

AGENDA



SCHOOLS FORUM

Date: Thursday 20 September 2018
Time: 4.30pm
Place: Room 0012, Badminton Road Offices, Yate,
BS37 5AF

Distribution

Members of the Committee

Rhona Allgood	Keith Lawrence (Chair)
Dave Baker	Louise Leader
Penny Chislett	Jim Lott
Mark Dee	Sarah Lovell
Jo Dent	Diane Owen
Mark Freeman	Lisa Parker
Kim Garland	Ann Reed (sub)
Elizabeth Gibbons	Max Reed
Clare Haughton	Peter Smart
Emma Jarman	Susie Weaver
	Bernice Webber

Appropriate Officers

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Helean Hughes

Councillors

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AGENDA

1	WELCOME AND INTRODUCTIONS	5 mins
2	APOLOGIES FOR ABSENCE	5 mins
3	EVACUATION PROCESS	5 mins
4	ANY OTHER ITEMS THE CHAIR DECIDES ARE URGENT	5 mins
5	MINUTES OF THE MEETING HELD ON 12 JULY 2018	5 mins
6	SCHOOLS BUDGET 2019/20 – OPTIONS FOR CONSULTATION	30 mins
7	DATES OF FUTURE MEETINGS AND THE SCHOOLS FORUM WORK PROGRAMME 2018	5 mins
8	ANY OTHER BUSINESS	5 mins

SCHOOLS FORUM
Thursday 12th July 2018
Room 0012, Badminton Road Offices, Yate, BS37 5AF

PRESENT:

Dave Baker (Vice Chair)	Executive Headteacher, Olympus Academy Trust
Mark Dee	Executive Headteacher, The Park and Parkwall Primaries
Nicky Edwards	Natural Choice Nurseries
Mark Freeman	Headteacher, St Michael's Primary, Stoke Gifford
Kim Garland	Headteacher, Brimsham Green School
Clare Haughton	Page Park Pre School
Trevor Jones	Councillor, South Gloucestershire Council
Keith Lawrence (Chair)	Governor, Culverhill, School
Louise Leader	Headteacher, Pathways Learning Centre
Jim Lott	Governor, The Tynings Primary and Raysfield Federation
Sarah Lovell	Finance Director, Cabot Learning Federation
Diane Owen	Chair, Kings Oak Academy
Lisa Parker	Headteacher, Warmley Park School
Peter Smart	Interim Principal, Winterbourne Academy/Headteacher, Castle School
Attending for Item 6 only	
Katherine Turner	Acting Headteacher, Chipping Sodbury School
Andy Havard	Vice Chair, Chipping Sodbury School

Officers:

Mustafa Salih – Head of Financial Management and Business Support
 Helean Hughes – Head of Education, Learning & Skills & Virtual Headteacher
 Kate East – SEND Consultant
 Sue Morgan – Integra
 Davina Gibbon – Corporate Finance

1. WELCOME AND INTRODUCTIONS

Attendees were welcomed by the Chair.

2. APOLOGIES FOR ABSENCE

Ann and Max Reed, Toby Savage, Susie Weaver and Bernice Webber-Brown

3. EVACUATION PROCESS

The Chair drew attention to the emergency evacuation procedure

4. ANY OTHER ITEMS THE CHAIR DECIDES ARE URGENT

None

5. MINUTES OF THE MEETING HELD ON 10 MAY 2018

Nicky Edwards to be recorded as attendee on January 2018 and May 2018 Schools Forum minutes. Amend CH ref in Item 9 to NE.
Minutes of the previous meeting were accepted as a true record.

6. SCHOOLS SPECIFIC CONTINGENCY: CHIPPING SODBURY UPDATE REPORT

KT and AH presented the update report. KT thanked Schools Forum for their support. One of the key risks was outcomes for students. Ofsted have now completed their inspection and whilst the report is not yet published the feedback is that there is recognition of school improvements and the impact of changes that have been put in place. The budget is being monitored and funding used prudently. Funding has been used to add capacity for senior leadership and experienced headteachers have been working with the school. Staff performance has been looked at and there is improving teaching and learning. There has been additional support for the Schools Business Manager. English and Maths departments as core subjects have required support due to personnel issues including illness. The school is working to improve outcomes for vulnerable pupils. Since the application for funding there has been a change of governance.

A review of staffing costs/TLR was deferred due to Ofsted, but a formal process of review will start in autumn. There are savings where there has been staff turnover and replacement posts have smaller TLR's which reflect the school structure and size. Recovery plan is dependent on pupil numbers this is growing with a small year 11 leaving and a bigger year group starting in September. The school has agreed with LA to breach PAN making maximum efficiencies on group sizes and curriculum model.

