

**SOUTHWARK CHILDREN'S SERVICES
SCHOOLS FORUM**

Members are requested to attend a meeting to be held at: **Notre Dame High School,
118 St George's Rd, London SE1 6EX**

Thursday 6th December 2018 3.45pm – 6.00pm

David Cross

Email: xdavidcross@yahoo.co.uk

All documents distributed in advance will be taken as read

AGENDA

ITEM

1. Apologies for Absence, and to confirm quorum (5 minutes)
2. Declaration of interests – the Education (Schools Government) Regulations 1989 (as amended) oblige members with a pecuniary interest in a contract or other matter to disclose the fact, to withdraw from the meeting when it is being discussed and not vote on it.
3. Minutes of the Meeting of 4th October 2018 (5 minutes)
4. Matters Arising not on the Agenda (20 minutes)
 - a) Letter to Secretary of State from Southwark School Forum – sent
 - b) LA consultation with schools on transfer of funds from the Schools Block
 - c) Membership of Working Groups to be circulated – sent
 - d) Local Authority Maternity Reimbursement Scheme – update
5. Dedicated Schools Grant- 2018-19 Budget Monitor (10 minutes)
6. High Needs Working Group Feedback (40 minutes)
7. Dedicated Schools Grant - 2019-20 (60 minutes)
8. A.O.B. Any items must be with the Clerk by Noon 3rd December 2018 (5 minutes)
 - a) Free School Meals for Nursery Aged children in LA schools
10. Dates of Further Meetings for 2018/19

17 January 2019, 21 March 2019, 16 May 2019, 4 July 2019

THE SOUTHWARK SCHOOLS FORUM

MINUTES OF THE MEETING

Thursday 4th October 2018

1. Attendance and Apologies: See Annex A

- 1.1 The Clerk welcomed Susannah Bellingham, Headteacher of Brunswick Park Primary School as the newly elected representative for Maintained Community Primary Schools. The meeting was quorate.

2. Declaration of Interests

Members were asked to declare any pecuniary or other interests they might have that were greater than the interests of other members of the Schools Forum in any matter on the agenda for discussion. There were none.

3. Election of Chair

The Clerk asked for nominations for Chair of the Schools Forum for the 2018/19 Academic Year. Sister Anne-Marie Niblock was nominated – there being no other nominations Sister Anne-Marie Niblock was duly elected.

4. Election of Vice Chair

The Clerk asked for nominations for Vice Chair of the Schools Forum for the 2018/19 Academic Year. Mickey Kelly was nominated – there being no other nominations Mickey Kelly was duly elected.

5. Minutes of the Meeting of 12th July 2018

- 5.1 These were agreed as accurate, however although para 6.3 quoted from the original report was correct, the LA would like to amend “adult disability in Southwark” to read “for young people with SEND”.
- 5.2 There were no matters arising that were not covered elsewhere on the agenda.

6. Dedicated Schools Grant 2018-19 Budget Monitor and Financial Update

- 6.1 A report setting out the detail of the financial position relating to the 2018-19 Dedicated Schools Grant (DSG) had been previously circulated to the Schools Forum.
- 6.2 The Local Authority (LA) explained that the cost pressures were in the High Needs Block and that a working group to review the High Needs Block is looking at the LA options to bring the budget in line. The LA will report back to the December 2018 meeting of the Schools Forum. The minutes of the group’s meeting of 17 September 2018 were noted.

- 6.3 In addition, the overspend by Summerhouse, which is run by the LA from de-delegated funds, is undergoing a fundamental review to see whether the current model of operation needs to be changed. The LA asked for comments on the options set out in the report to reduce the cost of the provision.
- 6.4 Following a number of questions the LA said that around 85% of primary schools and academies used the provision to a varying extent. The Schools Forum agreed that it would not wish to see the provision closed. The reduction by one class would mean managing schools' expectations and would reduce the level of support that Summerhouse can give.
- 6.5 The LA thought that the current method of funding based on the Ever 6 Free School Meals (FSM) made Summerhouse vulnerable as funding would change year on year at a time when demand is increasing. It was confirmed that the use by academies is based on a charging model as they are outside of the de-delegating methodology. It was considered that the LA needs to look at the de-delegation model and that pupil numbers may be a fairer basis.
- 6.6 It was thought that a Service Level Agreement model, as with other LA services, might be an option using a combination of a basic formula subscription and a top up based on use. If the LA is going to suggest going down this route then worked examples would need to be produced for evaluation.
- 6.7 The report had highlighted the budget shortfall for Trade Union Facility Time and noted that the LA was reviewing its trade union recognition agreement. The Trade Union member explained how the teachers unions operated in what was a mixed economy of funding whereby LA maintained schools had funds removed from them under the de-delegation mechanism and individual academies had the option to buy in or not.
- 6.8 The teacher trade unions provided a more face to face service for LA maintained schools than they do for academies. The Schools Forum thought that one option might be the level of members' union dues could be adjusted by the trade unions to enable their academy members to receive the same level of "service".
- 6.9 It was noted that the options for the LA's Maternity Scheme will be submitted to the Schools Forum at its December 2018 meeting.
- 6.10 It was also noted that the DFE School Resource Management Advisors were now available to LA maintained schools.
- 6.11 The item in the report concerning Universal Credit and Free School Meals was noted. However, the Schools Forum brought to the attention of the LA that schools were experiencing delays in getting accurate data about applicants' status, this was believed to be due to problems with the computerised system.

7. Dedicated Schools Grant – 2019-20

- 7.1 A report setting out the changes recently announced by the DFE relating to schools funding for 2019-20 had been circulated prior to the meeting.

- 7.2 It was noted that the transition arrangements for the introduction of the National Funding Formula (NFF) had been extended for a further year and that the Growth Fund was to be based on a formula based on set per pupil rates with transitional protection. However, the proposed cap is set at a level that is in fact higher than the current budget.
- 7.3 The LA apologised for the delay in convening the Schools Forum Sub Group to look at the Funding Formula and noted that the LA will need to consult on its proposals with individual schools and academies.
- 7.4 The LA will also be consulting all schools and academies on its wish to transfer funds from the Schools Block to the High Needs Block. The Schools Forum believed that the overall low level funding for schools, which had not kept up with the increase in real costs, was not sustainable and transferring funds away from schools does not solve the problem.
- 7.5 The letter by the Society of London Treasurers to the Secretary of State for Education was noted and the LA asked that the Schools Forum send its own as nearly all LAs were in this position. This would be drafted by the clerk for the Chair to sign.

8. Schools Forum Future Agenda Items

- 8.1 This report, previously circulated, gave the possible future agenda items and what time of year they would be addressed.

This was noted.

9. DfE Schools Forum – Latest Published Documents

- 9.1 This previously circulated report gave the detail of various recently published DfE documents relating to good practice and self assessment of effectiveness.
- 9.2 These were noted and the LA will make available software to the clerk so as to enable the documents that are issued to members can be done as one pdf file rather than an individual file for each item.
- 9.3 The clerk informed the meeting that the Schools Forum is re-constituted every two years with the next due at the end of this academic year ready for 2019/20.

10. Any Other Business

- 10.1 The Clerk had received an item from the Chair relating to Southwark's Internal Audit regime. Following a recent negative experience with Southwark's outsourced internal auditors, the Chair said that it called into question not only its relevance, but also the lack of quality assurance, of the actual audits. From discussion it was clear that some schools do find them useful. Academies have a different audit regime that they have to meet the cost of both, internal and external and is to a very detailed specification prescribed by the Education and Skills Funding Agency.
- 10.2 The LA was aware of this incident and is reviewing.

11. Dates of Future Meetings

On Thursdays for a 3.45pm start:

6th December 2018, 17th January 2019, 21st March 2019, 16th May 2019, 4th July 2019 (or perhaps 11th July)

Annex A SCHOOLS FORUM ATTENDANCE SHEET 4th October 2018

VOTING MEMBERS

| NAME | CONSTITUENCY | PRESENT |
|---------------------------|--|-----------|
| Anita Gallagher | Primary School Headteacher | Yes |
| Susannah Bellingham | Primary School Headteacher | Yes |
| Pia Longman | Primary School Headteacher | No |
| Gregory Doey | Primary School Headteacher | Yes |
| Laura Johnson | Primary School Governor | Yes |
| Vacant | Primary School Governor | |
| Rebecca Sherwood | Nursery School Headteacher | Yes |
| Vacant | Special School Headteacher | |
| Nicola Howard | Early Years – Private/Voluntary and Independent Settings | Yes |
| Steve Morrison | Academy | Apologies |
| Mickey Kelly | Academy | Yes |
| Mike Antoniou | Academy | Yes |
| Maria Rodrigues | Special School Academy | Yes |
| Yomi Adewoye | Pupil Referral Units | Yes |
| Sister Anne-Marie Niblock | Secondary School Headteacher | Yes |
| Kieran McIntosh | FE SEN | No |
| Catherine May | Diocese Board | No |
| Betty Joseph | Trade Unions | Yes |

Senior Officers in Attendance

| | |
|---------------|-------|
| Nina Dohel | Yes |
| Ian Morris | Yes |
| Russell Dyer | Yes |
| Dave Richards | Yes |
| David Cross | Clerk |

| | | |
|---|---|--|
| Date: 6 December 2018 | Item 5 | Type of report: For decision |
| Report title: | Schools Budget Monitoring and Financial Update | |
| Author name and contact details: | Russell Dyer/ Dave Richards Russell.Dyer@southwark.gov.uk Dave.Richards@southwark.gov.uk | |
| Officer to present the report: | Russell Dyer/ Dave Richards | |

Executive Summary

This report sets the current budget monitoring position on the central budgets of the 2018-19 Dedicated Schools Grant and sets out the latest events in schools finance.

Schools Forum Actions

- The Schools Forum is asked to note the projected overspend of £10.6m in the Dedicated Schools Grant for 2018-19..

1. Budget Monitoring

1.1 The overall position on budget monitoring is summarised in the table below.

| | DSG 2018-19 £m | Over/ (Underspend) £m |
|------------------------|-------------------------------|--------------------------------------|
| Schools Block | 127.691 | 0.0 |
| High Needs Block | 41.190 | 6.5 |
| Early Years Block | 27.890 | 0.0 |
| Central Services | 1.655 | 0.0 |
| Total | 198.426 | 6.5 |
| Carried Forward | | 4.1 |
| Total | | 10.6 |

Note 1 - these figures are after the recoupment for academies

1.2 High Needs Block

The High Needs Block budget forecast has the carry forward from 2017/18 of £4.1m built into the figures. The current forecast reflects the full year effect of last year's growth in numbers as well as growth for this year. Given the demand led nature of the budget there can be a real risk to the accuracy of the forecast of expenditure, as there can be a delay in recognising the spending commitments flowing from increased EHCPs, 19-25 SEND pupils and children in alternative provision which are the main key cost drivers. Therefore this overspend forecast still needs to be viewed with caution.

The High Needs Sub Group has continued to meet over the Autumn and their report is considered separately on this agenda.

Within the High Needs block there is an overspend predicted on Alternative Provision of £600k. This has been created by an increase in children who are now being educated out of school on a one to one basis and young people presenting significant risks to self and others. Some action has been put in place to reduce some of the costs, particularly through proving more e-learning rather than 1:1 tuition. There are a number of proposals to address this that will be considered by the High Needs sub-group

1.3 Early Years Block

As detailed at the last meeting the Early Years funding block is expected to be slightly overspent at the year end and this will be carry forward and adjusted in the new year. Due to the participation based nature of funding the forecast position can be difficult to predict. Work is under way to see how consequent any pressure/ overspend can be adjusted for and is likely to include adjusting the funding rates to providers. A report will be brought to the January 2019 Forum meeting where the budget and funding rates will be agreed for next year. The Department for Education have announced the funding rates for next year. Southwark funding has reduced from £7.88 per hour to £7.86.

1.4 Financial position on de-delegated budgets and Growth Fund

The summary position is shown in the table below

| 2018-19 | Budget £m | Forecast Outturn £m | Over/ (Underspends) £m |
|---------------------------------|--------------|---------------------------|------------------------------|
| Schools in financial difficulty | 0.5 | 0.5 | 0 |
| Behaviour Support services | 1.6 | 1.7 | 0.1 |
| Maternity | 0.8 | 0.8 | 0 |
| Trade Unions | 0.1 | 0.1 | 0 |
| Growth Funds | 0.6 | 0.4 | (0.2) |
| Falling Rolls | 0.1 | 0.1 | 0 |

The overspend of £0.1m on Summerhouse will be carried forward to next year in accordance with the funding regulations.

1.5 Falling Rolls Fund

A letter has been circulated to schools explaining how schools can make applications to the fund. Applications can be made up until the end of December. The panel (or group) will meet once in January 2019 to consider whether any funding would be allocated. The Falling Rolls Group would also like further Headteachers on the panel. Currently there are two Headteachers and members of the Schools Forum are invited to join the panel.

