



Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date: 19 November 2014

**Committee:
Schools Forum**

Date: Thursday, 27 November 2014

Time: 8.30 am

**Venue: Shrewsbury Training and Development Centre, Racecourse Crescent,
Monkmoor, Shrewsbury, SY2 5BP**

You are requested to attend the above meeting.
The Agenda is attached

Claire Porter
Head of Legal and Democratic Services (Monitoring Officer)

Members of Schools Forum

Bill Dowell (Chair)
Phil Adams
Austin Atkinson
Nicholas Bardsley
Richard Bray
Hilary Burke
David Chantrey
Chris Davies
Christine Harding
Christine Hargest
Ann Hartley
Sandra Holloway
Colin Hopkins
Jo Humphreys

Peter Ingham
Pete Johnstone
Martin Jones
Sally Lill
Yvette McDaniel
Kay Miller
Ian Nurser
Phil Poulton
Kay Redknap
Mark Rogers
James Sparkes
Colin Case
Joy Tetsill

Your Officer is:

Philip Wilson Service Manager Business Support People

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AGENDA

- 1 **Apologies**
- 2 **Minutes and Matters Arising**
- 3 **Lobbying**
- 4 **De-delegation 2015-2016 (Gwyneth Evans)**
- 5 **Schools in Deficit Protocol Update (Gwyneth Evans)**
- 6 **SEND Funding Task & Finish Group (Phil Wilson)**
- 7 **Dedicated School Monitoring (Deborah Fern)**
- 8 **Communications**
- 9 **Next Meeting**

Thursday 22 January 2015, 8.30 am, STDC, Monkmoor

Future Meetings:

Thursday 26 March 2015, 8.30 am, STDC Monkmoor

Thursday 18 June 2015, 8.30 am, STDC Monkmoor



Schools Forum

Date: 27 November 2014

Time: 8.30 am

Venue: STDC, Monkmoor,
Shrewsbury

Item/Paper

A

Public

MINUTES OF SCHOOLS FORUM HELD ON 20 OCTOBER 2014

Present

School Forum Members

Bill Dowell (Chair)
 Phil Adams – Academy headteacher
 Richard Bray – Secondary governor
 Hilary Burke – Secondary headteacher
 David Chantrey – Primary governor
 Christine Harding – Early Years and Childcare
 Christine Hargest – Association of Secretaries
 Sandra Holloway – Primary governor
 Jo Humphreys – Primary governor
 Peter Ingham – Secondary governor
 Sally Lill – Primary headteacher
 Yvette McDaniel – Primary headteacher
 Kay Miller – Primary headteacher
 Mark Rogers – Primary headteacher
 Joy Tetsill – Secondary governor

Members

Cllr Ann Hartley
 Cllr Nick Bardsley

Officers

Anne Gribbin
 Phil Wilson
 Gwyneth Evans
 Neville Ward
 Rob Carlyle
 Helen Woodbridge (Minutes)

Observers/visitors

Cllr Roger Evans
 Cllr Hannah Fraser
 Nathan Rowden, Shropshire Star

1. Apologies

Apologies had been received from Austin Atkinson, Colin Case, Chris Davies, John Hitchings, Pete Johnstone, Martin Jones, Kay Redknapp, James Sparkes, Ruth Thomas, Karen Bradshaw and Deb Fern.

Late apologies were received after the meeting from Ian Nurser, Phil Poulton and Gareth Proffitt.

The Chair welcomed Richard Bray to his first meeting. He also welcomed Nathan Rowden as an observer and he was asked step out of the meeting whilst the one confidential item was discussed.

Confidential item

Deficit Balance of a Sponsored Academy

Gwyneth Evans took Schools Forum through the paper which had been tabled. Phil Adams reiterated his disappointment that the school in question had not offered to pick up part of the deficit. He felt that this is unfair on other schools, some of whom would be competing for pupils.

The Chair advised that the deficit would be paid back over time and not from school budgets.

Anne Gribbin advised that she, together with funding officers, is working with

ACTION

vulnerable schools with potential deficit problems.

Christine Hargest was pleased that lessons have been learned and that the steps being taken will improve the situation for the future.

David Chantrey asked what would be reduced in central expenditure to cover this cost. Gwyneth Evans advised that it, for example, the costs could be met from under spends but acknowledged that this would be an opportunity cost as this retained funding supports schools indirectly.

The Chair had drafted a letter as discussed in the last meeting but it needs further work.

Hilary Burke asked about the possibility of never paying back the over spend as discussed in the last meeting.

Gwyneth Evans advised that it was an approach that could be taken but she would be uncomfortable with this 'hanging over us'.

Peter Ingham was concerned that the EFA providing additional funding for a converting school leaving a deficit balance. The Chair agreed to write to the EFA and include this point as it is unfair to other schools in the area served by the school.

Richard Bray was concerned that publicity about extra funding may have an adverse effect on maintained schools in the area.

Anne Gribbin and Gwyneth Evans advised that they are jointly challenging schools who potentially cannot afford their staffing structure.

It was agreed that more sharing of 'Shropshire-ised' benchmarking could take place and Rob Carlyle added that the benchmarking tool will help.

Sally Lill felt that it is not just vulnerable schools on the radar – successful schools need support to be sustained. There are other costs eg headteachers' emotional labour and this human cost should not be forgotten.

The Sustainability Task & Finish Group will continue to meet.

Phil Adams reminded Schools Forum that there are still too many schools in Shropshire.

2. Minutes and Matters Arising (Paper A)

The minutes of the last meeting were accepted as a true record. There were no matters arising which weren't on the agenda.

3. Lobbying

Lobbying was added to item 7.

4. Shropshire Schools Forum Constitution (Paper B)

Phil Wilson went through the paper.

Phil Adams advised that the secondary headteacher mini conference on 13 November would be an opportunity to discuss representation. Geoff Pettengell, who chairs the secondary headteacher group, will be asked to consider this and liaise with headteachers and governors.

David Chantrey asked how amendments to the constitution would be handled – would any representatives need to resign.

Jo Humphreys advised that she would be meeting with John Hitchings in December and that Phil Wilson could join this meeting to discuss governor representation.

Headteachers felt that it would be best to keep Chris Davies as the special school representative.

Schools Forum agreed to reword the constitution to allow the appointment of an independent Chair.

5. School Funding 2015-2016 (Paper C)

Gwyneth Evans went through her paper and the responses from schools were considered. Gwyneth advised that she will contact Lacon Childe School about their detailed response.

Peter Ingham asked about the 10 schools that had disagreed with the majority of funding being allocated on a pupil led basis. He asked if further explanation would be made to those schools.

Gwyneth Evans and Rob Carlyle confirmed that a response would be sent to all schools following this meeting.

Sally Lill felt that some comments had been made without wider understanding.

Schools Forum unanimously agreed to recommend the allocation of the additional funding, in line with the recommendation of 18 September 2014 Forum meeting, to the local authority.

It was confirmed that Cabinet would meet in early December to consider this.

Phil Wilson provided feedback from the meeting for headteachers and chairs of governors at The Lord Hill Hotel. The meeting had been generally positive and that the level of understanding of funding among schools was good. The simplicity of the formula has brought clarity. The Chair suggested that this was an endorsement of the successful work of Schools Forum.

The underlying message re sustainability continues. Other messages re federations have helped.

Peter Ingham thanked the officers for their work.

