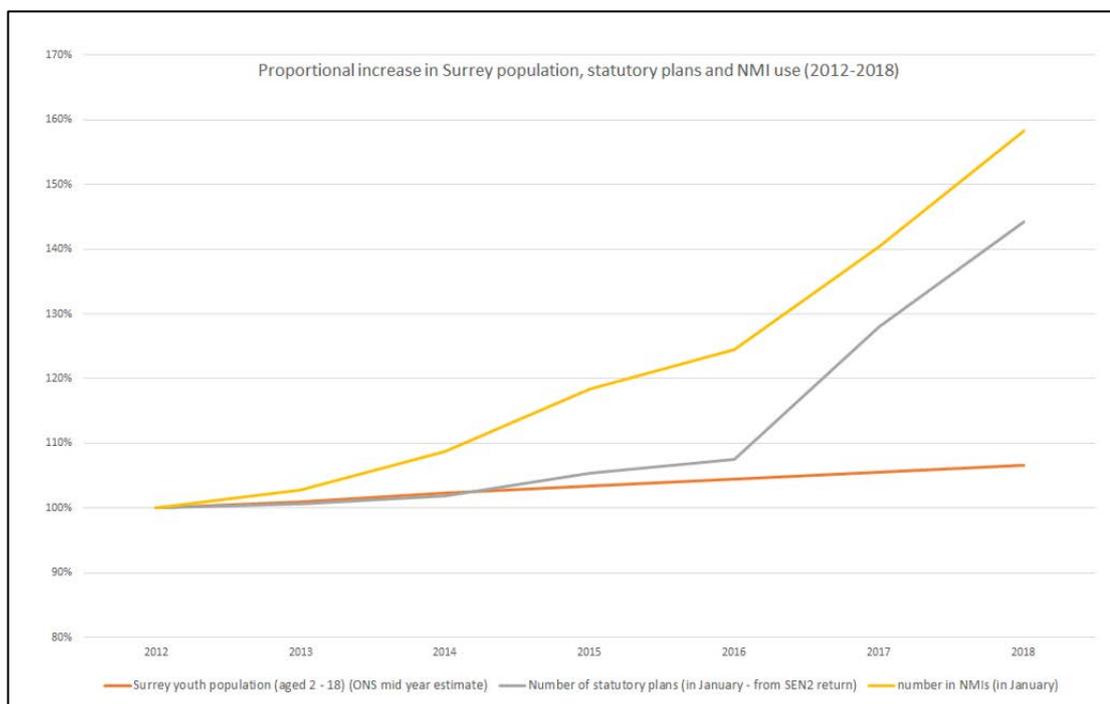


Figure 3 Proportional increase in Surrey population, statutory plans and NMI use (2012-18)

Qualitative evidence of impact is regularly collected by STIPs, with 99% of training delivered rated as good or outstanding, and 95% training rated as **very** or **extremely** likely to improve practice. In a countywide survey of SENCOs surveyed on how they rated STIPs support, 100% reported they were satisfied with the service; that the work felt like an effective partnership; and that the STIPs staff offered a range of activities and assessments to support vulnerable learners and their families, in particular SEND. Qualitative evidence from deputies and head teachers includes comments such as, 'your advice, as always, is spot on' and 'your intervention has had a real impact on the children worked with in every situation'.

A Sustainable Future for STIPs

A key question posed by Schools Forum has been about the sustainability of STIPs in the light of the end of schools' dedelegation after March 2020. In order to address this, an innovative proposal is being considered to develop a new

strand of the STIPs team to provide Emotional Wellbeing and Mental Health support to schools to as part of a new Joint Early Help Behaviour and Emotional Wellbeing pathway, and to support schools in implementing new responsibilities under the Mental Health Green Paper. This new pathway is currently being consulted on as part of the SEND Transformation Strategy and workshopped by SENCOs working on the design of a new Graduated Response. This proposal would include recommissioning STIPs as part of a frontline response to issues raised by schools as part of the re-design of Surrey's commissioned CAMHS service. This would supplement the work of the Primary Mental Health Worker team and expand capacity currently provided by the EPs in order to ensure schools are offered a meaningful level of Emotional Wellbeing and Mental Health support as well as supporting a SEND graduated pathway. If commissioned as part of the CAMHS service, the reliance of STIPs on a volatile trading income would be significantly reduced offering a sustainable long term future for the service across SEND and CAMHS.

The team would operate within local multi-agency teams to deliver support predominantly at level 2 need to schools as part of a graduated response across SEND and CAMHS. The team would work in partnership with Educational Psychologists (EPs) and other services at higher levels of need to ensure that the support delivered through an EHCP is effective thus maintaining EHCPs more effectively within Surrey maintained schools. Preventative STIP support would be a key part of pre-emergency review and placement change to reduce the demand for special and NMI places.

Targeted EWMH support, aimed at level 2 need would also be delivered by STIP in partnership with Surrey TAMHS and the Primary Mental Health Service offer. The service would be developed from SEMH specialisms already within the STIP team. This would bring significant new capacity into the system to support the EWMH work of schools and as part of redesigned offer of Behaviour and Emotional Well-being support.

The STIPs team would have an additional early help role within a whole system approach to EWMH (that also includes ELSAs) in addition to the role they currently hold within the SEND pathways. STIP would be incorporated as essential preventative services across specific pathways (including SEMH, BEN and COIN). As part of the development of Behaviour and Emotional Well-being support, the role of STIPs within Early Years is also being considered.

In order to develop this extended and sustainable model, dedelegation for the period until March 2020 would be vital.

Models in Other Local Authorities

	Detail	Evaluation	Funding Model
Essex Specialist Teacher and Preschool Service	<p>The service offers support within the following areas of need:</p> <ul style="list-style-type: none"> • Autism and Social Communication • Cognition and Learning • Hearing • Multi-sensory • Physical and Neurological • Social, Emotional and Mental Health • Speech, Language and Communication • Vision 	<p>Evaluation and change of the service have been on the agenda for around 2 years.</p> <p>Feedback from schools has been sought and some areas of concern have been raised, namely:</p> <ul style="list-style-type: none"> • Sustainability • Consistency & Quality of service • Value for money • Transparency (related to HNB spending) 	<p>HNB (in review)</p> <p>Training – Traded</p>