They are anticipating that the deficit recovery plan will be ahead of schedule by the end of the year with the revised year-end balance at £1m deficit. This has been due to an additional £73k saving in year from ending 2.2 fixed term contracts.

AH added that the deficit had been historic and that over than last three years the school had been able to produce a break even in year budget.

KT said that they had looked at benchmarking and that the staff at the school are mature and experienced and therefor costly at approximately 80% of total income and that they are mindful of looking at ways to reduce this.

MS added that following the issuing of the Notice of Concern (NoC) which limited the schools powers of delegation, the LA meets with the school on a regular basis to provide challenge and support. This is working well and LA has noticed a step change in the schools approach to its budget and actions going forward. From the LA perspective the action the school has taken in response to the NoC has been positive.

KL commented that the recovery plan relied on pupil number growth. AH responded that they had small year groups in the upper years but that the school

is being helped by the fact that it is popular with intake year breaching at 160. KT also responded that the 6th form offer had been reduced.

DB commented that the forecast for the next three years is better when other schools are struggling and queried what budget assumptions had been made.

AH responded that funding increase is due to increase in pre 16 pupil numbers which do not require additional staffing. Pre 16 funding is currently supporting post 16 provision due to small numbers.

SL added that she had visited the school and that the recovery plan looked achievable due to managing pupil numbers.

KT and AH stated that the AS Centre which was originally set up for 8 pupils now has 12. The AS Centre has costly pupils but the unit is cost neutral.

MF asked whether the cost of more staff had been factored in to the recovery plan. AH responded that there has been some increase but that there was a more efficient staffing/curriculum model.

MF asked whether it was realistic with the impact on pupils to recover over 5 years and could this be over a greater number of years. MS responded that the recovery plan timetable requirement was included in the Notice of Concern. This was already longer than the norm for a school with a deficit budget. The timetable will be reviewed as part of the regular dialogue with the school.

Agreed

Sarah Lovell to continue to act as School Forum liaison with the school and the Council

The school will provide a further update report in six months.

Schools progress positively noted by Schools Forum.

7. SEND INTERVENTION FUND CLUSTERS

KE presented the follow up report which has taken on board previous feedback and comments. There has been work in the council on six clusters primarily derived from Adult Social Care and Health through GP practices but are also used for early help. Logical to test on pilot whether the same clusters could be used. Important to move quickly to implement pilot so that feedback can be obtained for implementation by April 2019 but September date in report is too soon.

Primary Heads requested evidence base on use in other LA's and this has been included in the appendices to the report.

MD reported that the ready reckoner had been discussed at Heads Exec and whilst the group acknowledged the level of work undertaken and the need for change, it did query whether two terms is a sufficient timescale to evaluate outcomes. Also, the move to social care based clusters is the right way to move but schools currently tend to work in smaller groups and not necessarily with the schools in the new cluster groups and it is likely to be challenging to evaluate

outcomes in two terms. Clarification was required on what are the schools signing up to and how clusters would operate.

KE schools are signing up to the visions outlined in the previous paper including a reduction in exclusions, inclusive outcomes for SEND pupils and a reduction in EHCPs. There would be a senior leader in each cluster who would be the point of contact, a SENCO to have additional time to access need across schools, testing systems of interventions. KE is working with officers within the authority to get systems in place.

DB raised the issue that Trust schools were in different cluster groups. He also said that there was a danger that schools would not feel the benefit of the national funding formula if funding was continually transferred to high needs spend and that it was important to get the balance right.

KG stated there was very little detail on the plan of how the £1m would be spent and how Schools Forum could be reassured that it was being managed well and its effectiveness monitored.

MS provided background on the high needs spend, with growth in 2015/16 at 11.4%, growth in 2016/17 at 14.6%, growth in 2017/18 at 6.3% and forecast growth in 2018/19 at 3.8%. While the trend has slowed in 2017/18 due to the introduction of measures, the annual overspend is £3m. Action continued to be needed at pace but in a planned way, intervention cluster fund will be part of that by using funding more effectively. Consultation paper on schools funding will be presented to September Forum which will include options on either transferring £3m from Schools Block to High Needs Block or reduce High Needs rates. The consultation options would include modelling at school level.

DB raised concerns that the increase in funding from the National Funding Formula due to the authority being lowly funded had already been transferred to the high needs block with the further transfer request of £3m in 2019/20 and how this would be sustainable with a hard formula.

MS responded that the transfers already made prior to a hard formula will be permanent transfers.

MF asked how much the High Needs Block is. MS confirmed that this was around £30m. MF said that more detail needs on what the funding transfers have gone on and there was concern as South Gloucestershire's level of high needs spend is higher than statistical neighbours. MS said that this is linked to the next paper which uses a more transparent ready reckoner process for distributing funding to schools

KE there is ongoing work reviewing pupils with highest matrix funding

SL asked what the distribution of pupil's number was between groups. KE confirmed that there was relatively even distribution of 0-18 pupils.