6. Dedicated School Grant Monitoring (Paper D)

Phil Wilson went through the paper.

David Chantrey asked what happens to any underspend. It was confirmed that if there is any underspend (and this is not planned) it will be carried forward.

7. Communications and Lobbying

The Chair advised that Gareth Proffitt has supported in developing a communication strategy which has been picked up by the local media. Nick Bardsley and the Chair have had a slot on local radio and there will be a feature on national radio and BBC TV in the near future. The focus will be on the falling numbers as the situation in Shropshire is very different to the national picture. This will help in getting the message across to Shropshire residents.

Schools Forum recorded their thanks to Gareth Proffitt.

It was agreed that there is a tremendous challenge for Shropshire but by working together it can be overcome. MPs need more briefings to understand that market forces don't work everywhere.

Ann Hartley advised that there was a Cabinet meeting next week and education sustainability is on the agenda. She reminded colleagues that although numbers are decreasing overall, there are some pockets in Shropshire where numbers are rising.

Phil Adams suggested that the removal of the middle tier of government was an issue.

Kay Miller was not sure that the establishment of federations is the answer to the sustainability issues being faced by some schools.

Ann Hartley stressed that collaboration is key.

Sally Lill made a plea for models of good and effective collaboration/federation to

be shared.

The Chair agreed suggesting messages being given about how it might work.

The Chair advised about continued concerns re Post 16 – it is not the responsibility of Schools Forum but there are 11-18 schools with sixth forms.

A briefing session with the Chair, Nick Bardsley, Janine Vernon (Lifelong Learning Manager) and Steve Wain (Principal, Shrewsbury College of Art & Technology) will continue discussions. Issues include the increased number of providers and unsustainable provision.

8. Next meeting

The next meeting will be held on Thursday 27 November 2014.

The meeting closed at 10.00 am.

Future meetings:

22 January 2015, 26 March 2015, 18 June 2015.

DRAFT



Schools Forum

Date: 27 November 2014

Time: 8:30 a.m.

Venue: Shrewsbury
Training and Development
Centre

Paper

B

Public

De-delegation 2015-16

Responsible Officer Gwyneth Evans

e-mail: gwyneth.evans@shropshire.gov.uk Tel: 01743 253875 Fax: 01743 254538

Summary

In 2013-14 school funding reforms reduced the number of centrally held budgets within the Schools Block by increasing delegation to maintained schools and academies.

Maintained primary and secondary schools can choose to de-delegate some of these newly delegated budgets subject to a Schools Forum decision by the representatives of each sector. De-delegation is not an option for academies, special schools, nurseries or pupil referral units (PRUs).

This report asks Schools Forum to make decisions on de-delegation for 2015-16.

Recommendation

That Schools Forum representatives of maintained primary and secondary schools agree to de-delegate for 2015-16 in line with the table in Appendix A of this report, including the adjustments to the level of budget held in 2015-16 in relation to the 10% contingency and maternity cover.

REPORT

1. The service areas listed in Appendix A to this report were delegated in 2014-15 to all Shropshire maintained schools and academies. Maintained primary and secondary schools are able to de-delegate these budget responsibilities subject to a Schools Forum decision by the representatives of each sector. Schools Forum must make de-delegation decisions on an annual basis. This report requires Schools Forum to make de-delegation decisions for 2015-16.
2. The figures in Appendix A detail the current 2014-15 budget for each of the service areas where de-delegation is an option and compares this with the estimated level of spend for the financial year. As the table shows, current monitoring of expected expenditure for the financial year is in line with budget in most cases.

3. Schools Forum was made aware of an overspend on the 10% pupil growth contingency budget in last financial year, 2013-14. As it was difficult to predict at that stage whether this was the start of a trend it was agreed that the 10% contingency budget in 2014-15 would remain at the 2013-14 budgeted level but that should it overspend again in 2014-15 consideration would be given to increasing the budget or increasing the percentage threshold over which schools trigger additional pupil growth contingency for future years.
4. The table in Appendix A details the expected overspend on the 10% pupil growth contingency budget in the current year, 2014-15. This overspend is despite changes to the calculation of the contingency in the current financial year to take account of a school's minimum funding guarantee allocation and the additional expenditure incurred by the school as a direct result of the increased numbers. **It is recommended that the expected overspend on the 10% contingency de-delegated budget is funded by the expected underspend on the maternity de-delegated budget in 2014-15.**
5. For 2015-16, rather than increase the percentage threshold above 10% to reduce costs, this report **recommends increasing the 10% contingency budget in 2015-16 to the expected outturn level for 2014-15.** This would increase the de-delegated unit value from £5.06 per primary pupil in 2014-15 to an estimated £8.40 per primary pupil in 2015-16.
6. As the maternity budget underspent in 2013-14 and is expected to underspend in 2014-15 also, this report **recommends reducing the maternity budget in 2015-16 to the expected outturn level for 2014-15.**
7. As there is no appropriate basis for predicting the split of maternity expenditure between primary and secondary schools in future years, the unit value in 2015-16 will be calculated on the average per pupil cost across primary and secondary. This will result in the de-delegated unit values per primary pupil reducing from £13.61 in 2014-15 to an estimated £13.08 per primary pupil in 2015-16 and the de-delegated unit values per secondary pupil reducing from £22.63 in 2014-15 to an estimated £13.08 per secondary pupil in 2015-16.
8. Schools Forum has previously agreed not to de-delegate the administration of free school meal eligibility. This service is offered to schools on a traded basis by the local authority.
9. The insurance de-delegated budget covers fidelity insurance – covering loss of money, securities or other property resulting directly from one or more fraudulent or dishonest acts committed by an employee or as a result of computer fraud. Schools Forum has previously agreed to de-delegate this budget to allow for this insurance cover to be arranged centrally on behalf of all Shropshire maintained schools.
10. Schools Forum agreed to de-delegate the trade union duties (more commonly referred to as facilities time) budget in 2013-14 and 2014-15. Attached to this report is a letter from the professional associations requesting Schools Forum continue to agree the de-delegation of this budget. Also attached is a letter from

the Chair of National Employers' Organisation for School Teachers on Local Government Association headed paper.

11. Schools Forum has previously agreed not to de-delegate the public duties or the library and museum services strategic management budgets. Schools are therefore currently responsible for meeting these costs from within their individual delegated budgets.

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Appendix A – Proposed De-delegation 2015-16

Service Area	2014-15 Budget (adjusted for academies where appropriate) £	2014-15 Estimated Spend £	2014-15 Estimated (Over)/Under Spend £	Delegated Responsibility	Delegation Factor	De-Delegated 2014-15	Provisional 2015-16 Budget £	Provisional 2015-16 De-delegation (based on Oct 13 data) £	Proposed De-delegation 2015-16 £
Contingencies: 10% pupil growth	87,680	160,000	(72,320)	No contingency for pupil growth	NOR	Yes	160,000	8.40 primary	Yes
Maternity cover	429,190	333,820	95,370	Maternity pay for staff in schools	NOR	Yes	334,000	13.08 primary and secondary	Yes
Administration of free school meal eligibility	0	0	0	Determining the eligibility of a pupil for free school meals	FSM	No	60,750	13.42 primary 17.83 secondary	No
Insurance	24,450	24,450	0	Liability arising in connection with fidelity insurance	NOR	Yes	24,450	0.76 primary 1.32 secondary	Yes
Trade Union Duties	60,160	60,160	0	Pay for school staff undertaking trade union activity	NOR	Yes	53,174	1.78 primary 2.91 secondary	Yes
Public Duties	0	0	0	Pay for school staff undertaking public duties	NOR	No	47,960	1.61 Primary 2.62 secondary	No
Library and museum services	0	0	0	Strategic management school library service	NOR	No	10,100	0.53 primary	No

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And / Guyon

26 SEP 2014
CONF EXECUTIVE

Director of People's Services
Shire Hall
Abbey Foregate
Shrewsbury
SY2 6ND

24 September 2014

Dear Director

We are writing on behalf of all employees working within the boundaries of your local authority area who are members of ATL, NAHT, NASUWT and NUT.