	<p>The service is split on a quadrant basis but with a focus on cross-area and specialism working. Each quadrant delivers services for the preschool, primary school and secondary school sectors.</p> <p>Preschool:</p> <ul style="list-style-type: none"> • Dedicated SEN support and outreach team • Specialist support for sensory impairments • Referrals through health professionals • Delivers the Essex Good Beginnings programme for children with social communication difficulties or autism <p>Primary School:</p> <ul style="list-style-type: none"> • Specialist advice and support for all mainstream primary schools • Focus is to build capacity with schools to meet the needs of children with SEND • Provide advice on effective teaching techniques and strategies, classroom management, and curriculum materials; support for curriculum development, direct teaching and practical support for class teachers • Provide training and development <p>Secondary School:</p> <ul style="list-style-type: none"> • Transition support • Specialist advice and support <p>As of April 2017 the service employed approximately 200 members of staff</p>	<p>The SEND Strategy Headteacher Round Table noted that a review of the STT service should be a priority in the 2018/19 academic year.</p> <p>Initial suggestions regarding who should manage and deploy the STT were:</p> <ul style="list-style-type: none"> • Centrally by LA • ENPro (Enhanced Provision) • ESSET (training provider and comprises of 19 special schools) <p>STT part of education team restructure – four quadrant teams, made up of:</p> <ul style="list-style-type: none"> • Statutory Assessment Service • Education Psychology • Specialist Teacher Service • School Improvement • Early Years and Childcare • School Attendance • Alternative education <p>OFSTED SEND provision not yet inspected</p> <p>Permanent Exclusion Rate 16-17 State funded primary – 0.03% State funded secondary – 0.08% Special schools – 0</p> <p>EHCPs (Jan 2018) – 6066 Statements (Jan 2018) - 2220</p>	
<p>Gloucestershire Advisory Teaching Service</p>	<p>The service offers:</p> <ul style="list-style-type: none"> • Early identification and intervention using Gloucestershire’s graduated approach • Specialist support • Ongoing monitoring, review and assessment of individual needs 	<p>Gloucestershire are currently consulting regarding changes to their High Needs provision - as part of the consultation they are proposing a change to a local hub/partnership model. The proposal includes seven local partnerships offering support services.</p>	<p>Centrally (Some training can be purchased)</p>

	<ul style="list-style-type: none"> • Support developing independence • Work with parents/carers to increase awareness and understanding of their child's needs and to provide training and advice to parents • Multi-agency working and partnership with Gloucestershire special schools • Professional development training to ensure individuals working with children and young people understand the effects of implications of their specific needs. <p>Specialist Teams:</p> <ul style="list-style-type: none"> • Communication and Interaction • Hearing Impairment • Visual Impairment • Physical Disability • Cognition and Learning • Social, Emotional & Mental Health Difficulties <p>Currently there are 4 area based teams each with a range of the above specialisms.</p>	<p>OFSTED Inspected Generally positive No written statement of action required</p> <p>Permanent Exclusion Rate 16-17 State funded primary – 0.05% State funded secondary – 0.28% Special schools – 0</p> <p>EHCPs (Jan 2018) - 3155 Statements (Jan 2018) - 135</p>	
Hertfordshire Integrated Services for Learning	<p>Multi-professional service based across 4 integrated area teams helping schools, settings and families to improve outcomes for children and young people with additional and special educational needs. Services include:</p> <ul style="list-style-type: none"> • Educational Psychology • Early Years SEND • Communication and Autism • Physical and Sensory Impairment • Access to Education for Refugees and Travellers • Hertfordshire Steps (positive approach to behaviour management) • Attendance • Education Support for Medical Absence • Special Educational Needs 	<p>OFSTED Inspected Generally positive No written statement of action required</p> <p>Permanent Exclusion Rate 16-17 State funded primary – 0.02% State funded secondary – 0.10% Special schools – 0.44%</p> <p>EHCPs (Jan 2018) – 5700 Statements (Jan 2018) - 19</p>	
North Yorkshire Inclusive Education Service	<p>Aims of the service:</p> <ul style="list-style-type: none"> • Staff in schools/settings will be more able to meet the needs 	<p>Current focus of the High Needs Funding Sub-group in North Yorkshire is the Inclusive Education Service.</p>	<p>Core work (meeting IES eligibility criteria) is centrally funded</p>

	<p>of children and young people with SEND</p> <ul style="list-style-type: none"> • Schools/settings will increase in confidence so that children and young people with SEND are included and can achieve to their highest potential • Parents/carers will gain a better understanding of the needs of their child and will have confidence that their needs are being met • Increased participation and achievement for children and young people with SEND • Schools and settings will build their own expertise through wider workforce development leading to better outcomes for all <p>The service delivers:</p> <ol style="list-style-type: none"> 1. Communication and interaction <ul style="list-style-type: none"> • Autism outreach • Consultation for speech, language and communication needs 2. Cognition and Learning <ul style="list-style-type: none"> • School based outreach for specific learning difficulties 3. Sensory and physical/medical <ul style="list-style-type: none"> • Outreach 4. Social, emotional and mental health <ul style="list-style-type: none"> • Advisory support for behaviour and attendance • SEMH outreach 5. Overarching SEND <ul style="list-style-type: none"> • Educational psychology • Early years advisory • Portage • SEND advisory 6. SEND information, advice and support service (SENDIASS) <ul style="list-style-type: none"> • Educationally based support 	<p>For 2018/19 it has been proposed that Inclusive Education must save £394,000</p> <p>OFSTED Inspected Generally positive with some areas highlighted for improvement No written statement of action required</p> <p>Permanent Exclusion Rate 16-17 State funded primary – 0.02% State funded secondary – 0.21% Special schools – 0</p> <p>EHCPs (Jan 2018) – 2393 Statements (Jan 2018) - 113</p>	<p>but there is also a traded element through North Yorkshire Education Solutions</p>
<p>Lancashire Specialist Teaching Service</p>	<p>Graduated approach.</p> <p>Interventions are available to all settings: Early Years, Schools, Special Schools, FE and 6th from Colleges and Universities</p>	<p>OFSTED It should be noted that an inspection of Lancashire’s SEND provision (13th November 2017) found the services to have severe failings. A written statement of action was required</p>	<p>Traded</p>

	<p>Aim to provide bespoke involvement to meet the needs of the individual child or young person and to work in partnership with education providers to develop best practice for SEND.</p> <p>Schools build packages together with the Specialist Teacher.</p>	<p>Permanent Exclusion Rate 16-17</p> <p>State funded primary – 0.06%</p> <p>State funded secondary – 0.45%</p> <p>Special schools – 0</p> <p>EHCPs (Jan 2018) - 5724</p> <p>Statements (Jan 2018) - 705</p>	
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LA Practice nationally

The above information summarises current practice at other Local Authorities, it should be noted that due to the funding changes occurring most structures are currently under review and therefore should not be used at this stage to model a new system for Surrey. Where consultation on funding has taken place this has highlighted the value of dedelegation of the service. For example in Leicester where several schools stated “this is a valuable tool for the City, which we see as a “common good” project” and “we all need this service at some point.”