2 Conclusion

The financial pressure on the High Needs Block is now at an unsustainable level. The High Needs Group has presented their report earlier on this agenda. They will need to continue to meet and recommend further efficiencies if the spending on the DSG is to be brought back in line with central government allocations.

| | | |
|---|---|---------------------------------------|
| Date: 6 December 2018 | Item 6 | Type of report: Information |
| Report title: | High Needs Working Group Report | |
| Author name and contact details: | Russell Dyer/ Dave Richards Russell.Dyer@southwark.gov.uk Dave.Richards@southwark.gov.uk | |
| Officer to present the report: | Russell Dyer/ Dave Richards | |

1. **Executive Summary**

This sets out the interim report of the Local Authority's High Needs sub group and considers the high needs funding block for 2019-20.

2. **Recommendation**

- 1) The Schools Forum thanks the members for their work on the sub-group to date
- 2) The Schools Forum agrees each of the recommendations as set out in the High Needs Sub Group Report and agree to the Local Authority's consultation and equalities impact assessment to be undertaken with the relevant stakeholders.
- 3) Ask the Local Authority to respond to the recommendations, where the decision rests with them, related to central retentions.

3. **Details**

3.1 The initial stage of the work of the group has now been completed and their interim report is attached in Appendix A.

3.2 The School Forum Sub-Group has met on six occasions to consider the current funding situation. The group have agreed the recommendations in the report although there was considerable discussion on recommendation 18, the transfer of funding between the schools block and the high needs block and whilst this was agreed by the majority of the members, it was not unanimous.

The recommendation is built around the transfer of a further £1m from the schools block to the high needs block. The impact on each school is determined significantly by the operation of the minimum funding guarantee (MFG) mechanism, whereby if a school is on the MFG, then no funding can be taken. The following table shows the maximum loss of a typical school. For convenience figures are given for both a transfer of £1m and £0.5m as well.

Maximum loss of funding on a typical size school, if a reduction was made to the basic entitlement (AWPU). Modelled on 2018/19 funding formula

| School | Typical budget £'000 | Reduction of £25 per pupil to realise £0.5m transfer | | Reduction of £50 per pupil To realise £1m transfer | |
|------------------------|-----------------------------|--|-------|--|-------|
| | | Max Loss | % | Max Loss | % |
| | | £ | | £ | |
| Primary – 1 Form Entry | 1,046 | 5,200 | 0.50% | 10,200 | 0.98% |
| Primary – 2 Form Entry | 2,000 | 10,700 | 0.54% | 19,600 | 0.98% |
| Primary – 3 Form Entry | 3,415 | 14,900 | 0.44% | 29,400 | 0.86% |
| Secondary – 600 pupils | 5,111 | 17,200 | 0.34% | 34,400 | 0.67% |

4. Statutory Responsibility

Under the current regulations the central spend on high needs block is a decision for the Local Authority but the regulations say it is good practice for the Local Authority to inform their Schools Forum.

The procedure for transferring of funding from the schools block and the high needs block is slightly different. Local authorities wishing to make a transfer should consult with all local maintained schools and academies, and the Schools Forum should take into account the views of the schools responding before giving their approval. The Local authorities must then submit a so-called disapplication request using the disapplication proforma to the Secretary of State, to give final approval.

If the Schools Forum agreed in principle to the transfer then officers would undertake a consultation with schools and bring the results back to the Schools Forum in January 2019.

The position on funding for Admissions and its reduction and transfer proposal, this is again slightly different as the Schools Forum makes the final decision on the recommendation of the Local Authority. .

For financial issues relating to arrangements for pupils with special educational needs, in particular the places to be commissioned by the Local Authority and schools and the arrangements for paying the top-up funding, the Local Authority must consult annually with the Schools Forum, who must give a view and inform the governing bodies of all consultations.

5 Dedicated Schools Grant - High Needs Block Forecast 2019/20

The level of funding that will be available to the Local Authority next year is difficult to predict. The DFE are expected to announce the funding settlement towards the end of December 2018. They will take into account new data they have on population, pupil numbers, deprivation, DLA etc, but there is also a historical element in the formula.

6 Conclusion

The financial constraints that the public sector are operating under are not expected to ease over the short to medium term period. The problems faced by the high needs block is that the growth in expected pupil numbers is higher than the changes in the pupil population. It is believed nationally that the level of funding will be capped or only a small amount of growth allowed for. The proposals in the report if they are all taken would balance the High Needs block over the medium term, however any growth in numbers would need to be addressed as well as how the accumulated deficit is paid back and this means that a longer term approach is required.

Item 6 Appendix A

Southwark Schools Forum High Needs Sub Group

Report to the Schools Forum December 2018

Task Group Members

| | |
|-------------------|---------------------------------------|
| Kate Wooder | Primary School (with a Resource Base) |
| Simon Eccles | Special School |
| Catherine May | Secondary school |
| Eleanor Prestage | Primary School |
| Lisa Butcher | Special School |
| Yomi Adewoye | Pupil Referral Units |
| Lydia Frankenburg | Primary school |
| Lynne Cooper | Nursery School |

Officer Support

| | |
|---------------|---|
| Yvonne Ely | Assistant Director, SEND |
| Ian Morris | Senior Advisor SEN/Inclusion |
| Liz Britton | Lead Officer Secondary & Further Education Employment & Inclusion |
| Russell Dyer | Department Finance Manager |
| Dave Richards | Finance Manager |
| Florian Ymeri | Business & Finance Manager(SEND) |

Executive summary

Across the Country there are significant financial pressures facing the provision of children with special educational needs. A significant number of Local Authorities are reporting deficits. Southwark is no different with a forecast deficit of £10-11m at the end of this financial.

Countrywide the overspending on children's special educational needs and disabilities (SEND) has trebled in just three years and has already resulted in councils and Schools Forum agreeing to move funding from the school block. Likewise Southwark made a transfer in this current year.

The proposals in this report are to bring the high needs budget back into balance, but this will need to be over the medium to long term. This is because future growth that is expected which will increase costs further and this will need to be addressed next year and on an ongoing basis. The recommendations in this report will need to be closely monitored to ensure the appropriate reviews take place to ensure services can still be delivered to meet the outcomes of the children but delivered in a way that is more efficient. These proposals have been brought together by ensuring that the outcomes of the children is paramount but recognise the council needs to live within its means. It is recognised that the shape and type of provision offered to SEND children will need to change though but in doing so the local Authority must undertake an equalities impact assessments for all the proposals. Additionally the local authority will need to consult schools and stakeholders (including parents where relevant) on the proposals.

There are questions about whether the quantum of funding in the whole system is sufficient to meet needs and this is being taken forward separately from the work of the group.

Recommendations

That the Schools Forum:-

| | |
|----------|---|
| | Ask officers where appropriate |
| | ➤ to undertake a equalities impact assessment for all the proposals listed below |
| | ➤ to consults schools and stakeholders (including parents where relevant) on these proposals |
| Proposal | |
| 1 | That the council seek to reduce the corporate overhead charge by £0.5m in 2019/20 with a further reduction of £0.5m in 2020/2. |
| 2 | That the DSG contribution to the council for transport be reduced by £0.2m in 2019/20 with a further reduction of £0.2m in 2020/21. |
| 3 | That a review takes place to the Hearing & Visual Impairment Teams to consider whether it is viable to implement efficiencies to the service by 2020/21 |
| 4 | That a review takes place to the SEN Inclusion Team to consider whether it is viable to implement efficiencies to the service by 2020/21 |

| | |
|----|--|
| 5 | That a review takes place to the Autism Support Team to consider whether it is viable to implement efficiencies to the service by 2020/21 |
| 6 | That a review takes place to the Speech and Language contract to consider whether it is viable to implement efficiencies to the service by 2020/21 |
| 7 | That the contribution to the council for residential placements be reduced by £0.100m in 2019/20 with a further reduction of £0.175 in 2020/21. |
| 8 | That the contribution to the council for Early Help be reduced by £0.107m in 2019/20 with a further reduction of £0.107 in 2020/21 |
| 9 | Alternative funding of £0.194m should be found for the NEET service from April 2019. |
| 10 | Alternative funding of £0.050m should be found for the Alternative provision service from April 2019. |
| 11 | For Education Health and Care plans A) The new banding system be introduced over the next two years B) The protection for inclusive schools be set as detailed in Appendix X |
| 12 | The review of resource bases are carried out with the target implementation date set at September 2019 |
| 13 | For Special schools the minimum funding guarantee be set at - 1.5% |
| 14 | 10 Independent places are brought back in-house |
| 15 | A review of the SENDIF fund be undertaken |
| 16 | Officers have drawn up proposals and options to balance the Alternative Provision budget and these to be further considered by the LA |
| 17 | The current savings on the Admissions budget of £0.05m be transferred to the High Needs Block |
| 18 | A request to the secretary of state is made for a further transfer of £1m from the schools block to high needs block |

2 Context

The Task Group was set up by the Schools Forum to review the costs of funding high needs pupils. Specifically the group were asked to consider how the spending in the High Needs Block could be brought back in line with the allocation from the Department for Education while maintaining the outcomes for children. The task group were asked to

- Review all funding within the High Needs block to ensure it is delivering value for money funding.
- Consider the capacity and funding of resource bases
- Consider the capacity and funding of Special Schools

- Funding levels of Education, Health and Care plans
- Consider the capacity and funding of Alternative Provision
- Review the funding of early year post 16 places to assess the level of needs and resources.
- Review of centrally managed items
- Secure the support of the Schools Forum for its proposals.

The group was asked to complete its work by the end of November 2018 and to provide the Schools Forum with an interim report in December 2018 and a final report in December 2019.

3 Current financial position

3.1 Locally

The Dedicated Schools Grant had a deficit carry forward from 2017/18 of £4.1m. The current forecast for this financial year shows this growing by a further £6m to leave a deficit of £10-11m by the end of the financial year. Given the demand led nature of the budget there can be a risk to the accuracy of the forecast of expenditure. Therefore this overspend still needs to be viewed with caution.

The overspend has been building over the last few years, however before 2017/18 there was sufficient in the Dedicated Schools Budget reserves to meet the cost. This is not now the case.

Broadly the overspend has been the result of growth in the number of pupils being supported with settlements that are cash frozen and only allow for limited growth in numbers and the additional responsibilities for SEND pupils aged 0 to 2 and 19 to 25.

In Southwark and nationally the overall number of pupils with a statement or EHC plan has been increasing year on year. The number of children and young people with EHCPs in need of additional, different or specialised provision has increased by 27% over three years between 2014-2017 (1,515 13-14 to 2,200 at present) with a 10% increase between 2016-17. If this year on year trend continues, by 2021/2022 there could be as many as 2900 children and young people with EHCPs with a need. Prior to 2014/15 the numbers of children were stable at 1,500 pupils. The numbers of post 16 pupils has risen from x in 2015-16 to 287 in 2017-18. Should we also mention the increase in AP 85 in 2014-15 to 125 presently?

This Special educational needs and disability code of practice provides statutory guidance on duties, policies and procedures relating to Part 3 of the Children and Families Act 2014. It relates to children and young people with special educational needs (SEN) and disabled children and young people. A 'young person' is now defined as a person over compulsory school age and under 25 which Local Authorities have to provide support. This is an extension of the age range and accounts for most of the growth that has been experienced.

3.2 Nationally

In September 2017, ADCS issued a survey to all directors of children's services in order to develop a better understanding of the pressures on high needs funding. The survey aimed to quantify the financial pressures on high needs budgets while also identifying the key contextual drivers creating the demand for high needs funding. Across the 85 local authorities who responded to the survey, the actual high needs block spend for 2016/17 was £3.08 billion. A small number of authorities (17) reported that their actual spend was within budget. 68 local authorities reported an overspend on the high needs block budget, this totalled £139.5 million.

3.3 London

The London councils recently surveyed London Borough's. their findings are shown below

- £68.8 million shortfall in high needs – every borough recording a shortfall
- £50.2 million budget overspend across 26 boroughs
- 6 boroughs have a shortfall of over 10% (including one with a 44% shortfall)
- Since 2013/14, spending has increased by 17%, allocations have increased by 11% (across 25 boroughs)
- Fewer resources transferred to the high needs block to fund the shortfall, other methods of making up the shortfall are used
- EHCPs rise by a third
- 75% of EHCPs cost up to £20,000, 25% cost over £20,000
- The average cost per EHCP in independent special schools is more than double the average cost in maintained/academy special schools
- Three quarters of boroughs are overspending in SEN transport averaging £0.8 million per borough

4 Approach

4.1 Overall

It was felt with the size of the overspend that in the first instance the report this year would be to bring the high needs block structural deficit of £6m into a in-year balance position. However there is potential growth that is not accounted for in the £6m and this would create a further pressure of at least £1.7m (100 placements). This of course still does not repay the deficit that will have grown to £10m by the year end.

Next year the sub group will look at this and how these issues can be addressed.