You will recall that, from last April, local schools agreed through your Schools Forum to 'de-delegate' funding for supply cover costs, including for trade union facilities time. We believe that this was the right decision – and a very big majority of Schools Forums made the same decision.

We believe that the central retention and distribution of the fund is the most effective and efficient arrangement and we would like to work with you to ensure that this arrangement continues. Discussions are now taking place in your authority on funding arrangements for supply cover costs from April next year and we are asking you to pass the information in this letter to members in your Schools Forum and to encourage them to vote again for de-delegation of funding arrangements for supply cover costs.

Successive governments have recognised the importance of good industrial relations and have legislated to provide a statutory basis for facilities time as follows.

- Paid time off for union representatives to accompany a worker to a disciplinary or grievance hearing.
- Paid time off for union representatives to carry out trade union duties.
- Paid time off for union representatives to attend union training.
- Paid time off for union 'learning representatives' to carry out relevant learning activities.
- Paid time for union health and safety representatives during working hours to carry out health and safety functions.

These provisions are contained within the Employment Relations Act 1999 and the Trade Union Labour Relations (Consolidation) Act 1992 and the Safety Representatives and Safety Committees Regulations 1997.

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ATL, NAHT, NASUWT and NUT have members and union representatives in academies as well as maintained schools within your local authority area and, in addition to seeking your support for continued de-delegation, we are seeking your agreement for the local trade union funding arrangement to be formally extended to academies within your local authority boundaries.

As the DfE Advice on Trade Union Facility Time acknowledges, the trade union recognition agreement between the authority and the recognised unions will have transferred to the academy school as the new employer of the transferred staff as part of the conversion process to academy status under TUPE. We believe that, following conversion, academies should also become parties to local authority trade union facilities arrangements.

The academies within your boundaries will have received funding for trade union facilities time in their budgets and they are entitled to use that funding to buy-back into local authority arrangements. Indeed, many academies across England have already agreed to buy in to local authority trade union facilities arrangements.

Pooled funding will help the local authority and all schools to meet their statutory obligations on trade union facilities time. Setting up a central funding arrangement will allow academies to pay into a central pool if they wish to. But most importantly, it will help maintain a coherent industrial relations environment where issues and concerns, whether individual or collective, can be dealt with more effectively.

We urge you, therefore, to support the de-delegation funding for supply cover costs and to continue or establish (if you did not do so previously) a mechanism whereby academies within your boundaries are able to buy into a central fund for trade union facilities time. If you agree to do so, we will write to academy principals to encourage them to buy in to your arrangement.

Yours sincerely

Mary Bousted

Russell Hobby

Chris Keates

Christine Blower

NEOST

National Employers'
Organisation
for School Teachers

3 October 2014

Lead Members in England
CC. Directors of Children's Services in England
CC. Members of the National Employers' Organisation for School Teachers
CC. Regional Directors

Dear Colleague,

As a result of a reform of school funding arrangements in 2012, services within the schools block and the funding for them is now delegated to schools in the first instance. However, within the delegated areas of spend there are some areas that can be retained centrally by the local authority, should the Schools Forum choose this option, thus enabling schools to 'de-delegate' the funds. One of these areas is staff costs or supply cover, which includes trade union facilities time. So while the funding change has provided a challenge to local authority pooled funding arrangements for facilities time this can be overcome where schools choose to de-delegate.

A further challenge to such pooled arrangements has come about as a result of the increasing number of schools converting to Academy status. Any de-delegation arrangements will not apply to Academies although many authorities allow academies to buy in to the pooled arrangements, and many academies are choosing to do so.

Despite the challenges, the National Employers' Organisation for School Teachers (NEOST) continues to support the principle of a pooled fund for trade union representation. Accordingly, whilst each individual schools forum is entitled to make its own decision whether or not to de-delegate funds or allow academies to buy back in, we are writing to encourage your authority to retain such a centrally-managed fund where possible. In this respect we would like to draw your attention to the following points:

- As result of decisions of individual schools forums the vast majority of local authorities continue to de-delegate funding for trade union facility time. Local authorities have indicated that, despite the different perspectives that management and unions often have, the local representatives make a valuable contribution to resolving employee relations issues (both individual and collective) before positions become entrenched and

resolution becomes more difficult and costly. These benefits are also acknowledged in the DfE guidance¹.

- To support good liaison between employers and trade unions officials, it is important that union representatives are able to exercise their entitlement to reasonable time off under both the Trade Union and Labour Relations (Consolidation) Act 1992² and the ACAS Code of Practice on time off for trade union duties and activities³.
- A form of 'pooled' facilities time fund is an efficient way of organising facility time. The DfE advice acknowledges the efficiency of 'pooled' facility time funds while stressing the need for transparency as to how charges are made and how schools will benefit⁴.
- Responses to an LGA survey of local authorities⁵ indicate that where a significant proportion of academies had chosen not to buy in to the facilities arrangements, this had in some cases led to less effective and efficient ways of arranging and managing facilities time. The LGA encourages authorities to provide academies with the option to buy back into any pooled arrangements for facilities where feasible and has asked Government to ensure that no financial or bureaucratic burdens are put in the way of such arrangements.

No doubt this is an issue that local authorities will wish to keep under review and we will seek to gather local intelligence, both through regional networks and if necessary a further survey of local authorities.

Yours faithfully,



Councillor David Simmonds
Chair, National Employers' Organisation for Schoolteachers

¹ Advice on trade union facilities time (DfE) <https://www.gov.uk/government/publications/trade-union-facility-time-in-schools> (page 6)

² Trade Union and Labour Relations (Consolidation) Act 1992
<http://www.legislation.gov.uk/ukpga/1992/52/contents>

³ ACAS Code of Practice <http://www.acas.org.uk/index.aspx?articleid=2391>

⁴ DfE advice on trade union facility time (page 12)

⁵ Trade union facility time survey (LGA) (page 16)
<http://www.local.gov.uk/documents/10180/12119/Trade+Union+Facilities+Time+Survey+%28PDF+%2C%2021+pages%2C%20169KB%29/2585e54d-10fd-42b1-acfb-e70ce8ed2da3>



Schools Forum

Date: 27 November 2014

Time: 8:30 a.m.

Venue: Shrewsbury
Training and Development
Centre

Paper

Public

Schools in Deficit Protocol Update

Responsible Officer Gwyneth Evans

e-mail: gwyneth.evans@shropshire.gov.uk Tel: 01743 253875 Fax: 01743 254538

Summary

Schools Forum supported, in June 2013, a Schools in Deficit Protocol for schools planning and managing a deficit budget following work undertaken by a Schools Forum Task & Finish Group.