Conclusion

The Role of STIPs is currently under review alongside the graduated SEND response, CAMHs and Family resilience pathways to ensure children and their families are supported earlier in meeting identified additional needs. The dedelegation of funding for this final year will support the transition necessary to achieve a pathway which provides access to resource and support for both our current and potential future vulnerable learners at the earliest opportunity.

REMA Core Offer for GRT pupils

Introduction

Gypsy, Roma and Traveller (GRT) pupils are consistently reflected in national data as the most vulnerable of all ethnic minority groups. In Surrey we see encouraging trends, as access to learning and outcomes for GRT pupils continue to improve.

De-delegation of funding enables SCC's REMA team of Specialist Teachers and Traveller Education Support Workers to work with schools to minimise disadvantage and reduce barriers to successful learning for this pupil group. A Core Offer is available to all maintained primary schools with GRT pupils on roll. In addition to direct pupil involvement, staff teams are supported through consultation and training to build capacity for meeting the needs and challenges of their GRT cohort. Access to specialist support is crucial for small schools and those with a newly arrived GRT cohort.

2017 - 2018 Traveller Education Support Workers have:

- Supported 346 applications for school places. Many of these also needed transport applications due to remote site locations.
- Supported with largest number of in-year applications and provided induction to school.
- Identified more than 80 new-born and pre-school young children within the GRT community. Identification ensures children from non/semi-literate families start school on time and their development is monitored.
- Built relationship with pre-school children and parents through more than 200 weekly play bus sessions countywide. This supports school readiness and smooth transition on reaching statutory school age.
- More than 70% of GRT pre-school children accessed Early Years education, a 150% increase within the last ten years.
- Liaised with partners to improve school engagement and behaviour and achieve good pupil outcomes: EWS, Health, EHE, SEND, Social Care, other LAs and out of county teams.
- Supported schools with safeguarding and Child Protection cases, by maintaining parent engagement.

The following GRT case studies show the diversity and impact of REMA's TESW team:

Case 1 - Access to education	Ongoing support for family with two children to access primary school places when forced to live on roadside and move regularly (own land but cannot get planning permission). Parents have aspirations for both children to develop good academic skills before entering vocational course at age 16. Child 1 is now at FE college and learning skills to enable him to join and develop his family's catering business. Parents have completed application for Child 2 to transfer to secondary school next year, despite having no settled living plot and still needing to be highly mobile.
Case 2 – Achieving school readiness	MC was identified on site visit by TESW as a child with significant needs. At age 3 she had no language or communication, attention or play skills. Referrals were made to White Lodge, Speech and Language Therapy and Portage. Family were supported through all assessments. Specialist nursery placement was obtained and supported. Intensive induction support was provided prior to her placement in reception Sept 2018. MC has made a successful start in Year R with few of her previous issues and concerns remaining.
Case 3 - Supporting school access and attendance	Siblings placed in different schools (due to 'nearest school with places' rule). Only one entitled to transport. Other child not able to attend school without transport, due to remoteness of site. TESW provided photographic and written supporting evidence for Transport Case Review, showing site's rural location and unsafe route. Appeal rejected. Further evidence gathered and higher level appeal completed with non- literate parents, then submitted to SCC Cabinet Members review panel. Case won on strength of " <i>fantastic supportive submission</i> ". Both children now have a school place, are achieving and have good attendance.

Impact of REMA Specialist Teachers

GRT Specialist Teachers have supported 55 primary schools with GRT pupils on roll. This has included auditing inclusive practice and provision, pupil observation and consultation for learning and behaviour and training for staff teams.

Schools with a high level of GRT pupil vulnerability or a transient cohort are provided with ongoing consultation/surgery sessions. Schools report that great progress has been made by their pupils and the level of staff expertise has increased. School evaluation includes:

- *excellent rapport achieved with GRT pupil and parents*
- *targets are relevant and teachers are implementing all advice*
- *really pleased with level of support and pupils are making measurable progress as a result*
- *always professional and relevant*

In 2017-2018 termly countywide training for leadership, teachers, NQTs, TAs, HSLWs and Attendance Officers and DSLs was introduced and delivered as part of the Core Offer to maintained primary

schools. Staff from 47 schools with GRT pupils have attended, including academies, secondary and special schools. In addition, sessions of bespoke training have been matched to schools' contextual needs.

REMA's training offer has been highly successful with 100% of evaluations rated as Excellent or Good. Training to support schools' response to bullying and prejudice-related behaviour achieved 98% Excellent ratings.

Feedback of the value of REMA GRT training for schools included:

- *amazing*
- *inspiring*
- *excellent overview of approaches*
- *great resource ideas*
- *good coverage of important topics*
- *tools to sharpen our focus as a school*

Following REMA training schools report they now have:

- better understanding of culture
- independent learning resources and strategies for meeting differentiated needs
- case studies to model practice and apply strategies
- update on legal framework and policy
- ways to strengthen communication with parents
- more opportunity to consult with members of GRT community

The following GRT case studies show the diversity and impact of REMA's Specialist Teacher team:

<p>Case 1 - Achieving pupil engagement</p>	<p>Family of 3 children being stepped down from CP Plan. Children not engaging with school and at risk of Permanent Exclusion. REMA Lead Teacher, 2x Specialist Teachers and TESW worked with school to develop support plan. Partnership approach needed, with SCC teams and parent involvement. REMA initiated multi-agency meeting and TESW ensured parent attendance and involvement. Set up of differentiated learning activities, with cultural dimension has led to more independent working for pupils and parents are more engaged with school and children's progress.</p>
<p>Case 2 - Safeguarding</p>	<p>KS2 GRT pupil with emotional difficulties is living in an unstable home environment. Site based, with absence of parents a regular feature and child being inadequately cared for by extended family. Appointments to address child's health and wellbeing not being kept. REMA team worked with school to complete MARF. Repeated REMA visits made to site, to achieve ongoing communication with family and ensure safety of child when absent from school without explanation. There was a strong risk the pupil would be withdrawn</p>

	from the school system and 'disappear'. Maintaining communication with this transient family by REMA and brokering of relationship with Social Care team enabled a positive outcome. Parent engagement was effectively supported and child's safety and emotional difficulties were addressed. School staff and key contact (HSLW) were guided and empowered to build effective family relationships.
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Conclusion

In light of the increasing trend in GRT mobility and rise in the number of in-year arrivals, de-delegation of funding is vital to ensure access to specialist support is available to all schools.

Item 8
Schools Forum
11 December 2018

Request by GLF Schools for vacancy funding for Merstham Park Secondary School (2018/19)

Summary

Merstham Park School is a new secondary free school which opened in September 2018 in Merstham. On 28 September 2018, the Forum considered a request by this school for vacancy funding for the first year, for the shortfall against 120 pupils. Prior to making a decision, the Forum asked for additional information, which is provided in this paper.