MF stated that if you keep main school funding low that it is more likely that schools will apply for EHCPs.

MD raised concerns about the capacity of schools to deal with exclusions following impact of reduced funding and staffing reductions.

MS stated that the authority was visited by the DfE officials to look at our high needs pressures and related issues. They are also visiting other authorities. It seems that High Needs is being looked at a national level but there is no feedback on any extra funding at this stage. The DfE were positive about the actions that South Gloucestershire had already taken including the block transfers. They were also positive about the authority coming forward with a further transfer request in 2019/20 but this would be subject to Secretary of State (SoS) approval. It is likely that the probability of the SoS approving a transfer would be reduced if schools were not supportive of a transfer.

Agreed

Schools' Forum supported the adoption of the five SEND clusters (cluster 5 merged with 4) for the purposes of the Pilot. Schools are to be included in cluster groups for pilot evaluation. The final allocation of schools to cluster groups will be determined after the Pilot.

Schools' Forum supported the approach to the Pilot phase which will focus on one or a maximum of two clusters and request an update on progress in the Schools' Forum meeting in November 2018.

Schools' Forum receive an evaluation Report in January 2019 to review learning from the Pilot and planning for the implementation of cluster working across the LA (planned for April 2019).

School letter to request expression of interest for involvement in the pilot deadline extended to 14th September.

8. UPDATE ON THE PROGRESS OF THE SEND READY RECKONER PILOT

KE presented the report. The LA proposal is to use a ready reckoner to replace matrix funding. Matrix funding has been in place for number of years and is no longer fit for use. The local authority will look at the needs in plan based on advice from schools, early year settings and professionals. Work is being undertaken to ensure that new plans are more specific and quantifiable so that it is clearer what provision needs to be put in place. This will be input into the ready reckoner, which will generate an appropriate funding level. The proposal is to implement for mainstream schools from September for new plans and for any plan where a pupil is changing school.

The ready reckoner could be used in the future for resource base, special schools and FE colleges but that would be a future development.

KE clarified that the Appendix 2 chart sectors primary and secondary included academies.

NE queried Early Years costs showing zero. KE clarified that the increased cost on early year pupils was when they transferred from the Early Years settings into Reception and matrix funding mechanism.

Agreed

Schools Forum agreed to the proposed implementation of the SEND Ready Reckoner from September 2018 for all new plans and for plans that are being changed.

9. EXCLUSIONS – FUNDING FOLLOWING THE PUPIL

MS presented a verbal update. There was agreement at the principals set out in the paper presented to the previous Schools Forum meeting but there was an issue regarding the lagged nature of academy funding. MS has been in discussion with academy colleagues and there is a proposal on how this may be resolved but the funding adjustment would be a single amount regardless of the point of the year at which the exclusion took place. This needs further review and modelling.

MS also corrected the previous report by clarifying that academies should have within their funding agreement, pupil exclusion funding following the pupil in the same way as maintained schools.

10. ANY OTHER BUSINESS

NE requested clarification in 2017/18 Early Years Inclusion Funding

Papers presented to previous Schools Forum on 2017/18 DSG Outturn stated whilst there was an overall overspend for the DSG, the Early Years Block had an underspend of £271k due to underspend on central staffing budgets due to vacancies and Early Years Inclusion due to the number of approved requests being less than funding available for the year.

NE has requested meeting with Mustafa Salih to discuss DSG/ Early Years Inclusion Fund but not yet met. Since the March Schools Forum there has been a follow up meeting with EY Forum Working Group. EY Inclusion fund came in as a result of the Early Years National Funding Formula (EYNFF) which came in in April. The Government allowed LA's to create supplements from the EYNFF for deprivation (mandatory) and inclusion fund. The sector was consulted and voted to place 2% in supplement as the sector believed that this would have a positive outcome for pupils.

There created a £244k funding pot in 2017/18. Officers working with the sector designed a process to spend funds and for providers to apply for the funds. This took 6 months to implement and apply model and the process has proved somewhat unwieldy. Settings have started to apply for funding but less than 30% of EY providers have applied for the funding and less than 1% of Childminders and this resulted a £170k underspend in 2017/18. This under spend has gone against the 2017/18 DSG overspend balance.

Given that the DSG recovery is ahead of schedule NE has asked whether the EY Inclusion Fund underspend can be carried forward to 2018/19 or whether it can be spent in other innovative ways for the sector e.g. cluster work. Confident that 2018/19 pot will be spent.

MS is happy to meet with NE to discuss in more detail and asked for NE to contact him direct. MS explained that School Funding Regulations refer to DSG in totality not individual blocks (Schools, High Needs, Early Years etc.) and that there is a requirement where there is a DSG overspend to make that overspend the first call on next year's overall DSG.