In September 2014, Schools Forum agreed to a review of the protocol in light of the publication of the Academy Conversions (Transfer of School Surpluses) Regulations 2013 and the required treatment of deficits of sponsored academies on conversion.

It was agreed the Schools in Deficit Task & Finish Group should review and update the deficit protocol and report back to Schools Forum.

Recommendation

That Schools Forum note the approach the local authority is taking in relation to identifying schools at risk of becoming sponsored academies and support the updated deficit protocol for schools planning and managing a deficit budget as recommended by the Task & Finish Group.

REPORT

1. In June 2013, Schools Forum supported the work of a Schools Forum Task & Finish Group on the development of a Schools in Deficit Protocol for schools planning and managing a deficit budget in Shropshire.
2. School balances data presented to Schools Forum in June 2014 demonstrated a reduction in the number of schools in a deficit position, from 20 at March 2013 to 14 at March 2014, and a reduction in the total level of deficit balances, from £2.1m at March 2013 to £1.8m at March 2014.

3. The Academy Conversions (Transfer of School Surpluses) Regulations 2013 state that where a school with a deficit is to join the academy trust of an external sponsor and open as a sponsored academy, the deficit remains with the local authority. Local authorities will wish to work closely with converting schools to ensure that they manage the risk of an increasing deficit before conversion, and if a school is not managing its expenditure in a satisfactory manner, the local authority may withdraw delegation of the converting school's budget share in order to limit the potential cost to the local authority's budget.
4. In light of this regulation, the Schools in Deficit Task & Finish Group has reviewed and updated the Schools in Deficit Protocol for Schools Forum's consideration and support. Minutes of this meeting are attached at Appendix A to this report. The revised Schools in Deficit Protocol, with recommended updates shown in bold print, is attached at Appendix B to this report along with the required deficit recovery plan template and updated timeline. Appendix C details a recommended addition to the current protocol addressing the requirements for schools judged by Ofsted to be requiring special measures.
5. The local authority has introduced procedures to limit the financial impact on the local authority. Local authority officers meet on a regular (3 weekly) basis to identify vulnerable schools in terms of Ofsted and budget information. Letters are sent to headteachers and chairs of governors at the point their school is identified by Ofsted as requiring special measures or are identified by the local authority through its school performance monitoring as being vulnerable. The letter details the requirement for the school to provide the local authority with financial monitoring information on a monthly basis. The financial information must demonstrate a surplus balance position as at the date of conversion (or as at the end of each term if a conversion date is not known). The letter also reminds the school that if at any point they cannot demonstrate a surplus position at the point of transfer to academy status the local authority will exercise its right to withdraw financial delegation from the governing body.
6. Due to the tighter controls implemented it is fully expected that the number of maintained schools in deficit, and the total value of these deficits, will reduce further at March 2015 and in future years.

Deficit Protocol Task and Finish Group

Notes of key points raised at the meeting held on 6 November 2014 at Shrewsbury Training and Development Centre

In attendance

Mark Rogers, Peter Neil, Sandra Holloway, Phil Wilson, Gwyneth Evans, Rob Carlyle

1. Apologies were received from John Hitchings, Phil Poulton and Peter Ingham.
2. Introductions and welcomes were provided.
3. The current protocol for schools planning and managing a deficit budget was circulated to the group.

Gwyneth Evans introduced the paper and explained the issues relating to sponsored academy conversions.

There was group discussion with the main points listed below:

1. It was noted that it would be difficult to compel a school to buy into the gold finance SLA if a deficit had arisen or was required.
2. The local authority (LA) has set up a procedure to deal with schools not demonstrating financial responsibility when under an academy sponsorship order, which includes:
 - A letter to both the headteacher of the sponsoring school, and the school being sponsored, requiring them to provide monthly monitoring reports showing demonstrating that their budget is in surplus.
 - If a deficit position has arisen, then both headteachers are called in by the LA to explain why their budget has gone into deficit and to explain what action is being taken to ensure a surplus budget is achieved.
 - Withdrawal of delegation will be considered if no action is taken to address the deficit position.
 - SAMIS access is disabled from the first day of becoming a sponsored academy, outstanding invoices forwarded to Phil Wilson, who can access whether the costs are liable to the former maintained school or the academy trust.
3. Maintained schools can de-delegate funding to support schools in financial difficulty.
4. The LA has tightened its procedures around setting a deficit budget in light of the regulations allowing sponsored academies to leave a deficit budget with the LA when converting as sponsored schools.
5. The deficit protocol flowchart will form part on the budget information that is sent to maintained schools in the Spring term.
6. The school finance team is contacted concerning schools' finances.
7. Gwyneth Evans attends governor meetings to discuss specific issues relating to budgets.
8. Any schools that have potential budget problems must notify Gwyneth Evans in February/March, in advance of the new financial year.
9. It was noted that the development of the budget modelling tool, which will be available to all schools, will potentially assist in identifying budget problems earlier.

Action: The group agreed that schools must notify the LA of any potential budget problems by the third week in March and that this will be made clear in the flowchart appended to the protocol.

4. There are a handful of schools requiring special measures who potentially may become a sponsored academy.

At a previous West Midlands Funding Officers Group it was noted that other LAs were dealing with sponsored academy deficits in the similar way to Shropshire. The measures that are being sought are to protect both the LA and maintained schools.

A copy of the type of letter sent out by the LA to schools in special measures was distributed and discussed. The letter requires the school to demonstrate financial responsibility in maintaining a surplus prior to conversion.

The group were asked for comments and whether the tone of the letter was correct.

Each of the current sponsored academy converters have received a tailored letter based on their particular circumstances

Action: The group agreed that the tone of the letter was pitched at the appropriate level

5. There was general discussion on schools setting a deficit budget and how doing this can be a useful budget tool if managed correctly. Pupil mobility in small school can cause serious short-term financial problems and require a temporary deficit strategy.

Action: The revised protocol and appendices will be circulated electronically to the group members for comment ahead of a report going to Schools Forum on 27 November 2014.

6. No meeting date was set as this will depend on whether Schools Forum require the Task & Finish Group to undertake further work on the protocol.

7. The meeting closed at 3:15pm

Protocol for Schools Planning and Managing a Deficit Budget

Updated November 2014

Background

The local authority has a role to protect the financial position of each individual school, Shropshire schools as a community and the local authority. This role is recognised and supported by Shropshire Schools Forum as any irrecoverable financial liabilities incurred by an individual school **could** be charged to the Dedicated Schools Grant (DSG) and therefore reduce the monies available to all schools.

Governing bodies are responsible for managing their individual school budget appropriately. Regular financial monitoring by the governing body and sound financial systems and internal controls are critical to this financial management responsibility. Governing bodies should aim to ensure the school's expenditure is within its available budget each year. However, there may be certain circumstances that are best managed by a temporary deficit budget plan, for example where the school experiences a one-year dip in overall pupil numbers affecting the budget share allocated to the school for the following financial year.

A deficit budget can be a useful management tool but governors should be very clear about the reason for planning for a deficit budget and must be able to demonstrate the ability to fully repay the deficit over the following 2 financial years (unless very exceptional circumstances).

Schools will only be allowed a deficit budget in exceptional circumstances.

Schools placed in special measures by Ofsted will not be allowed a deficit budget. (See Annex C).