4.2 Statutory Responsibility

The group wanted to review the current statutory responsibilities in relation to High Needs

Under the current regulations the Central spend on high needs block provision is a decision for the Local Authority but it is noted that the regulations say it is good practice for the Local Authority to inform forum.

However on Admissions funding the Schools forum makes the final decision on spend.

For Financial issues relating to arrangements for pupils with special educational needs, in particular the places to be commissioned by the local authority and schools and the arrangements for paying top-up funding the Local Authority must consult annually with the Forum who must give a view and inform the governing bodies of all consultations

4.3 Recent cases of high needs reviews

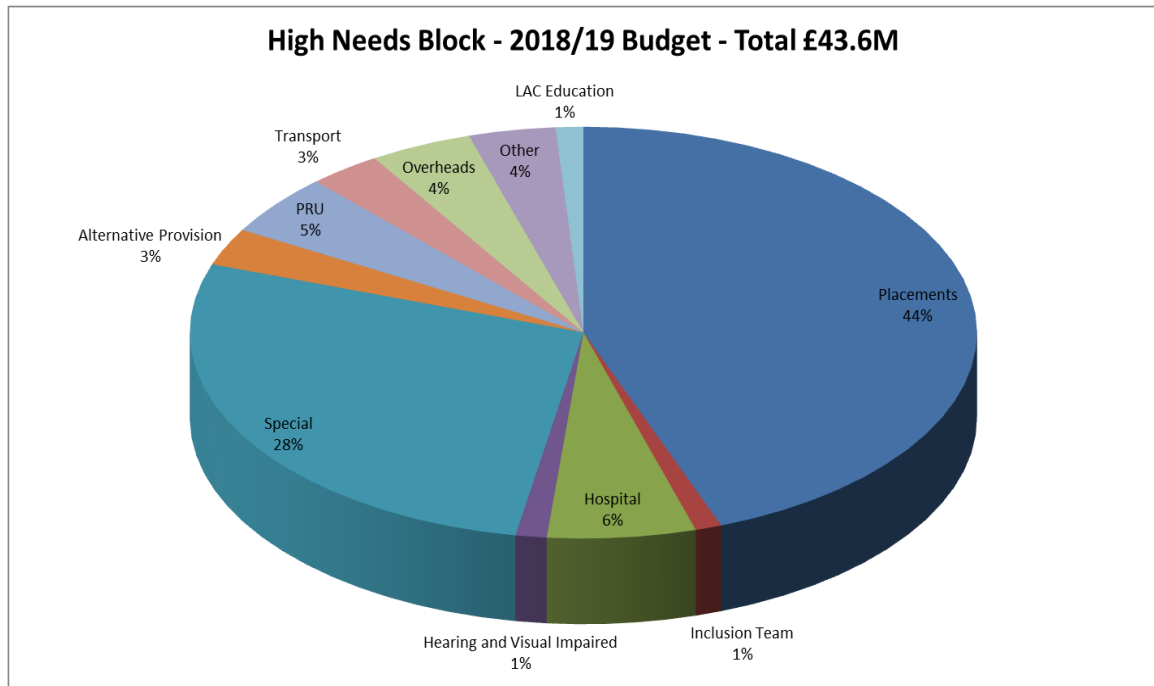
There have been a number of cases recently regarding reviews of SEN funding reaching the High Court. The proposals in this document have been scrutinised but the cases are a reminder that any funding decisions are taken lawfully and the Local Authority will need to ensure that:

- relevant and adequate consultation is carried out with affected groups and the results considered; these include the need to consult children and young people with special educational needs and their parents in accordance with the Children and Families Act 2014;
- a full equality impact assessment has been completed and taken account of;
- there is evidence that the Council has had regard to its Children Act 2004 duties to safeguard and promote the welfare of children;
- the Council has identified appropriately the relevant factors in the decision to be made and has made a rational decision, taking into account all those factors

4.4 Financial considerations

The sub-group approach was to understand the current budget for High Needs and then analyse each area budget to consider whether the spending was appropriate or could be made more efficiently. This included benchmarking and reviewing the regulations.

4.5 Budget Structure of the high needs block



The make up of the financial figures can be seen in Appendix B.

4.6 Detailed approach

The group then split the budget up into 12 themes and then to make recommendations appropriate to each

- 1 Central Retentions
- 2 Block transfer/ schools block deficit funding
- 3 High level of EHCPs
- 4 Earlier Intervention & Prevention
- 5 LBS Mainstream
- 6 LBS Resource Units
- 7 LBS Special Schools
- 8 OLAs, Academies and Free Schools
- 9 NMSS & Independents
- 10 Post 16
- 11 Alternative Provision
- 12 Hospital Schools

5 Central retentions

This grouped together a number of headings where the provision was spent by the local authority rather than providing for placement costs

| Budget Heading | Budget 2018/19 £ |
|-------------------------|------------------------|
| 1 Corporate overhead | 1841 |
| 2 Transport | 1300 |
| 3 Hearing & Visual | 557 |
| 4 SEN Inclusion | 464 |
| 5 AST | 287 |
| 6 SALT | 235 |
| 7 Alternative Provision | 495 |
| 8 Residential | 275 |

| | | |
|----|----------------|------|
| 9 | Early Help | 214 |
| 10 | NEETS | 194 |
| 11 | Virtual School | 50 |
| | | 5912 |

5.1 Corporate overhead - Budget £1,841k

5.1.1 Details

This can be further split as follows

| | | £,000 |
|----|-----------------------|--------------|
| 1 | Facilities Management | 701 |
| 2 | Insurance s | 170 |
| 3 | Human Resources | 85 |
| 4 | Legal Services | 18 |
| 5 | Property Services | 317 |
| 6 | Corporate IT | 312 |
| 8 | Media &Comms | 53 |
| 9 | I&D | 137 |
| 10 | Customer Services | 47 |
| | TOTAL | 1,840 |

The above pays for share of the corporate support for running the services met out of the DSG. In the past these would have been a general charge to DSG but the change in regulations mean that it can only be charged against the DSG high needs block.

5.1.2 Review

Officers provided information from our statistical neighbours that would suggest that the charge is around £370k higher than the average. The charge should also be reducing over time as schools convert to academy and 2 schools converted recently in September and therefore a reduction should flow from that as well.

5.1.3 Recommendation

That the council seek to reduce the corporate overhead charge to the DSG by £0.5m in 2019/20, with a further reduction of £0.5m in 2020/21

5.2 Transport Budget £1,300k

5.2.1 Details

The budget is to support children and young people aged 5 to 25 with travel to and from school/place of education. This is the service used by children/young people with special educational needs/disability (SEND) who meet Southwark's eligibility criteria for assistance. The provision is statutory. The funding provides a contribution to the council to meet part of the total cost of transport of £5.5m (which includes personal assistants).

The spend includes

- HQ staff team to deliver the service (5 staff)
- SEND Taxi Framework
- SEND bus service
- Direct payments to families
- Independent travel training programme

The funding has been agreed by the Schools Forum but may be higher than other LAs.

5.2.2 Review

The charge would normally fall on the core funding of the council. Full funding of the service is required to deliver this statutory service and if the Forum reduced/ceased the council would need to consider alternative funding or, not be able to deliver its statutory duty in full. To allow time to ensure that the provision is not destabilised to the detriment of the young people using the service it is proposed that the council reduce the funding of the service in stages. Transport provision for young people with SEN has discretionary elements and we will be reviewing the policy and criteria for this.

5.2.3 Recommendation

That the contribution to the council be reduced by £0.2m in 2019/20 with a further reduction of £0.2m in 2020/21.

5.3 Hearing & Visual Impairment Teams - Budget £557k

5.3.1 Details

This budget is used for staffing of the team, which consists of the Head of Visual impairment and lead teacher for hearing impaired. 2.8 visually impaired staff and 3.7 Hearing impaired staff plus a hearing support assistant. This is a Statutory Service.

5.3.2 Review

380 children and young people receive support, this includes direct specialist teaching.

All children are supported using national criteria for the service delivery under criteria determined by National Sensory Impairment Partnership(NatSIP). Some children who are blind or deaf receive a high level of support. Those with milder impairment receive support to a lesser degree. Average English LA ratio of Teacher of Deaf: child is 1:61 (Southwark is 1:73) there is no national average data collection for Visual impairment.

77% of services are funded nationally by the DSG (For info: From the Consortium for Research into Deaf Education (CRIDE) annual survey (<https://www.batod.org.uk/information/cride-reports/>) which reports on HI services).

5.3.3 Recommendation

That a review takes place to the Hearing & Visual Impairment Teams to consider whether it is viable to implement efficiencies to the service by 2020/21

5.4 SEN Inclusion Team - Budget £464k

5.4.1 Details

This budget supports a small team of teachers including a Team Leader and 2 teachers. (currently there are 2 additional teachers, underwritten by the SEND grant, who are working on the mainstream EHCP band transition project). The funding also pays for 3 days per week outreach support from Cherry Garden School and dyslexia assessments. Apart from the Cherry Garden outreach and the dyslexia assessments, all costs are salaries and associated costs

95% of the work of this team is statutory. The small amount of non statutory work relates to supporting schools with pupils on SEND support. As the numbers of EHCPs has risen, the non statutory capacity has reduced.

5.4.2 Review

The team oversee the SEN panel and decision making processes. Roughly 30-50 cases per week are dealt with. They write all new EHCPs (about 5 per week but each one takes about a days work) the team provides advice to statutory teams on annual reviews. Other work includes amendments of existing plans, quality assurance of plans and all SENCO support.

There is little in the way of benchmarking data available.

It is debateable whether this service should be funded from the DSG, officers are asked to review this but also in line with other teams make a contribution to the efficiencies

5.4.3 Recommendation

That a review takes place to the SEN Inclusion Team to consider whether it is viable to implement efficiencies to the service by 2020/21

5.5 Autism Support Team - Budget £287k

5.5.1 Details

The team consists of a Team Leader, 2.6 teachers and 2 term time only support assistants. This is not a statutory requirement to have an AST team, almost 50% of children with an EHCP in Southwark have a diagnosis though..

The team support mainstream schools with children with ASD. Schools forum originally asked for this service to be set up just over 10 years ago. Additional funds were added to the service about 5 years ago as schools valued the input highly. This paid for an additional 0.6 FTE teacher and the 2 support assistants (original team was just team lead and 2 teachers). OfSTED commented on the need for the service in the recent SEND Review and suggested an extension. Currently it is entirely funded by DSG. A buy back service for older secondary pupils and for FE could be developed.

5.5.2 Review

The team supports between 500-550 children at any one time. In addition the Team Leader works with OB placements and in prevention of high needs children going out of borough.

The prime outcome is to enable mainstream schools to provide for children with ASD to prevent the need for children to move into specialist placements and to skill teachers and TAs. The team work on an advice and consultancy model.

As this is a teaching team, it has always seemed appropriate to fund it from DSG and schools Forum has been very supportive of it. The team do also contribute to the statutory process

If the funding from DSG ceased or reduced More children would not be able to be maintained in mainstream settings. There would be no training and support for mainstream schools. More children with ASD would not be included in Southwark and demand for specialist provision and cost would rise.

5.5.3 Recommendation

That a review takes place to the Autism Support Team to consider whether it is viable to implement efficiencies to the service by 2020/21

5.6 Speech and Language - Budget £235k

5.6.1 Details

The total budget is £ 300K which is the value of the contract with Unlocking Language This is met from the DSG - £235K Local Authority core funding of £15K and £50K from special schools.

The funding is to meet any statutory SALT provision written into part F of children's EHCPs in Southwark special schools

The service is mostly Statutory

SALT provision for the Southwark special school population

EXCLUDING Newlands as that is an academy that funds its own SALT. Total volume 460 children.

5.6.2 Recommendation

That a review takes place to the Speech and Language contract to consider whether it is viable to implement efficiencies to the service by 2020/21

5.7 Alternative Provision £50k

5.7.1 Details

This budget covers the funding for the virtual school but a small element is used for alternative provision

(a) Staffing – virtual school officers working exclusively to children looked after/previously looked after children

(b) Interim alternative provision – to reduce delays in education provision while looked-after pupils are transferred to new care placements.

(c) Supplementary home tuition for looked-after pupils allocated on a case-by-case basis

(d) Education psychology provision, to identify and overcome barriers to children's and young people's learning.

(e) Interventions to address typically-fractured education histories of children in care (e.g. Nimbl educational electronic tablet loaded with curriculum related software, letterbox curriculum related mail outs to support reading and writing development.)

The overall spend is supplemented by the Looked after children pupil premium grant of £998k.

The Pupil Premium Grant (LAC) is utilised to secure Virtual School staff across this large urban Virtual School with very high levels of 'exported' pupils and high care-placement instability.

Schools can claim individual Pupil Premium (LAC) for the pupils, but historically this has been very low and Southwark Virtual School's use of the retained portion of Pupil Premium (LAC) grant to secure staff, improving child looked after outcomes, has been praised by Ofsted.