NE concern that base rate of providers rate was cut for Inclusion Fund and underspend has been lost as consultation was sold to providers as being available to support pupils.

DB asked what the call on the 2018/19 Inclusion Fund will be.

NE stated that Council cannot employ staff to do some of the work but providers could and underspend from 17/18 could be used to support this. Workshops on how to complete funding application form.

Issue that need to demonstrate outcome after 3 months but this is not a long enough period.

HH – Rachel Webb working closely with you on this. Inclusion funding on track to be spent this years (currently 48-50% spent) but HH has asked EY Team whether we are seeing all settings accessing the funding equally. Job of the Early Years Team to promote accessing Inclusion Funding. Looking Speech & Language programme to roll out. Accept that the application mechanism was a cumbersome process and it has been simplified but appreciate that it might be a step too far for some providers.

NE Inclusion Fund was top slice on Providers base rates. Is there a mechanism that the 2017/18 underspend can be made available.

MS. Willing to take views from Schools Forum. One way forward could be to allocate additional funding to next year's EY budget. If there was mileage in this then we could ask EY colleagues to draft a report for the next Schools Forum for approval.

NE. a one off lump sum could be considered to raise the profile of what we are trying to do.

HH. It would be good to have a paper to next Schools Forum to include more detail.

Agreed

An Early Years paper would be presented to the next Schools Forum

11. DATES OF FUTURE MEETINGS

September to include consultation on 2019/20 school funding arrangements and a report on Early Years funding.

The meeting closed at 18.20

South Gloucestershire Council

SCHOOLS FORUM

20 September 2018

Schools Budget 2019-20 – Options for Consultation

Purpose of Report

1. To update the Schools Forum on the developing options for a consultation exercise with all Schools, the Schools Forum and the public over the coming months as part of setting the School Budgets for 2019-20.

Policy

2. The Financing of Maintained Schools Regulations 2018 requires local authorities (LAs) to set the Schools Budget each year. The Schools Budget is defined in regulations and broadly represents all the expenditure incurred by local authorities that relate to schools. The source of funding to support the Schools Budget is a ring-fenced grant received by local authorities known as the Dedicated Schools Grant (DSG). Local Authorities must distribute an element of the Schools Budget to their maintained schools using a formula which accords with the regulations made by the Secretary of State for Education and enables the calculation of a budget share for each maintained school. The financial controls within which delegation works are set out in the Scheme for the Financing of Schools.
3. The DSG is allocated to local authorities in 4 blocks as follows:
 - Schools Block: relates mainly to funding for mainstream school budget shares
 - High Needs Block: relates to funding to support children and young people with SEND
 - Early Years Block: relates to funding for supporting nursery education providers and other general early years education responsibilities
 - Central Services Block: relates to funding to support LA statutory responsibilities relating to schools

4. Requirements relating to each of the blocks and the DSG in totality are covered in the regulations previously mentioned.
5. The Schools Forum has a key responsibility to act as a consultative body with the local Authority on the strategic financial management of the Schools Budget and the DSG. A key priority in this area is to take decisions that ensure sound financial management of the Schools Budget.

Background

6. This report sets out the latest information available and proposed options to consider and consult on in setting the 2019-20 Schools Budget including setting the formula for calculating school budget shares.
7. From 2018/19 a new schools National Funding Formula (NFF) was introduced by the Government which resulted in growth to South Gloucestershire's Schools Block allocation. This is a very welcome development, but contrasts to the position regarding the High Needs block which has not seen any significant growth in allocation despite local authorities experiencing significant spending pressures relating to supporting children and young people with SEND.
8. When the DSG system was first introduced, LAs had much greater flexibility to allocate the overall DSG across all the areas of school related expenditure according to local circumstances, pressures and priorities. The DSG was initially allocated as a single amount to each LA and LA's decided (in consultation) with the Schools Forum the priorities for allocating the DSG. A subsequent development was to recast each LA's DSG into the four blocks set out in paragraph 3 above with flexibility to allocate funding according to local priorities and pressures. A LA's chosen allocation could vary considerably to the Block Allocations. The latest development has been to seek to effectively fix spending in line with the block allocations. This reduction in flexibility has in general not been welcomed by LAs as demonstrated in consultation exercises undertaken by the DfE. The movement towards fixing spend in line with the Blocks means that the flexibility to shift overall DSG funding in line with local pressures and priorities has significantly been curtailed.
9. Added to this challenge has been the fact that there has been very little growth to LA's High Needs Block allocations despite the majority of LA's experiencing growing spending pressures in this area. Over the same period the Schools Block for South Gloucestershire has increased due to increasing pupil numbers and more significantly from additional funding to recognise the historic low funding for South Gloucestershire schools.