End of year unplanned deficit balances are not evidence of sound financial management.

This protocol lays out the requirements for schools planning a deficit budget and the role of the local authority in this process.

Licensed Deficits

Any school planning to set a deficit budget must first have approval from the local authority. Approval will only be granted in line with the requirements of section 4.9 of the Scheme for the Financing of Schools **and only in exceptional circumstances.**

Schools must contact the local authority's School Funding Policy Officer early in the process if they are planning to set a deficit budget and no later than 30th April. This should allow time for the School Funding Policy Officer to work with the governing body to agree a Deficit Recovery Plan and approve a licensed deficit before governors' formal budget plan approval deadline of 30th June.

The Deficit Recovery Plan must be in the format as detailed in Annex A of this protocol. Schools must provide the School Funding Policy Officer with estimates of future numbers on roll (as at October each year) which will enable the School

Funding Team to provide estimates of future years' budget shares to be included in the Deficit Recovery Plan.

Once the school's Deficit Recovery Plan is agreed by the local authority, a licensed deficit approval will be granted. This licensed deficit approval will be in the form of a letter from the local authority to the headteacher, chair of governors and chair of finance committee detailing the level of deficit approved. The level of deficit approved will be reported to Schools Forum.

The Deficit Recovery Plan, once agreed with the local authority, must be formally signed up to by the governing body and recorded in the minutes of meetings of both the finance committee (where the school has one) and the full governing body. A copy of the minutes from these meetings must be sent to the School Funding Policy Officer.

Where a school has a licensed deficit approval for a deficit greater than 5% of their annual budget share the school will be required to attend termly meetings with the School Funding Policy Officer, and other local authority officers as appropriate, to demonstrate budget monitoring in line with the agreed Deficit Recovery Plan. The school will also be required to have its performance against the Deficit Recovery Plan as an agenda item at all meetings of both finance committee and the full governing body until the deficit has been recovered.

The school's performance against the deficit recovery plan will be reported to Schools Forum.

Annex B to this protocol provides a flowchart of the process required for planning and managing a deficit budget.

Any school operating a deficit budget must notify the local authority's School Funding Policy Officer of any staff recruitments before an advert is placed.

Notice of Concern

Under section 2.15 of the Scheme for the Financing of Schools, the local authority has the power to issue a financial Notice of Concern to a school.

Circumstances in which a Notice of Concern may be issued include:

- Where a governing body has not complied with the requirements of the deficit budget protocol
- Where a school ends the financial year with an unplanned deficit
- Where the school does not manage their budget in line with the agreed deficit recovery plan and/or the requirements of the licensed deficit approval
- **Where a school is placed in special measures by Ofsted (see Annex C).**

The Notice of Concern will set out the reason for it being made and will place on the governing body restrictions, limitations or prohibitions in relation to the management of funds delegated to it.

If the governing body fails to address the issues in the Notice of Concern the local authority may exercise its powers to: require the governing body to appoint additional governors; suspend the delegated budget of the school; appoint an Interim Executive Board.

Contact Details: Gwyneth Evans
School Funding Policy Officer
Shropshire Council
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Tel: 01743 253875

Email: gwyneth.evans@shropshire.gov.uk

DRAFT

Protocol for Schools Planning and Managing a Deficit Budget

Annex A Deficit Recovery Plan Template

Deficit Recovery Plan Template

School Name	
-------------	--

	Year 1	Year 2	Year 3
Number on Roll			
Number of Class Teachers			
Financial Year			
Expenditure	£	£	£
Teaching Staff			
Supply Teachers			
Nursery Assistants			
SEN Ancillaries			
Education Support Staff			
Premises Staff			
Admin & Clerical Staff			
Catering Staff			
Supervisory Assistants			
Other Staff			
Indirect Employee Expenses			
Staff Development and Training			
Supply Teacher Insurance			
Staff Related Insurance			
Building Maintenance and Improvement			
Grounds Maintenance & Improvements			
Cleaning and Caretaking			
Water and Sewerage			
Energy			
Rates			
Other Occupation Costs			

Learning Resources (not ICT)			
ICT Learning Resources			
Exam Fees			
Administrative Supplies			
Other Insurance Premiums			
Catering Supplies			
Agency Supply Staff			
Bought in Professional Services – Curriculum			
Bought in Professional Services – Other			
Community Focused Extended School Staff and Other Costs			
Total Expenditure [A]			
Income	£	£	£
Funds Delegated by the LA			
Sixth Form Funding			
SEN Funding			
Funding for Ethnic Minority Pupils			
Pupil Premium			
Other Government Grants			
Other Grants and Payments Received			
Income for Facilities and Services			
Income from Catering			
Receipts from Supply Teacher Insurance Claims			
Receipts from Other Insurance Claims			
Income from Contributions to Visits etc			
Donations and/or Private Funds			
Extended School Income			
Total Income [B]			

In-Year Surplus/(Deficit) [B – A]			
Surplus/(Deficit) b/fwd (including investment)			
Total Surplus/(Deficit) c/fwd			

Summary of Savings included in the above Deficit Recovery Plan

	Year 1	Year 2	Year 3
Area of saving	£	£	£

Signed _____(Headteacher)

Signed _____(Chair of Finance)

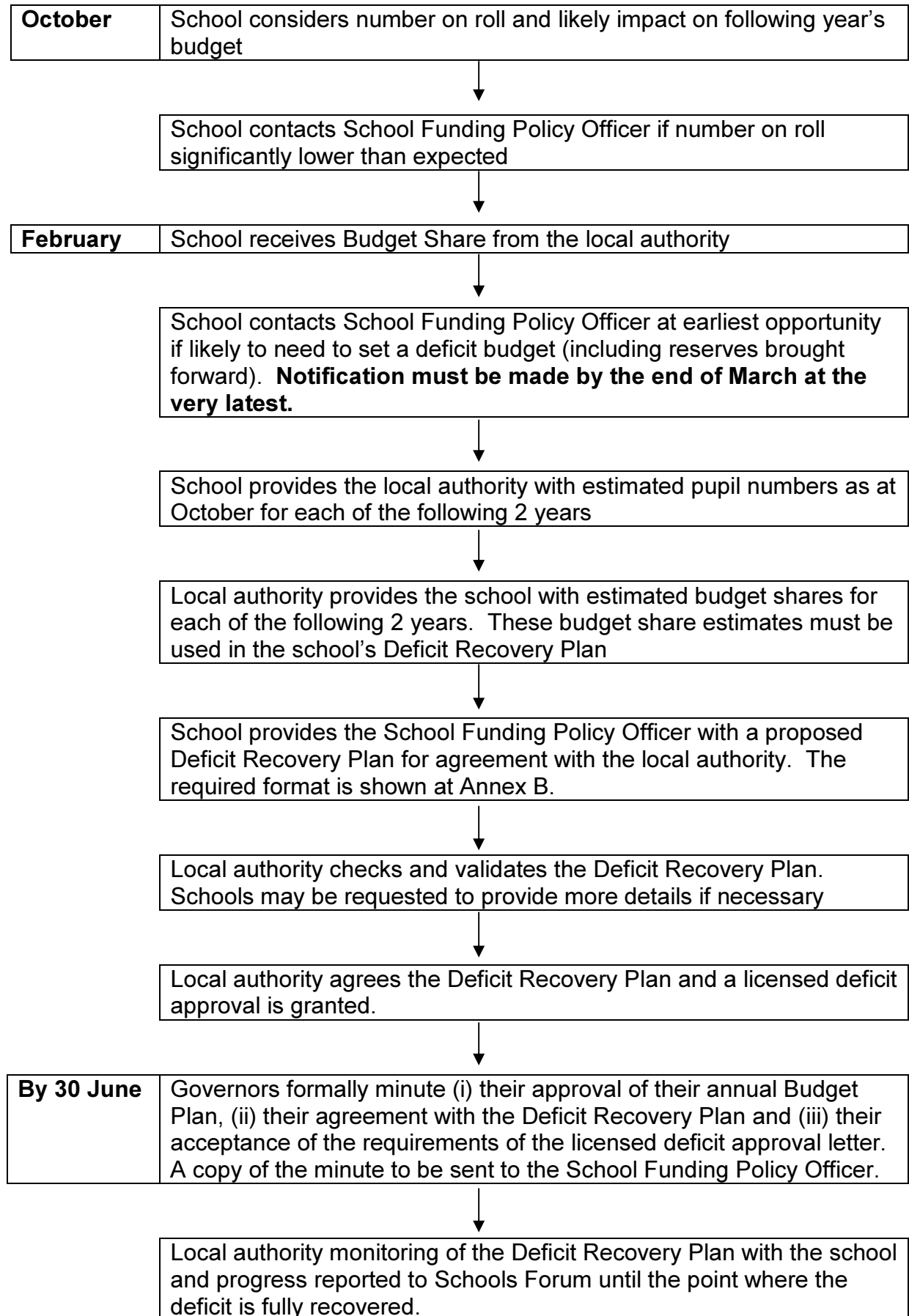
Signed _____(Chair of Governors)