5.7.2 Review

As a group, looked after children are nine times more likely to have a statement of special educational needs than the general pupil population. The majority of looked after children have SEND.

At 57%, SEND in Southwark Virtual School is in line with the national (56%) and London (55%) trends. The Virtual School works assiduously to secure soonest possible assessment of education need where appropriate.

Outcomes for All Southwark CLA with SEND:

At Key Stages 2 and 4, Southwark CLA with SEND achieved better than national CLA with SEND in the majority of published outcomes (e.g. KS2 attainment: writing 15% above national, maths 5% above, reading 4% above, KS4 English and maths attainment higher than London and national CLA).

Staff in the Virtual School work across England and Wales to secure early, suitable education for children looked after.

In circumstances where in-year school admission arrangements delay timely access to local education, the Virtual School challenges these bureaucratic systems and commissions interim Alternative Provision to reduce the impact of pupils missing education.

The Virtual School does not currently have benchmarking data for other Virtual School staffing costs.

5.7.3 Recommendation

Alternative Council funding of £0.050m should be found for the Alternative provision service from April 2019.

5.8 Residential - Budget £275k

5.8.1 Details

The overall budget is £6,982k of which £6,413k is LA core budget, with £569k from the DSG. The DSG is split as follows is £294k is from central block for Places in independent schools for non-SEN pupils and £275k is from the high needs block central retention

There is no contribution from the NHS for therapy costs.

The forecast gross spend for 18-19 is £5,598k before DSG contributions.

5.8.2 Review

This supports the Education component of LAC in residential placement – currently there are 23 children in these placements – noting that this is only the 0-16 age group. For 18-25 this is all core budget or grant funded.

The LA has engaged consultants to review the use of residential placements and also deploys an access to resources approach in line with best practice elsewhere to minimise use of residential placements – this Education input to the process is being reviewed.

The LA is also reviewing the possibility of some in house provision and possibly collaboration with other sectors.

If the funding from DSG ceased or reduced what would be the impact of this provision in terms of vulnerable groups and on costs in other areas?

LAC are a very vulnerable group particularly those in residential and this requires investment particularly to ensure that educational attainment is achieved. However recent activity in this area may yield benefits which may mean that some of the current DSG can be released provided it can be shown that continued contributions from DSG still match Education spend in this area. The LA is actively

pursuing contributions from NHS to stop the LA and DSG cross subsidising areas for which they are responsible for.

The recommendation is made in light of the current financial forecasts

5.8.3 Recommendation

That the contribution to the council for residential placements be reduced by £0.100m in 2019/20 with a further reduction of £0.175 in 2020/21. That the NHS be asked to fund therapy costs. The DSG will need to continue to fund education costs for children with EHCPs for children in residential provision provided the Education service are involved in the placement decision.

5.9 Early Help - Budget £214k

5.9.1 Details

The overall Early Help budgets total £1,803k and come from the following sources

| £000 | Funding source |
|--------------|---|
| 480 | Council core budget |
| 401 | Primary Behaviour Service de-delegation |
| 392 | Early Years DSG |
| 214 | High Needs DSG |
| 195 | Central Block DSG |
| 61 | ESG de-delegation |
| 60 | Traded Income from academies & free schools |
| 1,803 | Total |

The funding for Family Early Help is from 7 different sources. The totality of the funding is used to offer a holistic early help service with some financial allocations more attributable to specific statutory requirements, but the majority cannot be disaggregated into individual posts or pieces of work. The overall service allows access to whole family work, parenting programmes, CAMHS and health provision which can respond to individual needs of children and families across the age range.

The £214K is equivalent to the costs of approximately 6 Family Early Help Practitioners who deliver whole family work where referrals from schools identify multiple risk factors (4 or more within the family) or cases are stepped across or down from statutory social care. High Needs Block funding is targeted at young people who have complex and multiple needs and this allows the Family Early Help service to offer support to all schools whatever their status (i.e. Maintained/Academy). Risk factors include non attendance, behaviour issues, a child in need of help, and family risk factors impacting on the child such as mental health/substance misuse and disability. Outcomes include avoidance of exclusion and escalation to specialist services with higher costs.

The service is mostly a statutory service but some elements are aimed at prevention and would be classed as non statutory aimed at preventing escalation to statutory.

High Needs Block funding is targeted at young people who have complex and multiple needs and this allows the Family Early Help service to offer support to all schools whatever their status (i.e.

Maintained/Academy). Risk factors include non attendance, behaviour issues, a child in need of help, and family risk factors impacting on the child such as mental health/substance misuse and disability

5.9.2 Recommendation

That the contribution to the council for Early Help be reduced by £0.107m in 2019/20 with a further reduction of £0.107 in 2020/21. This may be mitigated by schools being asked to continue to fund other elements of the costs of the service, including de-delegations other central retentions and buybacks.

5.10 Not in Education, Employment or Training (NEETS) - Budget £194k

5.10.1 Details

This is a statutory service. It is delivered through the Southwark Choices team who work which children, in this cohort, are in need of impartial advice and guidance to re-connect them with appropriate education, employment and training. As Southwark is an extremely high net exporter of learners (70% of 16 and 17 year olds learn outside of Southwark) the work of Southwark Choices team is complicated by administrative boundaries, GDPR and other institutions' compliance with regulatory frameworks.

5.10.2 Review

The impact of not offering Information advice and guidance(IAG) has been explored by at least one local authority resulting in an immediate and severe increase in NEET and NK profiles. The impact on local economy performance, anti-social behaviours and social benefits was felt keenly. This local authority reversed it's decision not to provide IAG within a year, re-employing the specialist staff that they had made redundant less than a year previously.

Under the guidance it is not clear that the cost of this service should be charged to the High Needs Block. In light of this the recommendation to the council is this should be funded from the core funding.

5.10.3 Recommendation

Alternative funding of £0.194m should be found for the NEET service from April 2019 or that the service be reduced.

5.11 Virtual School - Budget £50k

5.11.1 Details

The overall Budget is £0.230k, £0.180m of this sum is received from the Council's Core budget and the remainder, £0.050m, has been received this financial year from High Needs Block.

The aim of Southwark Virtual is

(a) core administration relating to Children Looked After wherever they are placed and to Southwark-resident pupils in receipt of Alternative Provision. Administrative duties include: school placement data, pupil-level attendance/attainment/progress data, the issue of Pupil Premium Grant (Looked After Children), distribution of Letterbox resources, AP referral processing, Personal Education Plan tracking, invoice processing and finance monitoring, maintenance of Children Missing Education and SEND compliance lists, census return.

(b) Staff posts to commission alternative provision for school-age Southwark residents who, because of exclusion, illness or other

reasons, would not otherwise receive suitable education. Staff (two officers) are involved in the placing, tracking and reviewing of AP placements.

5.11.2 Review

Approximately 110 Southwark-resident pupils, per annum, receive Alternative Provision . Within this group of young people, CIN/CPP are over-represented.

On any one day, there will be approximately 497 children looked after known to the Virtual School; this figure masks the constantly changing list of names on the 'school register' as pupils move in, and out, of care.

Recent additions to statutory duties have extended the remit of all Virtual Schools to include the provision of support, advice and guidance in relation to previously looked after children [Promoting the education of looked after children and previously looked after children, statutory guidance for local authorities, February 2018]. It is difficult to scope the amount of work that this extension to the Virtual School's remit will bring, as data relating to other local authorities' previously looked after children, who are now resident in Southwark, is not yet available.

As a group, looked after children are nine times more likely to have a statement of special educational needs than the general pupil population. The majority of looked after children have SEND.

The cohort of Southwark resident pupils attending Alternative Provision displays high levels of medical need/ other complex behaviours and/or histories of school exclusion. Safeguarding risks can be compounded where pupils are co-located. Pupils in receipt of Alternative Provision are generally placed in suitable education within 10 school days of a referral being received (most are placed in a shorter time). Pupil attendance improves for the vast majority of this cohort, once they have joined AP. In 2017/18, 100% of the cohort received a suitable post-16 offer at the end of Yr 11.

Generally the Virtual School for LA should be funded by core and / or LAC PPG, DSG should only be funding alternative provision for this cohort.

5.11.3 Recommendation

Alternative funding of £0.050m should be found for the Virtual School service from April 2019 or the service be reduced.

6. Education, Health and Care Plans (EHCP's) – Budget £5.5m

6.1 Details

Funding of EHCP's is similar but not the same as special schools and resource bases funding. The first £10k is deemed to be held in the schools budget. This is made of the basic entitlement for each pupil or the age weighed pupil unit of £4,000 in primary. The school then meets the next £6,000 out of their own school budget. This is called the notional SEN budget. Conceptually, this is difficult as it can not be pointed to with a school formula allocation but it is assumed that it is there.

Currently we declare in the APT (the Department for Education tool for calculating schools budget) the percentage of each formula factor that relates to notional SEN, this is an assumed level rather than having any particular thinking behind it.

We currently top-up the schools base funding on the basis of four bands. These are

| | |
|---|---------|
| A | £4,000 |
| B | £8,000 |
| C | £12,000 |
| D | £16,000 |

Previously there two bands which pupils are funded on, there is currently a transition period between the two and four banding systems. The two bands are

| | |
|----|---------|
| 1) | £12,715 |
| 2) | £15,125 |

70% of our pupils are still on the old system. The average funding on the new bands is £8,500 while the average cost under the old band is £13,100.

Transition Position

The Inclusion and Monitoring team are leading on the process to review and financially realign these plans in partnership with schools, relevant professionals, parents and young people. To ensure this is done fairly and equitably the process will be carried out by the teachers who develop the new plans and who can bring their expertise in the field of outcomes development and provision planning to bear. As teachers, they are also well placed to discuss educational issues, provisions and practices with all concerned to ensure changes are appropriate.

The current approach is to review and amend EHC plans and realign funding at phase review points (KS2-3, KS3-4, KS4-5, and KS5-adulthood). This though will take sometime to implement

If the new banding system was put in place it would save £1.3m in a full year. Potentially the new banding could be implemented as soon as possible across the cohort of children on the old system. This could be considered at the review of EHCP's

6.2 Review

Benchmarking with other Local Authorities

Note – Authorities use different banding systems and the table below is not strictly comparable but gives an idea of the level of funding authorities start to provide support for children with EHCP's.

| | Band A £ | Band B £ | Band C £ | Band D £ | Band E £ | Band F £ |
|---------------------------------|---------------|---------------|---------------|---------------|-------------|-------------|
| Southwark current bands | 4,000 | 8,000 | 12,000 | 16,000 | | |
| Southwark previous bands | 12,715 | 15,125 | | | | |

Local Authority 1

| | | | | | | |
|--------------------|-------------------------------|-----------------------|--------|--------|--------|--------|
| | 7,193 | 8,632 | 11,221 | 12,948 | 16,544 | 19,901 |
| Local Authority 2 | 5,620 | 8,640 | 12,350 | | | |
| Local Authority 3 | 1,479 | 3,821 | 7,579 | 11,364 | 15,105 | |
| Local Authority 4 | 2,200 | 3,700 | 6,100 | 8,500 | 10,000 | 15,000 |
| Local Authority 5 | 1,190 | 3,100 | 5,300 | 8,400 | 11,120 | 16,260 |
| Local Authority 6 | 2,432 | 5,285 | 8,137 | 10,900 | 13,843 | 16,695 |
| Local Authority 7 | 4,788 | based on £14 per hour | | | | |
| Local Authority 8 | 5,805 | 7,983 | 10,160 | 12,338 | | |
| Local Authority 9 | Use an hourly rate of £12.75. | | | | | |
| Local Authority 10 | 4,540 | | | | | |

Data from 2016

| | | | | | | |
|--------------------|-------|-------|--------|--------|--------|--------|
| Local Authority 11 | 4,984 | 6,397 | 6,841 | 12,033 | 16,650 | |
| Local Authority 12 | 2,313 | 5,084 | 6,622 | 7,855 | 9,393 | 10,778 |
| Local Authority 13 | 2,595 | 5,073 | 7,953 | 10,743 | 13,553 | |
| Local Authority 14 | 2,374 | 7,398 | 10,747 | | | |

Concern was expressed at the loss of potential funding for schools and how the pupils outcomes could be supported without detriment. The sub group analysed the notional SEN allocations to gain and understanding and felt it was important to support those schools who were inclusive.

The model suggested is to provide support for those schools with 1% more than Southwark's average of their roll with EHCP's with funding of £6,000 per pupil above that average.

The modelling of this is in Appendix C

In order to bring forward the implementation of extra staffing would be needed. It is expected this would be four posts at a cost of £200k. this would allow for the implementation to be introduced over a 2 year period.