SEND Spending Pressures and SEND Funding Allocations

10. In 2015/16 South Gloucestershire's Schools Budget, which is 100% funded by the ring-fenced DSG, overspent by £1.2m and during 2016/17 the cumulative overspend was

forecast to reach £7.7m by the end of March 2016/17 (the actual outturn for 2016/17 resulted in a cumulative outturn of £6.5m). The cumulative overspend reached £9.4m by the end of 2017/18. The latest forecast for 2018/19 is a cumulative overspend of £12.5m by the end of 2018/19.

11. To bring the DSG back into balance, which is an inescapable statutory requirement, a consultation with all Schools and the Schools Forum resulted in an agreed DSG Deficit Recovery Plan being approved by the Schools Forum and the Council.

12. The SEND spending pressures over recent years can be seen in the following table:

High Needs Budget Pressure Areas	2014/15	2015/16	2016/17	2017/18	2018/19
	Outturn £'000	Outturn £'000	Outturn £'000	Outturn £'000	Estimated Outturn June 2018 £'000
Independent and Non-Maintained Special Schools - Placements	3,745	4,217	5,463	5,419	6,105
Statemented Support (including High Incidence Payments)	4,781	5,368	6,121	6,376	6,957
Post 16 High Needs Placements	1,949	2,422	3,157	3,211	3,317
South Gloucestershire Special Schools	7,085	8,084	8,773	9,606	10,256
South Gloucestershire Resource Bases	2,803	3,190	3,286	3,412	2,876
PLC	2,004	1,645	1,765	2,347	2,098
Total	22,367	24,926	28,565	30,371	31,609
Annual % Change		11.44%	14.60%	6.32%	4.08%

13. Although the previous table shows welcome signs of the DSG Recovery Plan starting to have an impact and significantly reduce the rate of annual increase, nevertheless it can be seen that spending has increased across all areas of SEND expenditure, resulting in overall annual increases as follows:

	14/15 to 15/16	15/16 to 16/17	16/17 to 17/18	17/18 to 18/19	Total 14/15 to 18/19
	£000	£000	£000	£000	£000
Increase in SEND spend	2,559	3,639	1,806	1,238	9,242
% Increase	11.4%	14.6%	6.3%	4.1%	41.3%

14. During this same period the level of funding allocated to South Gloucestershire through the High Needs Block has not kept pace with the increasing spending pressures. Growth for School funding has entirely been through the Schools Block as can be seen in the following table:

Movement in Blocks Relating to Growth

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Cumulative	
	£000	£000	£000	£000	£000	£000	£000	
Schools Block	7,800			4,100	3,700	300	15,900	Funding for low funded LAs + NFF
Transfer to High Needs Block		-1,600	-1,600	-2,900			-6,100	£3m in 19/20 is Council's preferred option
Net Schools Block	7,800	-1,600	-1,600	1,200	3,700	300	9,800	
High Needs Block							0	
Transfer from Schools Block		1,600	1,600	2,900			6,100	
Net High Needs Block	0	1,600	1,600	2,900	0	0	6,100	

15. The result of these SEND pressures and an arguable mismatch in funding allocations has resulted in the following position regarding the overall DSG and the DSG Deficit Recovery Plan:

DSG Deficit Recovery Plan (incorporating latest forecast for 18/19)

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000	£000
B/F Overspend	0	1,214	4,841	9,434	12,493	9,113
In Year over(+)/Under(-)spend	1,214	3,627	4,593	3,059	-3,380	-7,126
Cumulative Overspend	1,214	4,841	9,434	12,493	9,113	1,987

Shaded figures are forecasts

16. The initially agreed DSG Deficit Recovery Plan showed a return to balance by the end of 2020/21. Despite being ahead of the plan in 2016/17 and 2017/18 and despite the level of annual SEND expenditure increase falling sharply this progress has not been sufficient to impact on the large increases experienced thus far and our latest forecast for 2018/19 means that the original Deficit Recovery Plan target to achieve balance by 2020/21 is at considerable risk. The previous table also shows that to just cover the in-year overspend for 2018/19 would require an increase of just over £3m to the High Needs Budget.

Schools' General Financial Position

17. Schools in general over recent years have experienced real terms budget pressures; a position confirmed by various economic research groups such as the Institute for Fiscal Studies. For South Gloucestershire Schools the actual position can vary from school to school but at an aggregate level the overall level of balances held by maintained Schools amounted to £4.8m as at the end of 2017/18 and the number of maintained schools working with the Council regarding potentially submitting a deficit budget for 2018/19 is eight, which is a reduction from the nine schools that ended 2017/18 with a deficit balance.

18. Appendix B also provides some useful benchmarking information to show how South Gloucestershire's SEND allocations to schools and EHCP numbers compare with other LAs.