Background

Merstham Park School opened in September 2018 with a PAN of 180. The Trust is working to a budget plan based on 120 students on roll, which is deemed by DfE to be the minimum viable number for a new secondary school. For a variety of reasons (which were set out in the paper for the 28 September meeting, attached as an annex) there were only 76 pupils on roll on October 2018 census date, although the LA is clear that the school's capacity will be needed in future years.

The Forum was asked to consider providing vacancy funding for the pupil shortfall against 120 (ie 44 vacancies) for the first academic year only. This is growing schools funding and thus is subject to Schools Forum approval. Vacancy funding is not normally provided to secondary schools, but officers consider that the combination of circumstances seen here is sufficiently unusual not to set a wider precedent.

Members asked for further information as follows:

What the combined balances of GLF Schools were?

GLF advises that estimated revenue reserves at the end of August 2018 were £2.0m, which represented 2.9% of revenue income, and a reduction of £1.4m in 2017/18. The trust has a policy of not topslicing existing schools' reserves to support new schools.

Whether the school could realistically have budgeted for fewer than 120 pupils and what costs had actually been incurred.

GLF advises that the school's budget currently forecasts a deficit of £178k based on 85 pupils. The school was fully staffed by the end of May and there were not opportunities to redeploy staff between then and the start of term. The proposed vacancy funding would only partly offset that deficit.

Recommendation

That the Forum approves the proposed vacancy funding for Merstham Park School, for one academic year only, on the basis of 95% of key stage 3 basic entitlement funding per vacant place. The estimated total cost is £166,000 for an academic year.

Annex Report to Schools Forum meeting on 28 September 2018

Growing schools fund 2018/19: request by GLF Schools for vacancy funding for Merstham Park School

Summary

GLF Schools is the sponsor of the new Merstham Park secondary school and has formally requested that the Forum considers guaranteed funding for the school for a minimum of 120 pupils for the academic year 2018/19. This request is outside the current growing schools funding criteria. The Forum is asked to consider the request.

Background

Merstham Park School is a 120 PAN secondary free school which opened in September 2018 in Merstham, following submission by GLF Schools of a Wave 9 free school bid which was successful in August 2015

The school currently has 76 pupils on roll (20 September 2018) and thus, under normal circumstances, would be funded for that number of pupils for the academic year 2018/19 (plus lump sum) from Surrey's DSG, plus diseconomies (missing year group) funding directly from the DfE. The DfE considers 120 pupils to be the minimum viable number on roll for a new secondary school. GLF, supported by the DfE, has asked that the Schools Forum considers funding the school for a minimum of 120 pupils for the first year, even though actual pupil numbers are lower than that.

The basis for the GLF request is that the school's recruitment was adversely affected by;

- Opening of additional capacity at other local secondary schools
- Uncertainty over whether and when Chart Wood school would vacate the Merstham site (the two schools currently share the site), and thus over when permanent accommodation would be completed for Merstham Park School.

The LA's growing schools criteria do not provide for vacancy funding for new or expanding secondary schools (or indeed for any centrally determined free school) and there are a number of other secondary free schools already open (and one other shortly to open) in Surrey, which are not being funded for vacancies. So, if it wishes to support the proposal, the Forum needs to consider:

- whether it wishes to establish a precedent
- whether it sees this school as a special case (and if so why).

From a School Organisation perspective the Council understands the issue raised by the Trust, furthermore it is recognised that the Council has undertaken action during the opening timescale that has increased the number of available places within the immediate area. The expansions of The Warwick School and St. Bede's School had to be brought forward as a consequence of the decision to defer the opening of Merstham Park School from September 2017 to September 2018. This deferral was agreed between the DfE and GLF in 2016, and accepted by SCC, due to the delay in relocating Chart Wood to the former Starhurst School site in Dorking.

Neither The Warwick nor St Bede's schools wished to take bulge classes in advance of permanent expansion, unless permanent expansion followed immediately. It was also felt that this was a problematic position to have taken in relation to admission patterns and the effective distribution of future places.

GLF agreed to reduce the PAN of Merstham Park School from 180 to 120 for 2018 as due to the bulges added to The Warwick and St Bede's; there were not enough children to warrant a full six forms of entry at Merstham Park School.

GLF offered nearly 200 places for 2018 but this was prior to planning approval for the temporary accommodation being granted due to a number of issues, the last of which were not resolved until April 2018.

Families had seen the opening of the school deferred once and there was concern this would happen again, particularly as the Chart Wood relocation has still not begun.

10% of the students due to start in September at Merstham Park have accepted places at other local schools at the beginning of September.

The school has opened with 76 children rather than the projected 120 children. If GLF had delayed its opening by a further year, there would have been insufficient places at local secondary schools for these students. Therefore GLF is seeking funding for the shortfall, with the full support of the DfE/ESFA, for one year only for this year group.

The estimated full academic year cost based on 76 pupils (ie 44 vacancies) has been considered based on three scenarios:

- £166,000 based on 95% KS3 basic entitlement (junior vacancies are funded, at 95% of the relevant basic entitlement); OR
- £175,000 based on 100% KS3 basic entitlement OR
- £203,000 based on average marginal funding per pupil (although primary vacancies are funded at a lower level than average marginal funding)

In each case 7/12 of the full year cost would be funded in 2018/19 financial year and the remainder in 2019/20 financial year. This one-year funding request from GLF Schools, supported by the DfE, is important to ensure the school remains financially viable moving forwards due to the exceptional circumstances in which the school has finally opened.

At present it is anticipated that there is sufficient funding in the growing schools fund to meet the 2018/19 costs.

Recommendation

That the Forum approves the proposal.

<i>Item 9 part</i>
1 Schools Forum
11 December 2018

Growing schools funding for 2018/19 and 2019/20

(including criteria for the use of average pupil numbers in expanding schools)

Summary

This paper provides an update on the growing schools budget for 2018/19 and proposes criteria and budgets for 2019/20. The Forum has the right of approval of the growing schools budget and criteria. The Forum is asked to note the latest estimates for 2018/19 and to approve the proposed criteria and provisional budget for 2019/20, subject to update if necessary at the January meeting, when final 2019/20 funding data is available. In 2019/20, for the first time, growing schools funding is being allocated by DfE to Surrey by a formula.

Scope

The growing schools budget for 2019/20 funds pupil growth from September 2019 due to PAN increases or bulge classes, plus funding for eligible vacancies in extra classes and other related costs.