6.3 Recommendation

The new banding system be introduced over a two year period

The protection for inclusive schools be set as detailed in Appendix C

7. Resource bases – Budget £1.7m

7.1 Details

The aim of a specialist resource base is to provide targeted support for children with EHCPs which enables them to make progress, achieve

their identified outcomes and continue to access the mainstream curriculum while being provided with a specialist intervention programme. This may include additional and different provision, such as speech and language therapy or occupational therapy. The resource bases funding operate on a similar methodology to Special Schools. There is an upfront payment for each place commissioned by the Local Authority prior to the start of the year but this is £6,000 rather than the £10,000 in special schools. The rationale behind this is the pupils in the resource base are counted within the schools main formula funding allocation. National guidelines regulate these figures and the regulations assume that across the country the average basis entitlement for each pupil is £4,000, although in Southwark it is slightly higher at £4,143. Recovering the difference would only provide £14k. The £10/£6k is then topped up. This is on the basis of the number of places within the unit that are filled. This is on a real time basis so that if a pupil leaves only top-up funding is removed. Current top-up funding rates are very different for children in resources bases and those with the same needs in special schools. While Special schools are protected by a minimum funding guarantee of -1.5%, the resource base funding is not.

| School | Top-up Funding £ | Places | Top-up Rate £ | Type of Need |
|--------------------------|---------------------|--------|------------------|---------------------|
| John Ruskin | 125,136 | 22.0 | 5,688 | Speech and Language |
| Snowsfields | 202,020 | 14.0 | 14,430 | Autism |
| Brunswick Park | 245,310 | 17.0 | 14,430 | Autism |
| Rye Oak | 230,880 | 16.0 | 14,430 | Autism |
| St Johns and St Clements | 116,838 | 14.2 | 8,228 | hearing |
| Lyndhurst | 177,338 | 15.2 | 11,667 | Dyslexia |
| TOTAL | 1,097,522 | 98.4 | | |

The resource bases are virtually full although the Dyslexia unit does not have pupils in it with an Educational, Health and Care plan.

7.2 **Autism Bases – rationalisation of size**

Consistently rising numbers of young people in Southwark with Autistic Spectrum Disorder (ASD) and learning difficulties have informed the local authority's SEND Education Provision Strategy. Further to new Special school provision, new additionally resourced places in mainstream Primary and Secondary schools for pupils with ASD will be commissioned. The Local Authority will be working with existing resource base schools to review current provision to establish a model of good practice for all bases going forward. As part of this process the local authority will also take steps to rationalise current places so that the potential impact on school standards is ameliorated.

7.3 Dyslexia unit – review

Pupil assessments for pupils with specific learning difficulties/dyslexia are commissioned by the Local Authority and individual schools. Additional provision for specific learning difficulties/dyslexia is based at Lyndhurst primary school. The provision currently provides training and supports students on the Lyndhurst school roll. Unlike other additionally resourced provisions not all supported pupils have EHC plans. A principal focus of the review will be to build on the strengths of the provision widen access to support develop a clear pathway from assessment to provision.

8. Special Schools – Budget £12.1m

The funding system operates by giving each special school £10,000 for each place commissioned prior at the start of the year. These places are commissioned by the LA. This is regardless of the number of pupils within the special school. For each pupil who attends the school during the year an additional sum or top-up is given. The rates are based on a band of need that the pupil is judged to have. It is this top-up rate that varies for each school.

Special schools are protected by a minimum funding guarantee of -
1.5%

| | Funding 2018/19 £'000 | Top-up £ | Pupils Commiss- ioned places | Pupils Top- up | Need met by the school |
|-----------------|-----------------------------|-------------|---------------------------------------|----------------------|------------------------------|
| Beormund School | 859 | £17,568 | 35 | 32 | BESD |
| Cherry Garden* | 1,462 | £21,634 | 56 | 47 | PMLD / SLD |
| Haymerle Sch | 2,150 | £18,906 | 77 | 76 | autism |
| Highshore | 2,999 | £13,212 | 140 | 137 | MLD |
| Spa School | 2,595 | £19,030 | 100 | 100 | autism |
| Tuke School | 1,998 | £19,629 | 72 | 70 | PMLD / SLD |
| | 12,063 | | | | |

*New school opens in January 2019 moving to 85 pupils over three years

- BESD - behavioural, emotional and social difficulties
- autism = autism and social communication difficulties
- PMLD / SLD) = Physical, severe, profound and complex learning disabilities.
- MLD= moderate or severe learning difficulties.

Special schools are also covered by the minimum funding guarantee. Local authorities in conjunction with the Schools Forum are able to set an MFG between minus 1.5% and plus 0.5% per pupil. If it was set at -1.5% this would reduce the funding by £123k. The £10k place funding cannot be reduced.

At the start of the year there were 24 places commissioned that were not being used. These may be used during the year. However the commissioned places could be reduced at the start of the year.

Benchmarking

| Local Authority | Social, Emotional & Mental Health (SEMH) | Mild Learning Disabilities (MLD) | Severe, Profound & Multiple Learning Disabilities (PMLD / SLD) | Autistic Spectrum Disorder (ASD) |
|--------------------|--|----------------------------------|--|----------------------------------|
| Local Authority 1 | £27,107 | | £21,089 | £11,762 |
| Local Authority 2 | £18,441 | £3,584 | £22,705 | |
| Local Authority 3 | £13,438 | £9,496 | £15,478 | £14,000 |
| Local Authority 4 | £13,923 | £9,501 | £24,481 | £17,189 |
| Local Authority 5 | £30,000 | £11,878 | £21,878 | |
| Local Authority 6 | | | £31,730 | £14,728 |
| Local Authority 7 | | £11,000 | | £16,572 |
| Local Authority 8 | | | | £18,726 |
| Local Authority 9 | £19,207 | £7,388 | | £19,370 |
| Local Authority 10 | | | | £20,858 |
| Local Authority 11 | £15,160 | £9,288 | £11,746 | £10,881 |
| Local Authority 12 | £16,300 | | | |
| Local Authority 13 | £16,553 | | | |
| Local Authority 14 | £21,825 | | £14,419 | £15,802 |
| Local Authority 15 | £21,000 | | | £13,300 |
| Local Authority 16 | £22,000 | £8,129 | £17,671 | £13,917 |
| Average | £19,580 | £8,783 | £20,133 | £15,592 |

| | |
|----------------|--------------------|
| DFE no. | School Name |
|----------------|--------------------|

| |
|--|
| Budget forecast at end of 2018.19 |
|--|

| |
|----------------------|
| Carry Forward |
|----------------------|

£

| | |
|------|------------------|
| 7007 | Highshore School |
|------|------------------|

| |
|--------|
| 93,593 |
|--------|

| |
|---------|
| 262,444 |
|---------|

| | | | |
|------|-------------------------|-----------|-----------|
| 7048 | Spa School | 176,764 | 220,833 |
| 7126 | Haymerle School | 10,723 | 457,813 |
| 7167 | Beormund Primary School | 212 | 89,804 |
| 7174 | Tuke School | (260,842) | 26,170 |
| 7186 | Cherry Garden School | (2) | 159,288 |
| | | 20,449 | 1,216,353 |

Recommendation

The special schools minimum funding guarantee be set at -1.5%

9 Independent places 10 places each year

Of the 2,200 children who are the subject of an EHCP, approximately 100-120 children are placed in independent or non maintained special schools (NMSS).

At the current time there are 96 children and young people whose placement in these establishments costs in excess of £40K per year. (£40K is around the most expensive maintained special school placement for a day place). Children and Young people are placed in these schools for a number of reasons such as Tribunal decisions, no local provision to meet need or because they are LAC children living outside of the borough.

The primary objective is for Southwark to have its own specialist provision, which should be open in the next 12 months, the aim will be for any new placements for children to be made in these schools provided that they are suitable for the needs of any individual child. However, the team also need to consider whether any children currently in an expensive independent or non-maintained resource can be moved to Southwark's new specialist provision.

It is very difficult to bring back LAC placed out borough as these are placed in school by the LA in which they live and their living arrangements are determined by their social worker. Of the 96 children only 6 are currently LAC.

Some children placed out do have needs Southwark cannot meet locally and for whom there is regional provision but not provision in Southwark. These are children with low incidence needs such as blind children or deaf children whose first language is BSL.

However, for children with ASD for whom there has been insufficient places up until the opening of Spa Camberwell and those placed post 16 with the opening of Park College, consideration could now be given as to whether they can be moved.

The SEND Team can only propose C and YP for placement in these settings where they are suitable for the needs of the C and YP and that have a high likelihood of being successful and a set of criteria has been drawn up for this by the High Needs Task Group.

The team will target 20 carefully identified young people suitable for these settings with the target to achieve at least 10 moves by September 2019. The statutory process of review and placement will take from now until September to work through the SEND process and any moves can only take place if they have been approved having gone through this process. It is important to emphasise that the annual review will focus primarily on the needs of each child and then will decide what provision will be required to meet those needs and whether any particular placement should be named having regard to those needs and the required provision. A crucial factor in those deliberations will be the impact of any such prospective move on the needs of any individual child. In any event, the LA will only be able to name a school other than one named as a preference by a parent or YP where the relevant statutory criteria apply.

In addition each independent/NMSS has a placement agreement in place and the terms and conditions of this will need to be taken into account in any decision. All schools require one full term notice and fees are paid one term in advance.

Recommendation

To provide in-house support to 10 children each year who are currently in independent or non-maintained provision provided they are able to move successfully to Southwark's new specialist provision.

9. Alternative Provision- Budget £1.3m

9.1 Details

Alternative Provision is defined by the DfE as: education arranged by local authorities for pupils who, because of exclusion, illness or other reasons, would not otherwise receive suitable education.....

The number of pupils in receipt of Alternative Provision (AP) has grown year-on-year from 2015 (85 pupils) to 2018 (113), a rise of 32%. The budget has not increased during this period.

At the same time, the reasons for pupils' need of AP has changed from ESOL (low cost) to permanently excluded pupils presenting with high co-location risks (relatively high cost). This high-cost group now make up one third of the AP cohort. This is set against the backdrop of Key Stage 4 knife-crime and rising permanent exclusions from schools.

In the same period, the quality of registered independent provision has improved and these providers, in a limited market, have increased their charges. Southwark Virtual School does not commission less expensive, unregulated provision

9.2 Recommendation

Officers be asked to draw up proposals and options to bring the budget back into a balance position. The options to be considered to cover

- Relaxation of provider-quality from 'Good' or better and registered independent-school status.
- Review of AP delivery modes such as the introduction of directly employed tutors as a core education provider and increased use of on-line tuition in the home

- Maximising purchasing power via (e.g.) block purchasing arrangements
- Joint LA procurement
- Strengthened contractual arrangements and monitoring
- Market development activity
- Review of FAP and CME referrals to ensure
- Appropriate challenge is brought to referring agencies and professionals.

10 The SEND Inclusion Fund (SENDIF) £300k

All local authorities are required to establish a SEND inclusion fund for 3 and 4 year olds with SEND whose parents/carers are taking up the free entitlement to a pre school place. The purpose of the fund is to support local authorities to work with providers to address the needs of individual children. The fund will also support local authorities to undertake their responsibility to strategically commission SEND services under the Children and Families Act 2014. It provides support for a child in their care who may have SEND and may require Early Years SEND Support. These are children who do not have an Education, Health and Care Plan (EHCP).

Recommendation

Officers are asked to review the fund.

11. Admissions

The admissions budget is currently underspending and it is proposed to transfer this funding to the high needs block from the central block. The sum is £0.05m.

12 Schools block transfer

The Dedicated Schools Grant is split into four blocks.

| Funding Blocks | Total £m | After Academy Recoupement £m |
|-------------------|--------------|---------------------------------------|
| Schools Block | 241.9 | 127.7 |
| Central Block | 1.7 | 1.7 |
| High Needs Block | 43.0 | 41.2 |
| Early Years Block | 27.9 | 27.9 |
| Total | 314.5 | 198.4 |

Moving Funding between blocks

In 2018-19, the DFE introduced a ring-fence around the schools block of 99.5%. They are retaining this ring-fence in 2019-20 as they want to ensure that the vast majority of schools block funding allocated to local authorities is passed directly to schools.

They will continue to give local authorities some flexibility to transfer funding to other areas, particularly high needs, where there is a strong local rationale for doing so but will continue to be limited to 0.5% of

local authorities' total schools block. They require the agreement of the schools forum **and consultation with all local schools**. The movement s approved for 2018-19 were for one year only, the DFE want fresh local conversations for any planned movements in 2019-20. Last year we agreed with the Schools Forum, 18-19, a transfer to the High needs from the Schools Block of £1.2m which relates to the 0.5% A further transfer of £0.8m which need a disapplication request to the Secretary of State. The baseline of the high needs block has not been adjusted, but where the DFE previously approved a request to move more than 0.5%, and where there is continuing schools forum agreement to the transfer, the local authority will not need to submit a further request this year, up to the level previously approved. Any further transfer as is proposed will have to have additional approval by the DFE.