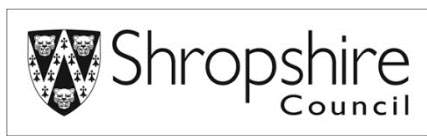
Date _____.

Protocol for Schools Planning and Managing a Deficit Budget

Annex B Process Flowchart

Deficit Budget Process Flowchart





November 2014

Protocol for Schools Planning and Managing a Deficit Budget

Annex C: Arrangements in relation to the Financial Management of Schools in Special Measures

Introduction

The Academy Conversions (Transfer of School Surpluses) Regulations 2013 state that where a school with a deficit is to join the Academy Trust of an external sponsor and open as a sponsored academy, the deficit remains with the local authority. Local authorities will wish to work closely with converting schools to ensure that they manage the risk of an increasing deficit before conversion, and if a school is not managing its expenditure in a satisfactory manner, the local authority may withdraw delegation of the converting school's budget share in order to limit the potential cost to the local authority's budget.

Any surplus balance will be passed to the academy.

The arrangements detailed within this document safeguard the financial position of the local authority and other Shropshire schools.

Schools in Special Measures

Schools placed in Special Measures by Ofsted are required by the Government to join the Academy Trust of an external sponsor and open as a sponsored academy. At the point of transfer, regulations require any deficit revenue balance to be picked up by the local authority or, with approval of the Secretary of State, the Dedicated Schools Grant.

Shropshire's Scheme for the Financing of Schools (para 2.15) allows the local authority to issue a financial notice of concern to the governing body of any school it maintains where, in the opinion of the Chief Finance Officer and the Director of Children's Services, the school has failed to comply with any provisions of the scheme, **or where actions need to be taken to safeguard the financial position of the local authority or school.**

Therefore at the point a school is judged by Ofsted to require Special Measures the local authority will issue the governing body of the school with a financial notice of concern. The notice will set out the reason for it being made and will place restrictions on the governing body in relation to the management of funds delegated to the school. These will include:

- Requiring monthly financial monitoring information be provided by the school to the local authority demonstrating a surplus budget position;
- At the point where a conversion date is known, requiring the school to provide the local authority with monthly financial monitoring information to the date of conversion (including pro rata income figures), demonstrating a surplus position.

If the requirements of the notice are not complied with by the school the local authority reserves its right to withdraw delegation from the governing body.

In addition to a financial notice of concern the local authority can issue a statutory warning notice where a school does not engage with additional challenge and support and demonstrate improved provision and outcomes for children and young people within a reasonable period of time.



	<u>Item</u>	<u>Paper</u>
Schools Forum Date: 27 November 2014 Time: 8.30 am Venue: Shrewsbury Training and Development Centre, Monkmoor, Shrewsbury		D

SEND FUNDING TASK & FINISH GROUP

Responsible Officer Phil Wilson

e-mail: phil.wilson@shropshire.gov.uk

Tel: (01743) 254344 Fax (01743) 254538

Summary

At their meeting on 18 September 2014 Schools Forum agreed to the reconvening of the former High Needs Task & Finish Group to consider the way in which the funding for specialist and alternative provision in Shropshire is funded, and to prepare to respond to the proposed Government review on the funding arrangements from the High Needs Block following their recent review of the funding distributed via the Schools Block.

The Government is referring to changes in SEND (special educational needs and disability) funding and so the group has been renamed the SEND Funding Task & Finish Group.

This report provides feedback from the first meeting of the group.

Recommendation

To note the terms of reference and work programme for the SEND Funding Task & Finish Group.

REPORT

1. The SEND Funding Task & Finish Group had their first meeting on 19 November 2014 and agreed the Terms of Reference for the group (attached to this report). The Terms of Reference include an initial project timetable, which allows for regular reports to Forum. The activities and length of term of the group will be largely determined by the Government timeline for reforming SEND funding. The expectation is that the group will be operational well into the next parliamentary term.

2. The group will require a nomination from secondary school/academy headteachers, as well as a nomination from secondary school/academy governors. While it is preferable that they are drawn from the membership of Schools Forum, co-opted members would be possible if the nominees are able to bring to the group relevant experience and understanding of SEN.
3. The Department for Education has launched a paper on 13 November 2014 entitled *SEND funding: longer-term changes* (copy attached). The paper is calling for evidence and support in helping the department to distribute SEND funding more fairly in the future. This will be the focus of the immediate work of the Task & Finish Group, with a response date of 27 February 2015, addressing the 18 specific questions raised which cover: the national to local level funding distribution, the local to institution level funding distribution and the local authorities' approaches to capital investment.
4. While the Task & Finish Group will co-ordinate and draft a response (to be shared with Forum at their meeting on 22 January 2015), any views or comments from other members of Schools Forum or from the wider school community are welcomed and can be fed through to the group.
5. The minutes of the 19 November 2014 meeting are attached for information.

SEND Funding Task & Finish Group

Terms of Reference

Aims

To support the local authority in developing, in the first instance, a response to the Department for Education call for evidence on longer-term changes to SEND funding, likely to be implemented in the next parliamentary term. Further support will be required over time in responding to any subsequent consultation(s) on proposed reforms and the implementation of any finalised reforms.

Purpose

To inform the national discussions on reforms in SEND funding based on the potential impact of the reforms on the provision for Shropshire pupils and students in schools, post-16 education establishments and alternative provision. The work of the group will be reported to Schools Forum.

Group Membership

- 2 special school headteachers
- 1 pupil referral unit headteacher
- 1 SEN hub leader
- 1 secondary school headteacher
- 1 primary school headteacher
- 2 special school governors
- 1 secondary school governor
- 1 primary school governor
- 1 representative of the further education sector
- Local authority representatives from school funding team
- Other local authority officers to provide specialist advice to the group.