Growing schools funding is allocated to LAs by DfE outside the national funding formula, and from 2019/20 it is being allocated by DfE using a separate formula, based on pupil number growth in the previous year, **under which Surrey expects to receive roughly £3.1m less than in 2018/19**. While it is difficult to identify a fairer method of allocation which would work at a national level, the DfE method does not distinguish between increased pupil numbers filling up existing vacancies and increased numbers requiring growth in provision, which creates difficulties for LAs where a high proportion of the increase in pupil numbers requires new places and thus additional in-year funding.

LAs are allowed to move funding between NFF allocations and the growth fund, indeed DfE guidance states that:

“We are not illustrating allocations of growth at school level and do not expect local authorities to necessarily use (the methodology used to fund LAs) to decide how much growth funding to allocate to individual schools. Local authorities should continue to make decisions about growth funding locally as they do now. We do not anticipate that local authorities’ spending on growth will necessarily match precisely the sum allocated to them for growth, and they will continue to have the ability to ‘top slice’ their overall schools block funding to fund pupil number growth”.

Schools extending age range (such as infant schools expanding to primary, or wholly new schools) must be funded on “average pupil numbers” ie the average of October 2018 and estimated October 2019 pupil numbers. The difference between the cost of average pupil numbers and the cost of using October 2018 pupil numbers alone is a further cost to the growth fund, although schools receive this funding as part of their main formula budget share, rather than separately.

Current growing schools budget

The current state of the growing schools budget for 2018/19 is shown below, following updating for the cost of additional classes in autumn 2018.

Initial estimates for 2019/20 are also shown. . Updated estimates both for 2018/19 and 2019/20 will be provided at the January meeting, although, as ever, there will be much uncertainty for 2019/20 until place allocations for September 2019 are known.

<u>Growing schools budget</u>	2017/18 outturn	2018/19 initial	2018/19 Latest est	2019/20 Initial est
	£000s	£000s	£000s	£000s
New bulge classes/permanent PAN increases primary (assume same number as in Sept 2018)	1,709	2,500	1,308	1,400
Resources for new primary classes	488	600	304	336
Other expansion costs	12			
Protected vacancies in existing bulge classes	2,020	1,657	1,734	1,315
Protected vacancies: exceptional cases				
Missing year groups (diseconomies of scale)	259	208	188	88
Secondary schools exceeding/raising PAN	947	1,500	1,400	2,068
Others (possible commitments)	-8		208	69
Prior year vacancy adjustments	25			
Contingency (4 part year classes)		200		200
Pre opening costs of wholly new schools				100
Changes in units of resource		267		
	5,453	6,932,	5,142	5,576
Budget available		6,922	6,922	4,953
Estimated overspend (underspend)			-1,780	623

The available budget for 2019/20 is calculated as shown below

Est DFE growth allocation	6,675
Less cost of average pupil number growth	1,280
Less falling rolls fund	442
Available to fund growing schools (est)	4,953

At its last meeting, the Forum asked that officers identify ways of managing growing schools funding (and also falling rolls fund) within the DfE allocation, if necessary. Currently we estimate that the cost of growing schools and falling rolls funding (including average pupil number adjustments) is £623,000, which can be met by using part of the anticipated 2018/19 underspend on growing schools fund. If this is done there is no need to consider reductions in growing schools funding rates, or transfers from NFF to growing schools fund, for 2019/20. However, a further reduction in DfE funding is expected in 2020/21, so the issue may need to be reviewed prior to that year.

The estimated growing schools cost excludes the cost of April-August funding for actual additional pupils in growth classes in academies, which is offset by deductions from funding recouped by ESFA. The estimates for 2019/20 also exclude any additional vacancy funding required when budgets for schools on average pupil numbers are adjusted from estimates to actuals, which is covered by savings arising from the associated reductions in formula funding

Further information on proposed criteria for growing schools funding

Annex A provides full details of proposed growing school criteria (other than pre opening funding) for those who are interested. The main categories of growing schools funding are:

- Funding for additional classes opening in September 2019 (annex A, part 1);
- Funding for resources for new classes in primary schools opening in September 2019 (annex A, part 2);
- Funding for protected vacancies in existing growth classes (annex A, part 3);
- Funding for missing year groups (or “diseconomies of scale”): (annex A, part 4);
- Additional funding for infant schools expanding to primary schools (annex A, part 5).
- Funding for notional vacancies in primary schools where an expansion accompanied by a change in PAN requires the school to run small classes during the period of reorganisation (Annex A, (part 6).
- Vacancy funding for a new free secondary school (Annex A (part 7)
- Vacancy funding for a school simultaneously increasing PAN across several year groups (Annex A part 8)

All significant changes from 2018/19 criteria are described in the main part of this paper.

Use of average pupil numbers for schools extending age range

Where a school is extending its age range (eg infant converting to primary, or wholly new school opening one year group at a time), the additional pupils in the new year groups must be funded by using average pupil numbers (ie 5/12 x Oct 2018 actual

plus 7/12x Oct 2019 estimate) rather than via growing schools funding. Such schools will still receive growing schools funding for resources, missing year groups etc.

Where the PAN of such a school is not changing, we propose that average pupil numbers should be used only for the expanding phase (infant, junior or secondary) rather than for the whole school. Thus, for an infant school expanding to a primary school, actual Oct 2018 pupil numbers would be used for all infant year groups, and average numbers for all junior year groups. For a secondary school in this position average pupil numbers would be used for all secondary year groups.

Where a school is extending age range, and its PAN is changing, we propose that average numbers are used in the new phase, and for those year groups in the old key stage which are affected by the change in PAN only. The logic is that a school on average pupil numbers should not gain or lose funding in year for a change which could have happened, and which would not have been funded, in any other school.

Where a school has been funded in part on estimated pupil numbers, and actual pupil numbers differ from the estimates, the DfE encourages LAs to adjust the school's funding from estimated to actual pupil numbers, but this adjustment must be made in the following year. Such adjustments have been made in Surrey since 2016/17 and we propose to make them again in respect of 2019/20 estimates. In some cases, this may require a change in vacancy funding, where the number of pupils in the oldest year group (which attracts vacancy funding) differs from the estimated number. Adjustments would be made only in respect of year groups to which estimated pupil numbers were used initially.

A list of schools for which the use of average pupil numbers is proposed in 2019/20 was shared with the Forum at its last meeting.

Pre opening funding for wholly new free schools

Where the LA runs a competition to provide a new free school, in order to meet a basic need requirement identified by the LA, it is expected to provide funding for pre opening costs and is required to advise potential bidders of the revenue funding which will be available to meet pre-opening costs. These costs are met from the growth fund and therefore the basis of funding requires the approval of Schools Forum.