Overall deficits on local authorities' DSG accounts

With effect from 2019-20, the DFE intends to tighten the rules governing deficits in local authorities' overall DSG accounts, under which local authorities have to explain to us their plans for bringing DSG account back into balance. We intend to require a report from any local authority that has a DSG deficit of more than 1% as at 31 March 2019. This report will need to be discussed with the schools forum. More details will be provided by the DFE this autumn of 2018 on this. The high needs budget can be analysed into placements costs and central expenditure or retentions. The placement costs can be further divided into those internal to Southwark and those external.

| Estimated budget | | | | |
|------------------------|---------------------|---------------------|--------------------|--------|
| | Internal Placements | External Placements | Central retentions | Total |
| | £'000 | £'000 | £'000 | £'000 |
| Budget | 24,220 | 13,824 | 5,647 | 43,691 |
| % | 55% | 32% | 13% | 100% |
| Estimated efficiencies | 2,523 | 517 | 2,482 | 5,522 |
| % | 10% | 4% | 44% | 13% |
| Revised | 22,297 | 13,307 | 3,165 | 38,769 |
| % | 58% | 34% | 8% | 100% |

The proposals to date amount to £5.5m of the target of £6m. it would seem difficult to take more from the central services but could be achieved by stopping them but that would impact on schools. There is little scope to reduce the cost of external places, with limits on how much special schools budget can be reduced the remainder could fall on the internal placements. The debate is whether further reductions is made to these high need placement or fall on all mainstream schools.

In some respect it will fall on mainstream schools it is a matter which route is preferable.

It is suggested that a further transfer of £1m is made from the schools block to the high needs block.

Recommendation

A request to the secretary of state is made for a further transfer of £1m from the schools block to high needs block.

13 Summary medium term financial plan

Below is a table of the recommendations in this report and a early assessment of the potential financial impact. This to ensure the plans are align with the need to ensure the high needs spending balances to the central government grant available.

| | Year 1 £'000 | Year 2 £'000 | Year 3 £'000 |
|---|-----------------|-----------------|-----------------|
| Structural Overspend | 6,000 | 6,000 | 6,000 |
| Potential efficiencies | | | |
| Special Schools | 123 | 123 | 123 |
| Resource base | 292 | 500 | 500 |
| EHCP's | 758 | 1,300 | 1,300 |
| Independent places 10 places each year | 117 | 317 | 517 |
| Transport | 200 | 400 | 400 |
| Overheads | 500 | 1,000 | 1,000 |
| AP | 600 | 600 | 600 |
| Central Services | 451 | 983 | 983 |
| Admissions | 100 | 100 | 100 |
| Schools block transfer | 1,000 | 1,000 | 1,000 |
| Total | 4,141 | 6,323 | 6,523 |
| Difference | 1,859 | - | - |
| Growth | | 323 | 523 |
| 100 places at | 1,760 | 3,520 | 5,280 |
| | £17,600 | | |

Item 6 Appendix B

High Needs Block - 2018/19

| Group | | | Budget 2018/19 | |
|-------|-----------------------------|--|----------------|-------------------|
| 1 | Special schools | Beormund School | 859,472 | |
| | | Cherry Garden | 1,461,896 | |
| | | Haymerle Sch | 2,150,138 | |
| | | Highshore | 2,998,833 | |
| | | Spa School | 2,594,756 | |
| | | Tuke School | 1,998,000 | 12,063,095 |
| 2 | Hospital Schools | Evelina Hospital | 1,050,818 | |
| | | Maudsley & Bethlem | 1,610,952 | 2,661,770 |
| 3 | Placements | Casework Southwark 0-8 | 5,443,792 | |
| | | Casework OLA 0-8 | 1,939,802 | |
| | | PfA Team Southwark 9 plus | 3,545,828 | |
| | | PfA Team OLA 9 plus | 2,894,378 | |
| | | In Year Statements & | 5,542,021 | 19,365,821 |
| 4 | PRU | Southwark Inclusive Learning Service | 2,100,000 | 2,100,000 |
| 5 | Alternative Provision | Alternative Provision | 1,277,962 | 1,277,962 |
| 6 | Inclusion Team | SEN Inclusion Team (202) | 473,581 | 473,581 |
| 7 | LAC Education | LAC Education - Team | 495,826 | 495,826 |
| 8 | Hearing and Visual Impaired | Hearing And Visually Impaired | 556,618 | 556,618 |
| 9 | Transport | Transport contribution | 1,300,000 | 1,300,000 |
| 10 | Overheads | Overheads | 1,841,432 | 1,841,432 |
| 11 | Other | Early Help - Intervention service | 214,000 | |
| | | SALT | 235,000 | |
| | | AST | 287,004 | |
| | | Southwark Choices - Education and Participation | 193,538 | |
| | | Southwark Virtual school - Support & Guidance | 49,733 | |
| | | Early Years - SEND payments to nursery providers | 300,000 | |
| | | Contribution to LAC residential education | 275,620 | 1,554,895 |
| | | | 43,691,000 | 43,691,000 |

ITEM 6 APPENDIX C is a separate excel file that one is advised to review before trying to print

| | | |
|---|---|------------------------------------|
| Date: 6 December 2018 | Item 7 | Type of report: Decision |
| Report title: | The Dedicated Schools Grant 2019-20 | |
| Author name and contact details: | Russell Dyer / Dave Richards russell.dyer@southwark.gov.uk dave.richards@southwark.gov.uk | |
| Officer to present the report: | Russell Dyer / Dave Richards | |

Executive Summary

This report considers the Schools Block of the 2019-20 Dedicated Schools Grant (DSG) and the centrally retained and de-delegated budgets for that year. In addition, it updates members on the work of the Formula sub-group.

Schools Forum Actions

The Schools Forum is asked to:

- Agree by phase to the de-delegated funding rates, as outlined in 2.6;
- Agree to continue with the current charging mechanism of Free Schools Meals Ever 6 for the Summerhouse behaviour support service
- Agree all the Retained Budgets – (to be agreed individually) as outlined in 3.4
- Agree that no changes are made to Southwark’s funding formula.
- Agree the recommendation of the Schools Forum Formula Sub Group that officers ensure that all split sites are properly categorised and if this releases funding, this is then applied to the other split site schools proportionately.

1.0 Background

- 1.1 The guidance surrounding central retentions and de-delegations are governed by the Education and Skills Funding Agency (ESFA) publication *Schools Revenue Funding 2019 to 2020 Operational Guide*.
- 1.2 Under the regulations the schools block of the DSG can only be held centrally for certain services as specified by the DfE and where Schools Forum agree to:
 - de-delegate funding, by phase;
 - Centrally retain funding before allocating the formula.
- 1.3 The LA is required to submit to the Education Funding Agency (EFA) the provisional 2019-20 authority pro-forma by 21 January 2019. The pro-forma

outlines the details of the local funding formula, including the agreed de-delegated budgets. The early decisions from this report will aid officers in preparing the submission but if any further issues on either de-delegated and central retention arise, these will be brought to the meeting of the Schools Forum on 17 January 2019. Leaving all the decisions to that meeting would create a real risk of not meeting the deadline.

2.0 De-delegated Services

- 2.1 This funding is initially allocated to all schools, as part of the Southwark School Funding Formula to Maintained primary and secondary schools can be de-delegated or “returned” to the Local Authority to be held and managed centrally. De-delegation is not applicable to academies, special schools, nurseries or PRU’s. For PRUs, nurseries and special schools to benefit from these services there would need to be “buy back” into service. Nursery schools agreed to buy back into the fund for contingencies and maternity in this current year (2018/19) and it is assumed this will continue. Academies can buy into some funds but not others, specifically maternity and contingencies.
- 2.2 The Schools Forum are required to formally agree the de-delegated budgets annually, with members for primary maintained schools and secondary maintained schools required to decide separately for each phase. The decision applies to all maintained schools within that phase.
- 2.3 The funding for de-delegated services is automatically allocated to academies as part of the schools funding formula and they are able to make their own arrangements for these services. Academies may choose to purchase services from the LA, where they are offered.
- 2.5 The Schools Forum agreed to de-delegate funding for the following services in 2018-19:

Table 1

| Budget | Basis* | 2018-19 Budget £000 | 2018-19 Primary School Rate £ | 2018-19 Secondary School Rate £ |
|--|------------|----------------------------------|-------------------------------|---------------------------------|
| Contingencies* (including schools in financial difficulties and deficits of closing schools) | AWPU | 887 | 41.00 | 41.00 |
| Behaviour support services | FSM Ever 6 | 471 | 64.55 | N/A |
| Behaviour support services – Summerhouse | FSM Ever 6 | 1,132 plus 50 to cover shortfall | 161.17 | N/A |
| Free school meals eligibility (primary) | FSM Ever 6 | 147 | 20.04 | N/A |

| | | | | |
|---|------|--------------|-------|-------|
| schools only) | | | | |
| Staff costs supply cover (maternity scheme) | AWPU | 850 | 40.15 | 40.15 |
| Staff costs supply cover (trade union) | AWPU | 95 | 4.00 | 4.00 |
| De-delegated budget | | 3,632 | | |

*Schools in Financial Difficulty £515k, Audit £39k and Intervention Fund £333k.

2.6 The proposed funding for 2019-20 is shown in the Table 2. The rationale for the proposals are then shown below

Table 2

| Budget | Basis | Proposed 2019-20 estimated Budget £000 | Proposed 2019-20 Primary School Rate £ | Proposed 2019-20 Secondary School Rate £ |
|--|--------------|---|---|---|
| Contingencies* (including schools in financial difficulties and deficits of closing schools) | AWPU | 846 | 41.00 | 41.00 |
| Behaviour support services | FSM Ever 6 | 460 | 64.55 | N/A |
| Behaviour support services – Summerhouse | FSM Ever 6 | 1,232 | 174.71 | N/A |
| Free school meals eligibility (primary schools only) | FSM Ever 6 | 100 | 16.60 | N/A |
| Staff costs supply cover (maternity scheme) | AWPU | 816 | 40.15 | 40.15 |
| Staff costs supply cover (trade union) | AWPU | 75 | 4.00 | 4.00 |
| Total Proposed de-delegated budget | | 3,529 | | |

*Schools in Financial Difficulty £500k, Audit £36k and Intervention Fund £310k

The exact budgets used in the final calculation of de-delegated amounts for each school will be influenced by the pupil numbers at the October 2018 census. These pupil numbers are being finalised, while the funding rates above will be used this could change the estimated budget quoted above. The final budget figures will be brought to the January meeting of the Forum for re-confirmation.

One of our schools, Surrey Square, has converted to an academy and they will have the option next year, as all academies do of either buying back into these services or providing the services themselves. The budgets will not be adjusted for this as the costs are expected to reduce.

The services funded out of these de-delegated budget will like schools receive no allowance for inflation.

Roughly all the services for the above will be facing a 7% shortfall in funding next year.

2.7 Free School Meals Eligibility Team.

The Free School Meals (FSM) eligibility checking team provide comprehensive advice and information on the legal requirements of free school meals and checking of eligibility using the Central Government Benefit Hub.

Benchmarking the provision Southwark's funding is high, however not all authorities operate a team which may distort the position. It is proposed that in the long term the costs are brought down to the inner London average for those authorities who continue to have such a team. In order to make the appropriate adjustments it is proposed to do this over a two year period. In 2019/20, the first year it is planned to reduce the budget to £100k from £147k last year. This staged approach will allow this to be completed without any detriment to the service offered.

2.8 Trade union duties

It was agreed last year by the Schools Forum that in 2019/20 the budget for trade union duties would return to the 2017/18 level of £75k.

At the meeting of the Schools Forum in October 2018 discussions took place of the possible scenarios for making the appropriate adjustment to ensure the budget would balance. It is now proposed that the schools who supply the trade union representatives be reimbursed at an average rate for the cover brought into the school rather than the cost of the trade union representative released. The latter are often but not always on leadership scales.

2.9 Summerhouse

2.9.1 Background

2.9.2 Summerhouse is a Southwark provision which offer specialist educational and SEMH interventions. Interventions are tailored specifically to the individual pupil by specialist staff who have proven expertise and skills in this discrete area. It is directly responsible for the reduced number of fixed term exclusions and eliminating the need for primary permanent exclusions within the borough.

2.9.3 Financial pressures and lack of expertise are affecting schools' capacity and ability to identify and support a growing number of pupils' complex needs (particularly SEMH and developmental difficulties) and provide the early

interventions that are necessary to avoid exclusions. These pressures have increased mainstream school referrals to Summerhouse for support.