Working Methods/Objectives

- To understand the current funding arrangements for pupils and students with high needs from within the Shropshire Dedicated Schools Grant in line with the school funding requirements.
- To respond to the Department for Education's 'call for evidence' in their paper *SEND funding: longer-term changes*, in particular the 18 questions, by the deadline of 27 February 2015.
- To draw on any work being undertaken by regional and sub-regional groups.
- To respond to any subsequent consultation(s) on any proposed reforms to SEND funding that will have a direct impact on the provision for Shropshire pupils and students.
- To meet as often as is required over the coming year and potentially longer term.
- To circulate papers in advance of the Task & Finish Group meetings.
- To provide progress reports to Schools Forum.

- To make recommendations to Schools Forum on the arrangements for allocating SEND in line with any nationally set funding reform requirements.
- To consult, as required, with the wider membership of providers including headteachers, governors, partners and stakeholders.
- To publish information on the Shropshire Learning Gateway for wider circulation.

Project Timetable

Activity	When	Who
Agree SEND Funding Task & Finish Group Terms of Reference, membership and timetable.	19 November 2014	SEND Funding TFG
Report to Schools Forum	27 November 2014	Officers
Draft responses to the 18 questions in the SEND funding: longer term changes call for evidence	2 nd week in January 2015	SEND Funding TFG
Report to Schools Forum	22 January 2015	Officers
Submit response to Department for Education	By 27 February 2015	Officers

Subsequent activity will be determined by the timetable set by the Department for Education.

SEND Funding Task & Finish Group

Notes of key points raised at the meeting held on 19 November 2014 at Severdale Specialist Academy.

In attendance

Chris Davies, Gwyneth Evans, Tim Baker, Julia Dean, Robin Wilson, Phil Wilson, Rob Carlyle, Janice Stackhouse, Kay Redknap, Yvette McDaniel, Jo Humphreys (attended part way though meeting)

1. Apologies were received from Ruth Thomas and Paul Nicholson.
2. Introductions and welcomes were provided.
3. Phil was unanimously voted as chair.
4. The Terms of Reference were distributed for comment:
 - It was noted that there was no secondary headteacher representative nominated from Schools Forum
 - A secondary governor should also be a group member
 - A SEN hub leader should also be on the group
 - The group membership omitted the TMBSS headteacher

Action: Phil to secure representation from secondary headteacher and governor groups.

Action: Janice to contact the SEN hub leader about joining the group.

The Terms of Reference for the Task & Finish Group were agreed.

5. Papers were handed out showing the current high needs block budgets as per the Section 251 reporting layout.
Gwyneth took the group through the detailed breakdown of the funding in the high needs block.
It was noted that commissioned places, though funded from the high needs block, is shown on the Section 251 statement under individual Schools Block funding (£5.396m).
The cost of home to school transport for pupils attending specialist and AP is an additional cost that is not funded through the high needs block.
6. There was a group discussion of the increased complexity of need/behaviour issues/violent behaviour and drug and alcohol issues among the pupils now attending special schools, AP and maintained schools.

The group felt that the following should be included with the consultation response:

- Sparsity
- Transport costs
- Demography reducing but specialist provision increasing
- Increased complexity of need and behaviour issues
- Reduction in funding from external organisations.

The West Midlands SEN Officer Group will be submitting a response to the call for evidence on SEND funding from the Department for Education (DfE).

Action: Group members to gather intelligence, information and data from the regional and national representative groups they are part of or attend to help inform the future work of the Task & Finish Group.

7. The group noted the Schools Forum report that Chris Davies had presented to Schools Forum on 18 September 2014. There would be no increase to banding provision funding for 2015-16 but increased pupil numbers would be fully funded.
8. The group considered the DfE call for evidence paper *SEND funding: longer-term changes* which has a response date of 27 February 2015. The group agreed that it was important that Shropshire made a comprehensive response to inform the national thinking and to set out the Shropshire context.
Action: All group members to consider the 18 questions in the DfE paper and to feed any responses through to Phil who will collate the collective responses for consideration by the group at their meeting in January 2015.
9. The group would like a Shropshire representative to attend the data and analyses seminars in January 2015.
Action: Phil to contact ISOS Partnership research to register our interest.
10. Next meeting will be held on the 14 January 2015 at Severndale Specialist Academy 2.00pm to 4.00pm.
Action: Group members to diary the meeting.
Action: Phil to report to Schools Forum on 27 November 2014 on the group's first meeting.



Department
for Education

SEND funding: longer-term changes

Call for evidence

Launch date 13 November 2014

Respond by 27 February 2015

Longer term changes to funding for children and young people with special educational needs and disabilities (SEND) – Call for evidence

To	Local authorities; schools and colleges; any other interested organisations and individuals.
Issued	13 November 2014
Enquiries to	If your enquiry is related to the policy content of the consultation you can contact the Department on 0370 000 2288 or email: SEnfunding.CONULTATION@education.gsi.gov.uk

Contact details

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the Ministerial and Public Communications Division by email: consultation.unit@education.gsi.gov.uk or by telephone: 0370 000 2288 or via the GOV.UK '[Contact Us](#)' page.

1. Summary

1.1 We are inviting interested individuals and organisations to help us work out ways in which we can distribute special educational needs and disability (SEND) funding more fairly.

1.2 We have put together a pack of data about children and young people with SEND, and how they have been funded and are funded now. We are interested in any analysis of this data, and conclusions you may draw, that would contribute to this work.

1.3 We would also be interested in any local evidence that would inform the national debate.

2. About this call for evidence

2.1 In July, the Minister for Schools, David Laws, announced changes to the distribution of funding for mainstream schools within local authorities' dedicated schools grant for next year to address some of the unfairness in the current allocations. He acknowledged that we will not have a completely fair education funding system until we also reform the distribution of funding for pupils with high-cost SEND, and explained that this would be a priority for reform during the next parliament.

2.2 As well as making the funding fairer, any funding changes we introduce must support the reforms to the wider system of support for children and young people with SEN and disability that were contained in the Children and Families Act 2014 and are currently being implemented by local authorities, schools and colleges.

2.3 We have no specific funding changes in mind, although we are planning for a distribution that is more formulaic, and less based on past levels of allocation that have become outdated, and on local decisions on spending that have partly determined how much is allocated. To help us move to a better basis for distributing this element of local authority funding in future, we have commissioned some research, which is being undertaken by Isos Partnership.

2.4 They are reviewing the available literature and data, and will be conducting in depth fieldwork in 13 local authority areas: Bromley, Bury, Devon, East Riding of Yorkshire, Gateshead, Herefordshire, Lambeth, Leicestershire, Manchester, Newcastle, Somerset, Southend-on-Sea, and West Sussex. This research will focus on finding new and improved formula factors for distributing funds relating to SEND from national to local level and from local level to institutions.

2.5 We are now inviting other interested parties to help us with this work and to provide answers to some other questions about how we can distribute SEN funding more fairly.

3. What evidence we are looking for

3.1 As part of this call for a wider range of evidence we are publishing a pack of data about children and young people with SEND, by local authority, including data on attainment, funding and health. These data sets have already been published elsewhere, and some are included in the [local authority interactive tool \(LAIT\)](#) that we published in January 2014, and which is used for benchmarking and other purposes.