We propose that a lump sum of £100,000 is made available to proprietors of wholly new primary free schools, established in response to a competition run by the LA, to meet revenue pre-opening costs. This would cover costs of early appointment of staff and non capital resources costs, including resources for non classroom accommodation. Costs of classroom resources would be met by the usual growth fund allocation of £8,000 per class, once opened. The proposed funding is the same as that approved by the Forum in 2017/18. One such school is expected to open in

2020/21 and we are asking to pay this sum across the financial years 2019/20 and 2020/21, on a basis to be agreed between the LA and the proprietor.

For the avoidance of doubt, this funding would not apply to free schools established by the “centrally determined” route, whereby potential proprietors apply directly to the DfE to open new free schools.

Funding rate for additional pupils in bulge classes or due to increased PAN

This is meant to be the average per pupil funding which the school already receives (net of de-delegation and central services levy for maintained schools) and therefore it is proposed that in 2019/20 this average should include Minimum Per Pupil Level supplement for those schools which receive it.

Funding rates for vacancies in eligible primary classes

We are proposing that the funding rate for existing vacancies should change to reflect the proposed changes in basic entitlement funding and in the levels of de-delegation and central services levy deductions. The same principles would be used as in previous years ie 100% of net basic entitlement for infant vacancies and 95% for junior vacancies. We expect the cost of funding vacancies to fall as the increased pupil numbers move from primary (in which vacancies in some new classes are funded) to secondary (in which they are not);.

However, we are proposing that eligible vacancies in new primary classes opening in or after September 2019 should be funded at 90% of net basic entitlement rate only.

Recommendation

That the Forum:

- * notes current estimates for growing schools funding for 2018/19;
- * agrees the proposed criteria for growing schools funding for 2019/20 (summarised above and described in Annex A);
- * agrees the provisional growing schools budget for 2019/20;
- * agrees the use of part of 2018/19 growing schools underspend to supplement the 2019/20 DfE allocation (the current need is estimated at £623,000);
- * supports the proposed methods for the use of average pupil numbers for schools changing age range
- * agrees the proposals for advance funding of pre opening costs of wholly new primary schools;

- * supports the proposed change in the basis of funding rates for vacancies in new classes not already committed.

Growing schools funding affects the future funding of individual schools and potentially the value of mainstream formula factors. Therefore officers recommend that only representatives of maintained school, academies and PVI early years providers (who are allowed to vote on mainstream formula funding issues) should be allowed to vote on this item.

Annex A: Details of proposed growing schools criteria for 2019/20: existing schools

1 Additional classes opening in September 2019 (both primary and secondary)

Where the LA has requested a school to open an additional class above its PAN or supports its opening (or an increase in PAN of ten or more is supported by the LA), actual pupils admitted above the old PAN (or above the number of pupils in the leaving year group, if higher) would be funded at the average per pupil funding rate for the school (including share of minimum funding guarantee or ceiling deduction and/or minimum per pupil level funding, if any³) x 7/12 for the part year. Thus the pupils would be funded at 7/12 of the rate which they would have received had they been on roll in October 2018. For maintained schools, funding would be net of any de-delegated amounts and central services levy. The original allocation would be based on an estimate and would be corrected to actual pupil numbers at the end of the year. (This would include any additional classes within the school's existing age range -whether bulge classes or increased PAN - but would exclude additional classes due to an extension of age range, which must be funded through use of average pupil numbers in the main formula, see above). In some circumstances vacancies may attract funding, but at a lower level than actual pupils (see below).

Additional funding would not be allocated to schools exceeding PAN on appeal or admitting excepted infant pupils or to schools adding additional classes which were not supported by the LA or otherwise exceeding PAN without the support of the LA).

2 Resources allocations for new classes (primary sector only)

£8,000 per new class is allocated for classroom resources. For the avoidance of doubt this only applies where a school is asked to provide additional places such that the number of classes is increased. Additional resources funding is not provided for small increases in PAN. This applies to bulge classes and to permanent expansions (whether increases in PAN or extensions of age range).

A further £8,000 for resources will normally be allocated where an existing year 2 bulge class moves into year 3.

Where one bulge class leaves in July and another is admitted in September, no additional resources funding will be allocated.

³ For the avoidance of doubt, funding for an academy would be based on the MFG or ceiling which it would have received from the LA, even if the value it receives from the ESFA is different

Where a school is expanded permanently, the resources allocation given will be based on the number of additional classes created, excluding any bulge classes which have already received resources allocations.

Resources allocations are provided whether the additional classes are funded through growing schools fund or through use of average pupil numbers.

Where a school expands by half a class a year (eg PAN 45 to PAN 60, or infant school expanding to PAN 15 primary school), resources funding will be allocated in alternate years only.

3 Funding for protected vacancies in bulge classes or following permanent expansion (primary sector only)

Where a primary school is asked to increase or exceed PAN temporarily in any year group by ten or more, vacancies in the relevant year group may attract funding. Where due, vacancy funding will be calculated up to the next multiple of 30 for each year group (except where old or new PAN implies vertical grouping). For schools with PAN=15, vacancies will be calculated against year groups of 15.

For extra infant classes resulting from expansions starting before September 2019 the protected vacancy funding would be at the basic entitlement rate less de-delegation and central services levy. For academies it is the basic entitlement rate less £15.93 per pupil⁴. For expansions starting after September 2019, vacancy funding would be at 90% of the above.

For extra junior classes resulting from expansions starting before September 2019, the rate would be 95% of the basic entitlement rate less deductions as above. For extra junior classes resulting from expansions starting after September 2019, the rate would be 90% of basic entitlement rate less deductions as above.. Vacancies would only be funded at key stage 2 where an additional class was necessary to avoid class sizes exceeding 34. Protected funding would normally last for three years for a year R bulge class and four years for a bulge class/permanent expansion first admitted at year 3. It would not automatically follow through from key stage 1 into key stage 2, although Schools Forum has previously approved two exceptions which we recommend should continue:

- in December 2014 for one specific school in challenging circumstances for a bulge class reaching key stage 2 in
- in September 2017, where a school within the 20% most deprived by FSM has ten or more vacancies in key stage 2 bulge classes, for vacancies above the first ten (and to be implemented from 2018/19 only).

⁴ The sum of £15.93 per pupil reflects historic per pupil de-delegation rates (ie excluding school improvement) The principle is that academies will not attract per pupil support service costs for vacancies

If a school has a PAN of 15, eligible vacancies will be calculated against 15 in any year group.

Where a bulge class already exists at 1 April, continued vacancy funding would only be payable from September if it appeared at the end of May that pupil numbers were such that the bulge class would still be required in September.

Vacancy funding is not available where the school exceeds PAN without the support of the council. Sometimes an expansion may be approved or supported on the specific understanding that vacancy funding will not be made available.