Options for Consultation Regarding the Schools Budget 2019/20

19. The requirement to make continued progress towards achieving a balanced Schools Budget means that the Council will be launching a Schools and Public Consultation based on the following 3 options:

- A. Transfer £3m from the 2019/20 Schools Block to the High Needs Block and reduce Special Schools, resource bases and PRU funding by a proportionate amount. This is against a background of an anticipated further £3.7m growth to the Schools Block and a requirement to secure approval from the Secretary of State for Education for such a transfer
- B. A reduction of £3m across the board for High Needs Top-Up Funding on a proportionate basis across the mainstream, special, resources base and PRU sectors.
- C. A 50:50 combination of A and B above to achieve an equivalent £3m saving to the High Needs Budget.

20. Appendix A shows modelling completed to indicate the potential differences between the 3 options; as with all modelling done for these purposes the figures should not be viewed as amounts to show how much schools will actually get as that will be affected by data changes and the final DSG announcement.

21. The three options shown in paragraph 17 are necessary as short-term measures to continue making progress towards a balanced Schools Budget. Alongside this short-term requirement are longer term measures to ensure sustainability for the DSG in the medium to long term. It is also planned to consult with Schools and the Public on the following longer-term measures:

- Switching from the current Top-Up resource allocation tool (matrix) to a new Ready Reckoner, which will in long term ensure appropriate levels of top-up funding are allocated to schools based on assessed need.
- Introduction of Early Intervention Cluster Funding as agreed through 2018/19 schools' consultation by investing previous "SEND anomalies" (high incidence and first £6k of top-up funding)
- Review of Special Schools, Resources Bases and PRU to ensure the best fit of provision with future demands
- Developing a comprehensive banding approach covering the full spectrum of SEND need and age ranges
- Developing more local provision for SEND children and young people

22. These longer-term measures will take some time to reach a full level of impact but will significantly help the move back to a balanced Schools Budget and to cope with future demand pressures.

23. It is obvious that the Council would very much prefer not to have to consider any options that result in reduced funding for its schools, but the level of resources allocated to it mean that it has to set as a very high priority, continued but measured progress towards a balanced Schools Budget.
24. The historic perspective set out in this report shows the impact of SEND pressures and identifies that the only real DSG growth has been to the Schools Block. Added to these two facts is the Council's high priority to support our most vulnerable children and young people, which has led to option A being the Council's strongly preferred option.
25. The following table attempts to present the pros and cons of each of the 3 options:

Option	Pros	Cons	Issues
A. Transfer £3m from Schools Block to High Needs Block and a proportionate reduction for Special Schools, resource bases and PRU top-up funding.	The Schools Block is the only element of the DSG that has experienced funding growth; the Schools Block will still have received net growth of £1.7m over 2018/19 and 2019/20. Minimal impact on SEND funding for individual pupils	Blunts the impact of the introduction of the NFF. Affects Schools funding for mainstream pupils and pupils with lower levels of SEND need.	Requires Secretary of State approval.
B. Reduce Top-Up funding to Mainstream, Special School, Resource Base and PRUs by £3m	Minimal impact on mainstream School Budget Shares. Decision rests solely with the Council.	Affects funding passed to schools to support our most vulnerable pupils. More direct impact on individual pupils, parents and carers; public consultation views likely to be more significant. "Lost opportunity" as future years will not have benefit of a new injection of funding to the Schools Block.	
C. Combination of A and B above	Combination/variation of above	Combination/variation of above	Will still require Secretary of State approval

Timetable

26. The Council will be working to very tight timelines that are very much dictated by statutory requirements, whilst ensuring a robust consultation process which allows

adequate time for analysis of feedback prior to recommending the way forward to members. The following table sets out the timetable:

Timeframe for Schools Budget 2019/20 Consultation

Date	Description
20 September 2018	Schools Forum consulted on Schools and public consultation
21 September – 19 October 2018	Schools Consultation including Governor briefing events
1 October 2018 to 25 November 2018	Public Consultation Including events am/pm
25 October 2018	Schools Forum Statutory Consultation – outcome of schools' consultation and applications to Secretary of State (SOS)
25 November 2018	Public Consultation concludes
30 November 2018	Potential Submission to SOS requesting transfer
December 2018/ January 2019	SOS Decision
4 February 2019	Cabinet – Final Report with Recommendations
13 February 2019	Full Council – FINAL DECISION

Campaigning for Fairer Funding

27. South Gloucestershire's Schools Block funding is now currently the lowest in England and this relatively low level of funding is of major concern to the Council and no doubt to Schools. This relatively low level of funding has increased the pressure on the DSG and the Council is taking every action it can to raise this matter with central government. The Council is an active member of the F40 campaign group that represents the 40 lowest DSG funded local authorities. This group has been active in making the case for extra funding for LAs like South Gloucestershire.