- 2.9.4 As the demand within the borough increased year on year, Summerhouse responded and met this demand through growth in specialist knowledge, skills, capacity and quantity and range of services. A further classroom was opened in 2015 also to meet this growing demand; taking Summerhouse' capacity from 44 places to 56 places. There was no uplift to the budget to support the additional class. Summerhouse is the main educator for primary pupils who have been permanently excluded.
- 2.9.5 The average number of part-time placement pupils each year increased from 49 to 69. From 2015 the average number of placements each year has remained at 69. In addition to this, 50-70 pupils each year receive essential outreach support in their mainstream schools. 85% of Southwark primary schools have accessed Summerhouse support in the last three years. 80% of pupils with part-time placements are reintegrated back into their mainstream schools full-time. All other pupils are either supported through managed moves to another mainstream school or special educational setting when an EHCP is finalised.
- 2.9.6 At the last Schools Forum a number of options in terms of the fund were discussed, including increasing the de-delegated, reducing summerhouse by one class and introducing an SLA for outreach services.
- 2.9.7 It is difficult to say the exact impact of this but certainly any reduction in provision will mean the service becomes less proactive and more reactive, schools will wait longer for interventions and there will be more repeat exclusions. The proposal is to increase the de-delegation by £100k but at the same time for the service to deliver more outreach services

2.9.8 Funding mechanism

The Schools Forum asked at its October meeting for some financial modelling to be undertaken to see if it would be worthwhile changing the charging mechanism for Summerhouse and move away from the current free meals ever 6 basis to using pupil numbers. The modelling is shown in Appendix A. There is considerable volatility created by the change and it is felt at this time that this will be unwelcome and it is proposed to continue with the current method

2.9.9 Proposals

An increase of £100k to the current budget would allow Summerhouse to continue to offer the level of services the schools and Local Authority rely on and expect and so it is proposed to continue with the current charging mechanism of Free School meals ever 6.

2.10 Contingencies

This includes funding for Schools in Financial Difficulty, school audits and school intervention.

2.10.1 Schools in Financial Difficulty (£500k)

The contingency supports those schools that are in financial difficulty and are making staffing reductions. The call on this fund could grow in the current climate of financial constraint. The fund is currently in surplus, while it is difficult to predict the exact end of year financial position, no further increase is proposed at this time.

2.10.2 School audits (£36k)

This budget funds the school audit programme, to ensure that all schools in Southwark are audited once every three years. This provides assurances to schools, governing bodies and the Local Authority on the financial controls in place in schools. It is not proposed to reduce the funding rates, although discussions will be held on the audit programme.

2.10.3 School intervention (£310k)

This funding is used to support individual "schools of concern" with school improvement support. No changes are proposed.

2.11 Supply Cover (Maternity cover)

A number of significant amendments to the terms of the maternity cover most notably that reimbursements to schools will be at 70% of the cost. No changes are proposed currently. Work will be undertaken to see if it is necessary to amend the terms and conditions of the fund before the Schools Forum meeting in January.

2.12 Behaviour Support Services - Contribution to early help service including critical incident support

The Schools Forum agreed to de-delegate funding for Primary and Secondary schools in 2018-19 to contribute to the Early Help Service. The total Early Help locality team budget is £1.8m, which is funded from a combination of mainly council core budgets and the Dedicated Schools Grant contributions from the schools block and early years or high needs block.

The Early Help Service works with children, young people and families who are experiencing difficulties. The team provides a service for children who need extra help with their learning, social, emotional, behavioural, developmental and attendance needs. Services provided include:
Education welfare (attendance and truancy);

- Educational psychology;
- Family Support;
- Early years early intervention;
- Behavioural and mental health advice.

In addition, the Critical Incidents Support service now also operates via the Early Help Team. The Critical Incidents Support Service supports schools in dealing with a critical incident. Examples of critical incidents which may affect schools include for example, the death of a pupil(s) or member(s) of staff or a serious accident involving pupils and school personnel on or off school premises.

3.0 Centrally Retained Services

3.1 Funding can be centrally retained for some services with agreement from the Schools Forum. The services permitted are set nationally by the DfE with a number of these subject to a limitation of no new commitments nor any increases, other than for schools forum and admissions.

3.2 The Schools Forum agreed to centrally retain funding for the following services in 2018-19:

- Funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy (Growth fund);
- A falling rolls fund
- Admissions
- Servicing of the Schools Forum

3.4 The proposed 2019-20 centrally retained budgets are outlined in Table 2.

Table 2 – proposed 2019-20 centrally retained budgets

| Budget | Approved 2018-19 budget £000 | Proposed 2019-20 budget £000 | Comments |
|--|------------------------------|------------------------------|--|
| LA duties for all schools | 600 | 600 | This relates to statutory and regulatory duties for all schools in the borough regardless of whether they are maintained, free or academies. See Appendix B – all schools section |
| Growth fund | 600 | 100 | There is no planned bulge classes opening in September 2019. Although due to the nature of academies lagged funding one school will need to be provided for. In addition funding for one bulge class has been allowed for. |
| Schools Falling Rolls | 100 | 100 | The Schools Falling Rolls fund is currently £100k, it would seem with schools rolls falling that an increase in this fund was required. The purpose of the fund is to provide support to those schools whose rolls are falling only for them to rise in the following two years. This is to avoid the possibility that a school will reduce their staffing compliment one year only to need to reemploy staff the next. With schools rolls expected to continue to decline it is not expected many schools will qualify for the fund. Further constraints on allocating the fund is made by the Department for Education who will only allow funding to be provided to schools that are judged by Ofsted as “Good” or “Outstanding”. The detailed guidance is shown in Appendix C |
| Places in independent schools for non-SEN pupils | 294 | 294 | The LA proposes to continue to top-slice the schools budget to contribute towards the educational costs of looked after children that Southwark is responsible for. |

| | | | |
|----------------------------|-------|-------|--|
| Admissions | 673 | 623 | Admissions is a statutory LA responsibility and therefore funding cannot be delegated to schools to carry out this function. LA proposes to release the £50k as mentioned in the high needs sub group report, that was discussed under an earlier item on this agenda. |
| Servicing of Schools Forum | 15 | 15 | LA proposes to continue to retain funding of £15,000 in 2019-20 to cover the costs of servicing the Schools Forum operation including clerking and working groups. It is not proposed to increase this contribution. |
| Total | | | |
| | 2,282 | 1,732 | |

3.5 Recoupment academies contribute to budgets for centrally retained services as this funding is top-sliced from the Southwark Dedicated Schools Grant funding.

3.6 Maintained Schools only - central retention

The LA continues to hold responsibilities for maintained schools, the current year's budget amounts to £353k (same level as agreed by maintained schools for 2017-18). These duties continue into 2019-20. The details on these duties are given at Appendix B (maintained schools only). The LA is asking maintained schools to approve the continuation of this central retention in 2019-20 by maintained schools. The amount per pupil is £16.43

3.7 Schools Forum Formula funding group

3.7.1 The schools forum asked the above group to consider Southwark's funding formula for next year, specifically the task group were asked to consider

- To consider whether Southwark moves straight to the national funding formula in 2019-20
- To consider the balance of funding between Primary and Secondary
- To consider the level of the lump sum
- To consider the level of split sites funding
- To consult with schools
- Secure the support of the Schools Forum for its proposals

3.7.2 The sub group met both on the 29 October 2018 and 13 November 2018. In considering the implementation the national funding formula the group noted that while funding levels for each school were the same under both the national and Southwark's formula, the minimum funding guarantee would rise from its current £0.8m to £33.0m. It was felt that if it rose to this level not only would it constrain any future changes it would be particular difficult if the guarantee was not in place in the future.

The change in funding and hence the minimum funding guarantee for typical schools is shown in the table below

| School | Typical budget | Protection | % |
|------------------------|----------------|------------|-----|
| | £'000 | £'000 | |
| Primary – 1 Form Entry | 1,046 | 139 | 13% |
| Primary – 2 Form Entry | 2,000 | 286 | 14% |
| Primary – 3 Form Entry | 3,415 | 518 | 15% |
| Secondary | 5,111 | 775 | 15% |

The group decided not to move to the national funding formula

3.7.3 Discussions also took place of whether the lump sum should be further reduced to be more in line with the national funding formula. In 2017-18 Southwark's lump sum was £150,000, for 2018-19 the current year it was reduced to £137,400. The national funding for inner London after taking into account the area cost adjustment is £129k. It was felt to reduce the funding further and consider to change the balance of funding between the primary and secondary schools would create too much volatility at this current time when schools are struggling with managing their budget. The sub group recommend that no changes are made.

3.7.4 Split Sites

The LA asked the group to look at split sites. Southwark has two levels of split sites The two categories are for Primary Schools: Category A funding of £42,847 where a school is split by a public road carrying through traffic; Category B funding of £23,234 where the nursery class is off site. Southwark have 7 schools categorised as a split site school with total funding of across Southwark of £260k.

Southwark schools Split Site funding in 2018/19

| Ref | Schools | Split Sites £ |
|---------|---|------------------|
| 2102328 | Ivydale Primary School | 42,847 |
| 2102339 | John Ruskin Primary School and Language Classes | 23,234 |
| 2102848 | Phoenix Primary School | 42,847 |
| 2102856 | Bessemer Grange Primary School | 23,234 |
| 2103337 | Dulwich Village Church of England Infants' School | 42,847 |
| 2103341 | English Martyrs Roman Catholic Primary School | 42,847 |
| 2103452 | St James' Church of England Primary School | 42,847 |
| | | 260,703 |

3.7.5 Split sites guidance on potential criteria is as follows

A local authority formula can include a factor to provide additional funding to schools that operate on more than one site.

- Criteria for providing extra funding should be clear and transparent, incorporating clear and objective trigger points, and a clear formula for allocating additional funding.
- All schools and academies that meet the criteria will be eligible for split site funding.
- Schools sharing facilities, federated schools and schools with remote sixth forms or remote early years provision are not eligible for split site funding.

Examples of clear trigger points are:

- the sites are a minimum distance apart, as the crow flies, and the sites are separated by a public highway
- the provision on the additional site does not qualify for an individual school budget share through the DSG
- the school has remote playing fields, separated from the school by a minimum distance, and there is no safe walking route for the pupils
- a percentage of staff are required to teach on both sites on a daily basis, to support the principle of a whole school policy and to maintain the integrity of the delivery of the national curriculum
- a minimum percentage of pupils are taught on each site on a daily basis

Examples of a clear formula for funding schools with split sites are:

- a lump sum payment
- a per pupil rate
- a rate per square metre of the additional site

Values for primary and secondary schools may be different. There may be one rate of payment for the first additional site, and a separate rate for each additional site. Payment rates may be stepped, for example as the distance between sites increases.

3.7.6 The sub group asked each school to return details of the extra cost involved in having a split site. All schools made a return apart from one.

The group felt the cost analysed by the schools were not always just the extra running costs but all the costs of the split site and that in some cases services could be procured in a more efficient way. The group were also concerned

that some schools designated as split sites were not true split sites in accordance with the definition of the current formula.

The costs are shown in the table below

| | Staffing | | | | Premises costs £ | other £ | Total £ |
|----------|-------------------|---------------|------------|---------------------------|---------------------|------------|------------|
| | Receptionist £ | Premises £ | Other £ | Meal time Assistants £ | | | |
| School 1 | | | 90,221 | 2,176 | 29,350 | 4,300 | 126,047 |
| School 2 | | | | - | 82,688 | - | 82,688 |
| School 3 | 29,010 | 2,142 | 20,009 | 3,883 | 13,917 | 18,000 | 86,961 |
| School 4 | | | | | | | |
| School 5 | 19,592 | 25,806 | 106,232 | 23,585 | 74,493 | 35,209 | 284,916 |
| School 6 | 20,868 | | | 5,260 | 38,996 | | 65,124 |

| | |
|----------|---|
| School 1 | Nursery Class |
| School 2 | Separated by public road 6 classes on second site |
| School 3 | Separated by public road 3 classes on second site plus ICT suite, library and staffroom |
| School 4 | Distance 1 mile, 50% of pupils on second site. No financial figures provided |
| School 5 | distance 0.2 miles, Classes for Year 3-6 (283) |
| School 6 | Separated by road, 3 year 2 classes on the second site |

The group recommended that the LA should ensure that all split sites are properly categorised and if this releases funding this is then applied to the other split site schools proportionately.