Where a school increases PAN permanently, vacancy funding would be given for three consecutive years' intakes in total, including any bulge year groups admitted immediately before the change in PAN. So, for example, a school admitting one bulge class immediately prior to an increase in PAN would receive vacancy funding for the bulge class and then for the first two intakes following the PAN increase. A school admitting three bulge classes immediately before an increase in PAN would receive no vacancy funding for the first year group admitted after the increase in PAN. Vacancy funding in a primary school which increases PAN would apply only to the infant year groups.

Again the proposed arrangements are the same as in 2018/19 (except for the proposed reduction in vacancy funding rate).

When calculating the number of vacancies to be funded in a year group, pupils in SEN centre places are ignored if the SEN centre places are over and above the normal PAN.

The LA will reserve the right to review vacancy funding if it becomes clear that an additional class is no longer required and at that point the school has not committed to employ a specific teacher.

4 Missing year groups or diseconomies of scale funding for schools expanding age range

Maintained schools receive £12,500 per academic year per missing year group and academies/free schools receive £13,500 per academic year per missing year group. This is the equivalent of the DfE's "diseconomies of scale" grant for wholly new schools. Free schools will only receive this funding from the LA if they are established to meet basic need following a competition run by the LA. The ESFA will provide this funding to other free schools directly. The lower rate for maintained schools reflects the additional LA support normally available free to maintained schools

PAN 15 primary schools will receive diseconomies funding at half rate, reflecting their smaller size when the expansion is complete.

5 Infant or junior school expanding to become primary school

£4,000 to be provided for supply cover/other support for a key stage 2 lead for curriculum preparation, in the term before year 3 is admitted. Consultancy support for curriculum preparation can be provided via the Babcock SDA contract, where required.

6 Primary schools where a reduction of less than 30 in PAN is required as part of an expansion of age range

Where schools needs to maintain vacancies temporarily as a result of a reduction of less than 30 in PAN as part of an extension of age range, the “notional “ vacancies thus created will be funded at the normal vacancy rate for that age range. So, for example, a school reducing PAN from 70 to 60 may have to run three infant classes for the last year group of 70, and would attract vacancy funding for the 20 places in those three classes which it would not be allowed to fill.

7 Merstham Park Secondary School

Vacancy funding is being requested for this new free secondary school, which opened in September 2019, as described in a separate item on this agenda.

8 School simultaneously increasing PAN across several year groups (Bisley CE Primary School)

Vacancy funding to be provided for three years for the first three intakes to exceed the old PAN of 45, rather than for the first three larger year R intakes. In practice this means September 2018 year R, September 2018 year 2 and September 2017 year 3 would each receive vacancy funding for three years from those dates.

<i>Item 9 (part)</i>
<i>Schools Forum</i>
<i>11 December 2018</i>

Falling rolls fund (temporary dips in rolls funding) 2019/20 - Secondary schools only

Summary

This paper summarises the proposed transitional arrangements and estimated costs for the “falling rolls” fund for secondary schools for 2019/20. This fund is used to support good or outstanding secondary schools (either maintained or academies) facing temporary falls in pupil numbers and corresponding dips in budget. The Forum is asked to approve the proposed transitional criteria and initial budget for 2019/20.

Background

At its meeting on 28 September 2018, the Forum agreed to discontinue the “falling rolls” fund in 2019/20, subject to transitional arrangements for those schools which actually received allocations in 2018/19, and which might realistically have expected allocations in 2019/20 had the criteria not changed.

The “falling rolls” fund was introduced in 2014/15 and was intended to preserve capacity in secondary schools which was likely to be needed within the next few years due to overall pupil growth. It has provided additional funding for small secondary schools (including academies):

- * which were good or outstanding at their last OFSTED inspection (DFE criteria);
- * which appeared to face a temporary fall in budget due to a dip in pupil numbers;
- * where the LA expected that some or all of the surplus places will be required within the next three years as a result of pupil growth in the area (ie there would be an overall shortfall of places in the area if the school were reduced in size or closed). A school should not receive “falling rolls” fund if its growth is due to attracting pupils from other schools.

The DfE only allows such funding to be allocated to good or outstanding schools, although we are allowed to fund schools during a year if they are judged good or outstanding during the year, even if they were not judged good or outstanding at the start of that year.

The falling rolls fund was useful when several small secondary schools suffered from low pupil numbers at a time when pupil numbers in primary schools were increasing and thus a future increase in secondary school rolls was expected, although its use was always limited due to its restriction to good or outstanding schools. But pupil numbers in secondary schools are now generally increasing. In Oct 2018

- 18 of the 23 smallest secondary schools⁵ (those with 1,050 places or fewer) had more pupils than in the previous year, of which 15 had their highest pupil numbers within the last five years;
- For two other schools the drop from Oct 2017 to Oct 2018 was 10 pupils or fewer;
- only one of the others had more than 60 vacancies.

Additionally, under a hard national funding formula, the falling rolls fund would have to be funded from growth funding, which is already under pressure.

In 2018/19 seven schools are currently eligible for funding, including two which have achieved Good status during the financial year. A further school is eligible subject to meeting the OFSTED criteria.

Proposed criteria for falling rolls funding for 2019/20

We propose to amend the criteria for 2019/20 so that

- Schools are only eligible for falling rolls funding in 2019/20 if they received such funding for all or part of 2018/19;
- The amount of funding allocated in 2019/20 is no more than half of the sum which the school actually received in 2018/19 (or would have received had the school received a full year allocation in 2018/19, in order to avoid discriminating against schools which were judged good or outstanding part way through 2018/19);
- The amount paid in 2019/20 would be half of the allocation calculated using the 2018/19 method (with units of resource, pupil numbers and reference years all updated) subject to the limit above. So a school would still have to be part way through a dip in pupil numbers lasting fewer than five years in all, funding would still be based on the number of vacancies, and funding could not exceed the actual fall in budget share as a result of falling rolls. The vacancy funding rate would be 1/3 of average KS3-4 basic entitlement rather than 2/3. There would be no transitional funding for a school which no longer meets the pupil number criteria and which would have lost funding anyway under those criteria;
- Schools would still have to be good or outstanding at the start of the 2019/20 financial year or during it (as required by the DfE).

Further details of the proposed method are in the annexes.

We do not anticipate asking for a falling rolls allocation in 2020/21.

Only one school would have been eligible for funding in 2018/19 which is still ineligible for funding because it is not good or outstanding. It is proposed that that school is included in the transitional arrangements if it is Good or Outstanding by 31 March 2019 and if it still meets the pupil number criteria.