28. The Council is committed to increasing the campaign with central government to seek fairer funding for its schools and for the High Needs Block. This will involve joint work with local MPs and direct requests to the Secretary of State.

2018/19 Transfer from Schools Block to High Needs Block

29. In setting the Schools Budget for 2018/19 the Forum was closely involved in the work to permanently transfer £2.9m from the Schools Block to the High Needs Block. The Forum and all schools were consulted on this permanent transfer with a clear majority of Schools and the Forum approving this permanent transfer. The Council was also successful in obtaining the Secretary of State's approval. Even though the consultation, the deficit recovery plan and the submission to the Secretary of State clearly identified this transfer as permanent, the recently published School Funding Operational Guide

for 2019/20 requires each LA to obtain confirmation from its Schools Forum that the 2018/19 transfer can be undertaken in 2019/20 and on an ongoing basis. This Report seeks that confirmation from the Schools Forum.

Financial Implications

30. The School Finance Regulations set out the arrangements which Local Authorities must follow when allocating the DSG funding to schools.
31. As the support for schools and other pupil related services expenditure is funded by the DSG there is no charge to the Council Budget. Hence there is no charge to the Council Tax payer.
32. The DSG is forecast to overspend in 2018/19. Any overspend will need to be recovered from future year DSG funding.

Legal Implications

33. There is a legal requirement for the local authority to:
 - submit the final school pro-formas and underlying data to the Education & Skills Funding Agency by the 21 January 2019.
 - confirm with schools their budget allocations for 2019/20 by 28 February 2019.
34. Funding changes that affect funding to support individual pupils require a public consultation and a comprehensive equalities impact assessment to ensure Members are adequately briefed to take an informed decision.
35. The Chief Financial Officer, after the end of the financial year, must confirm to the DfE that the grant conditions have been met.

RECOMMENDATIONS

- a. The Schools Forum is asked to consider and give its view on the three options proposed in this Report to form the basis of an all schools' and public consultation.
- b. With regards to the 3 options set out in paragraph 17, the Schools Forum is asked to give its initial view on its preferred option.
- c. The Schools Forum is asked to confirm the permanent transfer of the £2.9m transfer from the Schools Block to the High Needs Block agreed for setting the 2018/19 Schools Budget.

Author

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Chart 2: Placement of pupils with SEN statement or EHC plan (number per 1000 of 2-18 population)

2017-18

This chart breaks down the proportion of children and young people with SEN statements or EHC plans into where they are placed. The categories of special provision are explained in more detail in the “Glossary and sources” worksheet and the data can be found in data table 1.

Differences between local authorities should be interpreted with care. For example, lower numbers could reflect a lower use of a particular type of provision or a lower proportion of the population with SEN statements or