Schools Forum

Item 7 AppendixA

Dedicated Schools Grant - 2019-20

Schools de-delegated contribution to summerhouse 2018/19. Base funding of £1,132k
Model to see the impact if the funding was charged to schools on a pepr
pupil basis

| | De- delegated Amount 2018/19 (on the basis of FSM 6) £ | School Roll October 2017 | Funding If distributed on pupils at £57.82 £ | Change in Funding (a negative number is a lower contribution) £ |
|--|---|-----------------------------------|--|---|
| Albion Primary School | 25,216 | 361 | 20,873 | -4,343 |
| Bellenden Primary School | 11,322 | 227 | 13,125 | 1,803 |
| Camelot Primary School | 28,372 | 449 | 25,961 | -2,411 |
| Charles Dickens Primary School | 23,669 | 402 | 23,244 | -425 |
| Cobourg Primary School | 25,236 | 392 | 22,665 | -2,571 |
| Comber Grove School | 14,622 | 275 | 15,901 | 1,279 |
| Crampton School | 11,859 | 197 | 11,391 | -468 |
| Crawford Primary School | 32,879 | 510 | 29,488 | -3,391 |
| Dog Kennel Hill School | 16,830 | 405 | 23,417 | 6,587 |
| Goodrich Community Primary School | 23,740 | 596 | 34,461 | 10,721 |
| Grange Primary School | 29,997 | 358 | 20,700 | -9,297 |
| Heber Primary School | 9,900 | 383 | 22,145 | 12,245 |
| Hollydale Primary School | 16,600 | 216 | 12,489 | -4,111 |
| Ilderton Primary School | 25,219 | 386 | 22,319 | -2,900 |
| Ivydale Primary School | 20,502 | 506 | 29,257 | 8,755 |
| John Ruskin Primary School and Language Classes | 30,228 | 417 | 24,111 | -6,117 |
| Keyworth Primary School | 25,844 | 361 | 20,873 | -4,971 |
| Dulwich Wood Primary School | 18,352 | 308 | 17,809 | -543 |
| Lyndhurst Primary School | 17,886 | 397 | 22,955 | 5,069 |
| Michael Faraday School | 29,163 | 384 | 22,203 | -6,960 |
| Riverside Primary School | 28,306 | 299 | 17,288 | -11,018 |
| Robert Browning Primary School | 20,978 | 299 | 17,288 | -3,690 |

| | | | | |
|--|--------|-----|--------|---------|
| Rotherhithe Primary School | 39,842 | 439 | 25,383 | -14,459 |
| Snowsfields Primary School | 11,955 | 200 | 11,564 | -391 |
| Southwark Park School | 20,770 | 396 | 22,897 | 2,127 |
| Tower Bridge Primary School | 15,348 | 194 | 11,217 | -4,131 |
| Townsend Primary School | 13,530 | 179 | 10,350 | -3,180 |
| Victory Primary School | 9,687 | 155 | 8,962 | -725 |
| Phoenix Primary School | 30,945 | 530 | 30,645 | -300 |
| Pilgrims' Way Primary School | 16,437 | 208 | 12,027 | -4,410 |
| Alfred Salter Primary School | 21,114 | 390 | 22,550 | 1,436 |
| Oliver Goldsmith Primary School | 32,268 | 407 | 23,533 | -8,735 |
| Bessemer Grange Primary School | 22,831 | 575 | 33,247 | 10,416 |
| Brunswick Park Primary School | 33,510 | 428 | 24,747 | -8,763 |
| Boutcher Church of England Primary School | 9,326 | 208 | 12,027 | 2,701 |
| Dulwich Village Church of England Infants' School | 3,550 | 260 | 15,033 | 11,483 |
| English Martyrs Roman Catholic Primary School | 19,668 | 346 | 20,006 | 338 |
| St James the Great Roman Catholic Primary School | 10,544 | 199 | 11,506 | 962 |
| St Francis RC Primary School | 15,997 | 395 | 22,839 | 6,842 |
| St George's Church of England Primary School | 7,331 | 137 | 7,921 | 590 |
| St George's Cathedral Catholic Primary School | 12,885 | 246 | 14,224 | 1,339 |
| St James' Church of England Primary School | 38,701 | 487 | 28,158 | -10,543 |
| St Johns' and St Clements CofE Primary | 10,799 | 437 | 25,267 | 14,468 |
| St John's Walworth Church of England Primary School | 9,821 | 189 | 10,928 | 1,107 |
| St Joseph's Roman Catholic Primary School | 12,001 | 311 | 17,982 | 5,981 |
| St Joseph's Catholic Primary School | 9,227 | 196 | 11,333 | 2,106 |
| Saint Joseph's Catholic Primary School, the Borough | 10,342 | 204 | 11,795 | 1,453 |
| St Jude's Church of England Primary School | 4,478 | 93 | 5,377 | 899 |
| St Mary Magdalene Church of England Primary School | 12,152 | 216 | 12,489 | 337 |
| Peter Hills with St Mary's and St Paul's CofE Pmy | 10,544 | 178 | 10,292 | -252 |
| St Paul's Church of England Primary School, Walworth | 20,305 | 291 | 16,826 | -3,479 |
| St Peter's Church of England Primary School | 12,569 | 201 | 11,622 | -947 |

| | | | | |
|--|-----------|--------|-----------|--------|
| The Cathedral School of St Saviour and St Mary Overy | 5,626 | 201 | 11,622 | 5,996 |
| St John's Roman Catholic Primary School | 13,764 | 205 | 11,853 | -1,911 |
| Rye Oak Primary School | 26,601 | 339 | 19,601 | -7,000 |
| St Francesca Cabrini Primary School | 18,721 | 334 | 19,312 | 591 |
| St Anthony's Catholic Primary School | 7,749 | 391 | 22,608 | 14,859 |
| St Joseph's Catholic Junior School | 13,526 | 236 | 13,646 | 120 |
| St Joseph's Catholic Infants School | 6,196 | 151 | 8,731 | 2,535 |
| Friars Primary Foundation School | 10,805 | 195 | 11,275 | 470 |
| Charlotte Sharman Primary School | 19,662 | 295 | 17,057 | -2,605 |
| Surrey Square Primary School | 24,351 | 413 | 23,880 | -471 |
| | 1,132,198 | 19,583 | 1,132,295 | 97 |

Statutory and regulatory duties

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|--|--|
| Director of children's services and personal staff for director (Sch 2, 15a) | Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 2, 56) |
| Planning for the education service as a whole (Sch 2, 15b) | Budgeting and accounting functions relating to maintained schools (Sch 2, 73) |
| Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22) | Functions relating to the financing of maintained schools (Sch 2, 58) |
| Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c) | Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 2, 57) |
| Formulation and review of local authority schools funding formula (Sch 2, 15d) | Monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies (Sch 2, 58) |
| Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e) | Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 for maintained schools (Sch 2, 59) |
| Consultation costs relating to non-staffing issues (Sch 2, 19) | Functions made under Section 44 |
| Plans involving collaboration with other LA services or public or | |

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|--|--|
| <p>voluntary bodies (Sch 2, 15f)</p> <p>Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)</p> <p>Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)</p> | <p>of the 2002 Act (Consistent Financial Reporting) (Sch 2, 60)</p> <p>Investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body (Sch 2, 61)</p> <p>Functions related to local government pensions and administration of teachers' pensions in relation to staff working at maintained schools under the direct management of the headteacher or governing body (Sch 2, 62)</p> <p>Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 2, 75)</p> <p>HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition or organisation of staff (Sch 2, 63); determination of conditions of service for non-teaching staff (Sch 2, 64); appointment or dismissal of employee functions (Sch 2, 65)</p> <p>Consultation costs relating to</p> |

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|---------------------------------------|---|
| | <p>staffing (Sch 2, 66)</p> <p>Compliance with duties under Health and Safety at Work Act (Sch 2, 67)</p> <p>Provision of information to or at the request of the Crown relating to schools (Sch 2, 68)</p> <p>School companies (Sch 2, 69)</p> <p>Functions under the Equality Act 2010 (Sch 2, 70)</p> <p>Establish and maintaining computer systems, including data storage (Sch 2, 71)</p> <p>Appointment of governors and payment of governor expenses (Sch 2, 72)</p> |

Table 8a: Central services responsibilities held by local authorities (statutory and regulatory duties)

Education welfare

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|---|---|
| <p>Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)</p> <p>School attendance (Sch 2, 16)</p> <p>Responsibilities regarding the employment of children (Sch 2,</p> | <p>Inspection of attendance registers (Sch 2, 78)</p> |

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|---------------------------------------|---|
| 18) | |

Table 8b: Central services responsibilities held by local authorities (education welfare)

Asset management

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|---|---|
| <p>Management of the LA’s capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)</p> <p>General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)</p> <p>This does not apply to VA schools.</p> | <p>General landlord duties for all maintained schools (Sch 2, 76a & b (section 542(2)) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have:</p> <ul style="list-style-type: none"> • appropriate facilities for pupils and staff (including medical and accommodation) • the ability to sustain appropriate loads • reasonable weather resistance • safe escape routes • appropriate acoustic levels • lighting, heating and ventilation which meets the required standards • adequate water supplies and drainage • playing fields of the appropriate standards |

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|---------------------------------------|--|
| | <p>General health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc. Act 1974)</p> <p>Management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012)</p> |

Table 8c: Central services responsibilities held by local authorities (asset management)

Central support services

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|---------------------------------------|---|
| No functions | <p>Clothing grants (Sch 2, 52)</p> <p>Provision of tuition in music, or on other music-related activities (Sch 2, 53)</p> <p>Visual, creative and performing arts (Sch 2, 54)</p> <p>Outdoor education centres (but not centres mainly for the provision of organised games, swimming or athletics) (Sch 2, 55)</p> |

Table 8d: Central services responsibilities held by local authorities (central support services)

Premature retirement and redundancy

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|---------------------------------------|---|
| | |

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|---------------------------------------|--|
| No functions | Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 2, 77) |

Table 8e: Central services responsibilities held by local authorities (premature retirement and redundancy)

Monitoring national curriculum assessment

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|---------------------------------------|---|
| No functions | Monitoring of National Curriculum assessments (Sch 2, 74) |

Table 8f: Central services responsibilities held by local authorities (monitoring national curriculum assessment)

Therapies

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|---------------------------------------|--|
| No functions | This is now covered in the high needs section of the regulations and does not require schools forum approval |

Table 8g: Central services responsibilities held by local authorities (therapies)

Other ongoing duties

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|--|---|
| Licences negotiated centrally by the Secretary of State for all publicly funded schools (Sch 2, 8); this does not require schools forum approval | No functions |

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|--|---|
| <p>Admissions (Sch 2, 9)</p> <p>Places in independent schools for non-SEN pupils (Sch 2, 10)</p> <p>Remission of boarding fees at maintained schools and academies (Sch 2, 11)</p> <p>Servicing of schools forums (Sch 2, 12)</p> <p>Back-pay for equal pay claims (Sch 2, 13)</p> <p>Writing to parents of year 9 pupils about schools with an atypical age of admission, such as UTCs and studio schools, within a reasonable travelling distance (new addition to CSSB, to be included in 2018 to 2019 regulations)¹</p> | |

Table 8h: Central services responsibilities held by local authorities (other ongoing duties)

Historic commitments

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|--|---|
| <p>Capital expenditure funded from revenue (Sch 2, 1)</p> <p>Prudential borrowing costs (Sch 2, 2(a))</p> <p>Termination of employment costs</p> | <p>No functions</p> |

¹Funding for this duty was previously delivered to local authorities via a s.31 grant. Additional funding will be added to the CSSB baseline for this from 2018-19.

| Responsibilities held for all schools | Responsibilities held for maintained schools only |
|--|---|
| (Sch 2, 2(b)) Contribution to combined budgets (Sch 2, 2(c)) | |

Table 8i: Central services responsibilities held by local authorities (historic commitments)

Additional note on central services

Services set out in the tables above will also include administrative costs and overheads relating to these services (regulation 1(4)) for:

expenditure related to functions imposed by or under Chapter 4 of Part 2 of the 1998 Act (financing of maintained schools), the administration of grants to the authority (including preparation of applications) and, where it's the authority's duty to do so, ensuring payments are made in respect of taxation, national insurance and superannuation contributions

expenditure on recruitment, training, continuing professional development, performance management and personnel management of staff who are funded by expenditure not met from schools' budget shares and who are paid for services

expenditure in relation to the investigation and resolution of complaints

expenditure on legal services

Falling rolls fund

1. Local authorities may set aside schools block funding to create a small fund to support good schools with falling rolls, where local planning data shows that the surplus places will be needed within the next three financial years.

1.1. The schools forum should agree both the value of the fund and the criteria for allocation, and the local authority should regularly update the schools forum on the use of the funding.

1.2. As with the growth fund, the falling rolls fund is also within the national funding formula schools block.

2. Criteria for allocating falling rolls funding should contain clear objective trigger points for qualification, and a clear formula for calculating allocations. Differences in allocation methodology are permitted between phases.

2.1. Compliant criteria would generally contain some of the features set out below:

- support is available only for schools judged good or outstanding at their last Ofsted inspection (this is a mandatory requirement)
- surplus capacity exceeds a minimum number of pupils, or a percentage of the published admission number
- local planning data shows a requirement for a minimum percentage of the surplus places within the next three years
- formula funding available to the school will not support provision of an appropriate curriculum for the existing cohort
- the school will need to make redundancies in order to contain spending within its formula budget

2.2. Methodologies for distributing funding could include:

- a rate per vacant place, up to a specified maximum number of places (place value likely to be based on AWPU)
 - a lump sum payment with clear parameters for calculation (for example, the estimated cost of providing an appropriate curriculum, or estimated salary costs equivalent to the number of staff who would otherwise be made redundant)
3. Where falling rolls funding is payable to academies, the local authority should fund the increase for the period from the additional September intake through until the following August.
 4. Local authorities should report any falling rolls funds remaining at the end of the financial year to the schools forum.
 - 4.1. Funding may be carried forward to the following funding period, as with any other centrally retained budget, and local authorities can choose to use it specifically for falling rolls.