⁵ Excluding the secondary free schools, which have not yet reached full capacity

The eligibility criteria, funding mechanism and budget for falling rolls support require the approval of Schools Forum. The funding applies equally to maintained schools and academies (although for academies the funding would run for an academic year rather than for the LA financial year).

Estimated funding requirement for 2019/20

This will be reported at the January meeting. The upper limit for cost is £442,000 (ie half of the 2018/19 allocations for schools that meet, or may meet, the old criteria).

Recommendation

That the Forum agrees the proposed criteria and budget for the “falling rolls” fund, for 2019/20.

David Green 4 Dec 2018

ANNEX A

Detailed criteria for falling rolls funding

Scope

Schools have fewer than 1,050 key stage 3-4 places and in Oct 2018 had 60 or more vacancies (or vacancies of more than 10% of capacity if fewer). Number of places is defined as the sum of the PANs for Sept 2014, Sept 2015, Sept 2016, Sept 2017 and Sept 2018.

Pupil numbers in Oct 2018 are lower than in both the first and last year of the reference period (ie the school is part way through a fall in numbers which is recovered within a five year period). The reference period is one of the following

Oct 2017-Oct 2022

Oct 2016-Oct 2021

Oct 2015-Oct 2020

Oct 2014-Oct 2019

The difference between the Oct 2018 NOR and the lower of the NOR at the start or end of the reference period is calculated for each of these reference periods, and the number of vacancies funded is the highest of these differences, subject to the first 60 vacancies (or 10%) not being funded and to the school size remaining below 1,050 places.

Number of eligible places to fund and example of falling rolls funding calculation

The number of eligible places to fund is:

The lower of the estimated NOR at the start or end of the reference period or (capacity-60) or 90% of capacity if higher or 990.

LESS Oct 2018 NOR

For whichever of the above reference periods gives the largest number to fund.

A school's formula budget plus minimum funding guarantee/ceiling adjustment plus minimum per pupil level funding plus falling rolls fund allocation in any year cannot exceed the formula budget plus minimum funding guarantee/ceiling in the reference years (ie the start and end years for the falling rolls calculation). This is so that the falling rolls allocation cannot give the school more funding than if there had been no dip in roll. The 2019/20 budget formula will be used for estimating future years' funding, with MFG of 0% and ceiling of 3% where applicable (although this should not be taken as an estimate of future MFGs or ceilings)..

Pupil number estimates will be calculated by Schools Commissioning.

Falling rolls funding cannot exceed 10% of budget share

Example of how falling rolls funding is calculated

For those wishing to understand the calculation better, the example below shows how this works based on the reference period 2017-2022

	Case 1	Case 2
Pupil numbers in Oct 2018 (for 2019/20 budget)	479	479
Pupil numbers in Oct 2022	519	494
Pupil numbers in Oct 2017	521	489
School capacity excluding sixth form	600	600
Threshold 600-60 or 90% of 600	540	540
Vacancies to fund (lowest of 519-479, 521-479, 540-479 or 990-479)	40	
(Lowest of 494-479, 489-479, 540-479, 990-479)		10
Estimated funding rate per vacancy	2,560	2,560
Falling rolls funding (before applying limit)	102,400	25,600
2018/19 budget plus MFG or ceiling adjustment	2,500,000	2,500,000
Est 2023/24 budget plus MFG or ceiling adj	2,655,000	2,572,395
Lower of the above	2,500,000	2,500,000
2019/20 formula budget plus MFG/ceiling	2,461,000	2,461,000
Falling rolls allocation	<u>39,000</u>	<u>25,600</u>
Total budget+falling rolls allocation	2,500,000	2,487,600

Case 1, The total formula budget, plus falling rolls allocation, is more than the lower of the 2018/19 or 2023/24 estimated funding and thus the falling rolls allocation is reduced.

Case 2 The total formula budget plus falling rolls allocation is less than the lower of the 2018/19 and 2023/24 estimated funding and thus the falling rolls allocation is paid in full.

ANNEX B

Falling rolls funding for schools which met the criteria in previous years even though their NOR in Oct 2018 exceeds that in Oct 2017

This is a technical annex to show how the funding works for schools which met the “dips in rolls” criteria in one of the last three years but no longer do so.

Reference period	Oct 2017-Oct 2022	Oct 2016-Oct 2021	Oct 2015-Oct 2020	Oct 2014-Oct 2019
Numbers in Oct 2018 must be less than in	Oct 2017 and Oct 2022	Oct 2016 and Oct 2021	Oct 2015 and Oct 2020	Oct 2014 and Oct 2019
School must have received funding in	2018/19	2018/19	2018/19	2018/19
Max NOR	990	990	990	990
Min vacancies	60 or 10% Of capacity if lower	60 or 10% Of capacity if lower	60 or 10% Of capacity if lower	60 or 10% Of capacity if lower
Max number of places funded	(Min of NOR Oct 2017 and Oct 2022)- NOR Oct 2018	(Min of NOR Oct 2016 and Oct 2021)- NOR Oct 2018	(Min of NOR Oct 2015 and Oct 2020)- NOR Oct 2018	(Min of NOR Oct 2014 and Oct2019)- NOR Oct 2018
Budget share+ falling rolls funding cannot exceed lower of	Budget 2018/19 and est for 2023/24	Budget 2017/.18 and est for 2022/23	Budget 2016/17 and est for 2021/22	Budget 2015/16 and est for 2020/21

In all cases this is subject to NOR +number of funded vacancies not exceeding capacity-60 (or 90% of capacity if higher) or 990.

The “reference period” is the five year period over which the school experiences a dip in rolls, starting before 2019/20 and ending no more than three years afterwards..

Item 9 part
Schools Forum
11 December 2018

Additional minimum funding guarantee variation requests for 2019/20

School no longer operating on two sites (Leatherhead Trinity School)

From September 2018, this school's second site has been used solely for the children's centre and thus it is no longer eligible for split site funding under Surrey's funding formula, because the site is not being used for teaching pupils which are funded through the formula.

Therefore the LA proposes:

- to remove the split site funding of £20,000, backdated to September 2018
- To adjust the minimum funding guarantee baselines for 2017/18 and 2018/19 so that the split site funding can be removed without being offset by increased minimum funding guarantee.

Merged schools (St Mary's and Downs Way (Infant) Schools)

These two schools merged from September 2018, by means of the closure of Downs Way and the expansion of St Mary's. DfE regulations prescribe that the minimum funding guarantee and ceiling for the merged school is calculated from the average per pupil funding of the expanded school. We think it would be fairer to base the funding on the average funding of both schools, rather than it depending on the decision as to which school closed. In this case we estimate that the merged school may be up to £25,000 better off from using an average compared to using the St Mary's figure.

The LA is required to consult the Forum on all proposed minimum funding guarantee variations.

David Green

4 Dec 2018