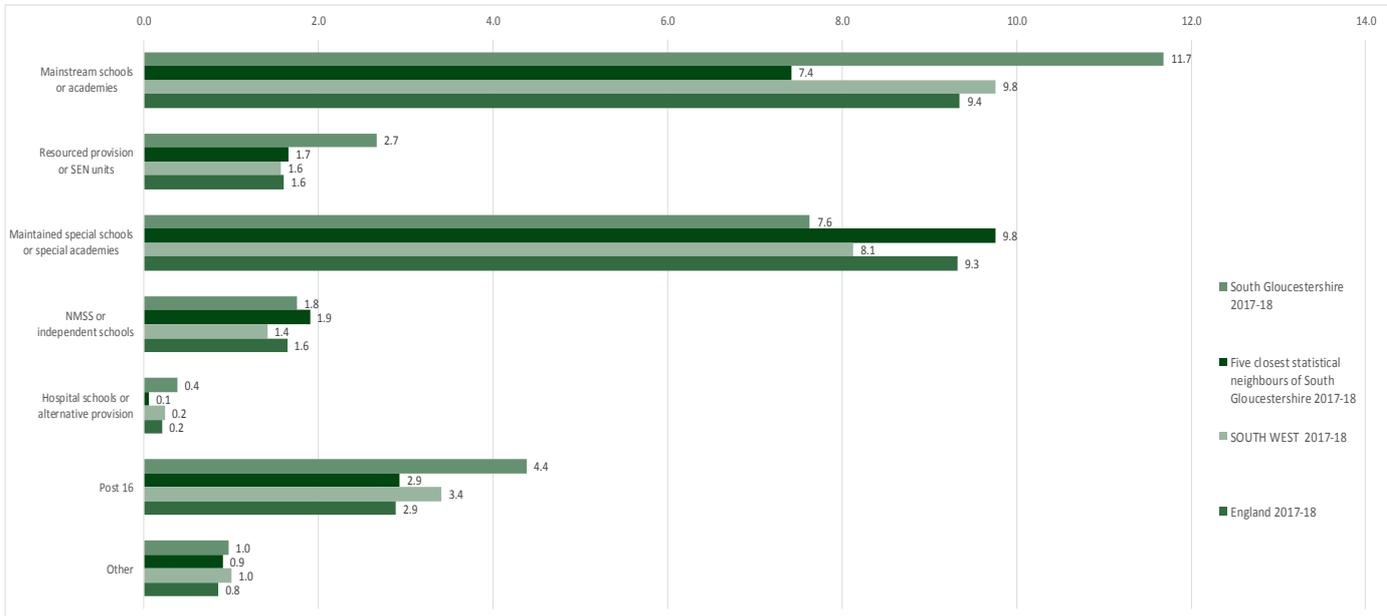
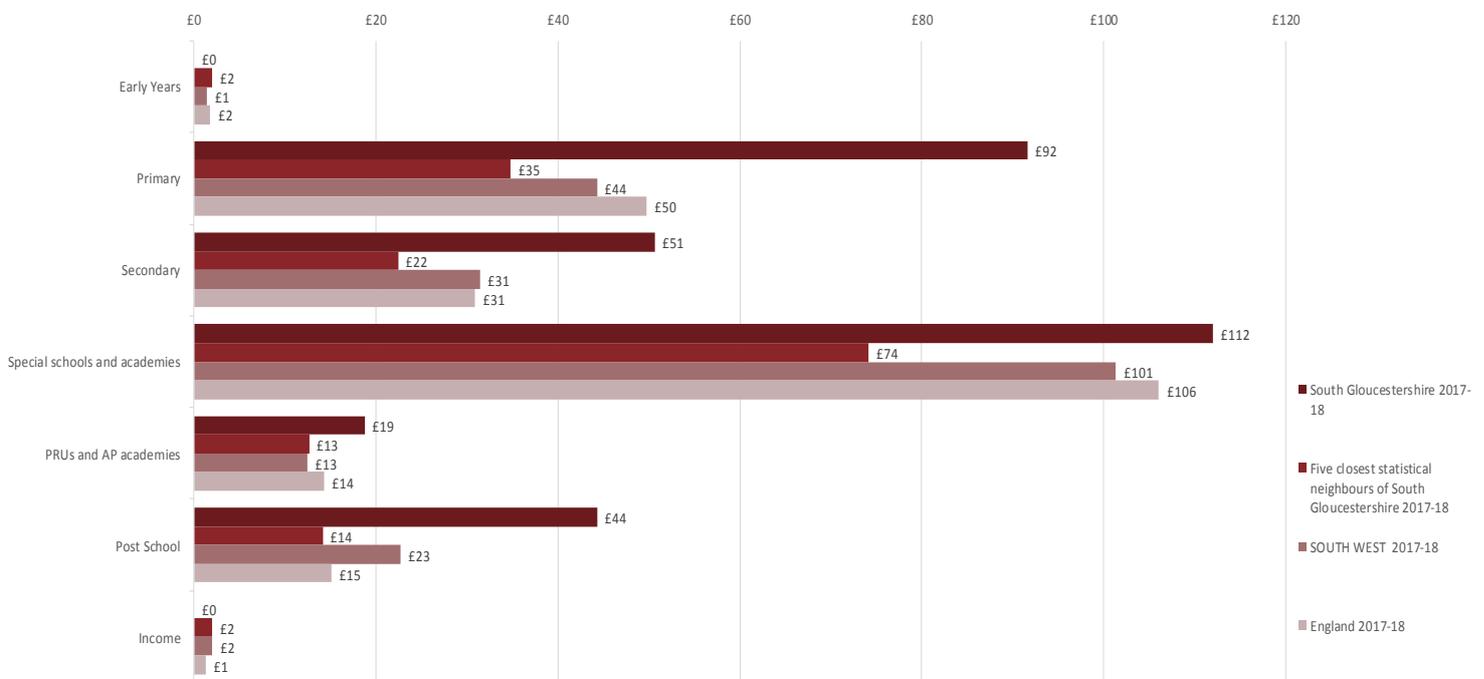


Chart 5: High needs budget per head of 2-18 population: top up funding (maintained schools, academies, free schools and colleges) split by type of institution



SCHOOLS FORUM FORWARD PLAN

25 th October 2018 @ 4.30pm Room 0012 Ground Floor	29 th November 2018 @ 4.30pm Room 0012 Ground Floor
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DATES OF FUTURE MEETINGS - 2019

ALL 4.30PM IN ROOM 0012, BADMINTON ROAD OFFICES

17TH JANUARY

28TH MARCH

9TH MAY

18TH JULY

ANY OTHER BUSINESS