3.2 We will be working on these data sets over the next few months as part of our wider work on how we might make the distribution of SEND funding fairer. We are making the data available in this form so that others can look at the data that we think might be relevant to SEND funding policy, and can carry out analysis of the data if they wish. We would be interested in any reflections and conclusions they may draw from such analysis, and hope they will share these with us.

3.3 Early next year more data will become available – for example, from local authorities' expenditure outturn statements for 2013-14 – and we will update the data pack with this information.

3.4 We would also be interested in any local knowledge that would inform the national debate. In particular, we would be interested in finding out why the same pupils and students with SEND, or pupils and students with very similar needs, can be assessed very differently in different local authorities; and how this has made a difference to the allocation of funding. We would welcome responses from groups of two or more local authorities on how they would assess and allocate funding to secure appropriate provision for examples of children and young people with SEND. Such comparisons could use actual examples of children and young people with different types of SEND who have moved and been treated differently, or hypothetical examples. We have included, in a separate document, some profiles of children and young people with SEND that Isos Partnership is using in their fieldwork discussions with local authorities. These profiles could be used as a starting point for any comparisons, but detail would need to be added to make sure there was a common understanding of the examples.

3.5 We are also including below some questions that we are keen to have answers to. Those responding to this call for evidence may wish to provide specific answers to some or all of the questions, but can instead provide a general response, using the questions as prompts.

4. Questions

4.1 The distribution of revenue funding for SEND:
Analysis of the published data may help suggest answers to some of these questions. In providing answers, please set out the supporting analysis as appropriate.

National to local level funding distribution

Q1. In moving to a fairer distribution of funding for SEND, which proxy factors other than those already included in the School and Early Years Funding (England) Regulations (e.g. low prior attainment, children from families entitled to free school meals) offer the best way of distributing funds from the Education Funding Agency to local authorities, or would these factors be adequate at this level of distribution?

Q2. Apart from using a formula, is there anything else we could do to make the allocation of funding for SEND to local authorities fairer? For example, how far should we take into account the pattern of provision that has developed in the locality, and the cost of that?

Q3. Are there types of SEND that are best handled above the level of individual local authorities and, if so, how might that best be dealt with in the funding system? Should collaboration between local authorities be encouraged through the funding system?

Local to institution level funding distribution

Q4. Are there other funding formula factors that could provide a good proxy for institutions' need to spend on children and young people with SEND? Are different factors appropriate for funding provision of support for those with high incidence low cost SEN and for funding provision of support for those with high level SEN? For each factor, are any perverse incentives associated with it?

Q5. It is less resource intensive to allocate funding on the basis of proxy measures or using pre-determined bands of funding, particularly if the necessary data collection mechanisms are already in place, but such allocation methods can fail to take sufficient account of individual circumstances and the cost of meeting pupils' and students' needs in the setting, particularly where the cost is comparatively high. How can the right balance best be achieved in allocating funding to institutions?

Q6. In what circumstances would it make sense for local authorities to be able to distribute some SEND funding to a level above that of individual institutions: for example to geographical clusters of schools, or to multi-academy trusts, leaving them with more discretion on the further allocation of those funds to individual institutions?

Q7. In distributing funding to institutions, which methodologies are most efficient and offer the best prospect of reducing bureaucracy, whilst at the same time make sure that money gets to the institutions that need it to support their pupils and students with SEND?

Q8. How are local authorities securing appropriate contributions from their social care budgets, and from local NHS budgets, and how should such contributions be taken into account in the distribution of education funding?

Q9. How will the way funding is allocated to institutions impact on local authorities' ability to offer personal budgets for SEND provision?

Q10. How are local authorities allocating funding to early years providers (schools as well as the private, voluntary and independent sector) for both low cost and high level SEND? Are authorities using the early years block of funding within the dedicated schools grant (DSG) or the high needs block? How are they calculating the funding required (e.g. are they using formula factors, or assessing the cost of support required on an individual basis, or taking a different approach)?

4.2 Local authorities' approaches to capital investment:

The data we have published and research we have commissioned are primarily about revenue funding distribution, but we are interested in how we can improve the funding of specialist facilities for pupils and students with SEND, where there is demand for new places or expansion.

Q11. What are the different approaches that local authorities are taking towards capital investment to create specialist provision – in special schools, special units attached to mainstream schools, and similar types of provision in academies and colleges – and what are the drivers behind these?

Q12. What sources of capital funding do local authorities use to create specialist provision, and what factors affect this?

Q13. What factors drive local authorities' decisions to invest capital in additional specialist provision – as opposed to using revenue funding for placements in existing mainstream/specialist provision, or placements in another local authority or in the independent sector?

Q14. Do local authorities take into account the cost of transport for pupils and students with SEND when making decisions about capital investment, and compare this investment with the cost of residential provision out of the area?

Q15. What specific criteria do local authorities use in allocating capital funding for specialist provision?

Q16. What data do local authorities collect and hold on current capacity and forecast pupil numbers for different types of specialist provision?

Q17. Do local authorities pool capital funding to create shared specialist provision? If not, should this be considered and what are the barriers?

Q18. What approach should the Education Funding Agency take in allocating capital funds for specialist provision?

5. How to respond

5.1 We would be grateful for views of any kind, and in any format, on this topic in the period up to the end of February 2015. Please use the email address that we have set up for this purpose: SENFunding.consultation@education.gsi.gov.uk.

5.2 Or send your response to:

SEN Funding Call for Evidence
Department for Education,
Infrastructure and Funding Directorate,
Sanctuary Buildings (4th floor),
Great Smith Street,
Westminster,
London,
SW1P 3BT

5.3 We will make sure that responses are brought to the attention of the Isos Partnership research team so that they can be taken into account as they conduct their work. We will also be arranging some seminars in January 2015 for discussion of the data and analyses, and would like to know by the end of November of any individuals who would wish to contribute to those. Please use the email address above to let us know if you are interested in participating.

6. Deadline

6.1 The call for evidence closes on 27 February 2015.



Department
for Education

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Schools Forum

Date: 27 November 2014

Time: 8:30 am

Venue: Shrewsbury Training
and Development
Centre

Item

Public

Paper

E

DEDICATED SCHOOLS GRANT MONITORING

Responsible Officer Deborah Fern
e-mail: deborah.fern@shropshire.gov.uk Tel: (01743) 258942

Summary

This report outlines to Schools Forum members the centrally retained Dedicated Schools Grant (DSG) forecast outturn position as at the end of October 2014.

Recommendation

This report is for information only.

REPORT

OUTTURN 2014-15

The overall outturn against centrally retained DSG has moved from a projected under spend of £778k as reported on 23 October 2014, which was based upon expenditure to the end of September 2014, to an under spend of £862k based on expenditure to the end of October 2014. This is a prudent forecast on the basis that not all Autumn term payments have been made and the Spring term payments are still to be confirmed.

Main reasons for a variation from budget of greater than £100k:

HIGH NEEDS BUDGET

Line 1.2.1 – Top-up Funding – Maintained Providers

An under spend of £665k is currently forecast. Top-up payments to schools are difficult to forecast as they are constantly changing. What is considered is a prudent estimate has been included taking into account potential changes to statements during the Autumn and Spring terms resulting in a under spend of £352k. In addition

the recoupment from other local authorities for their children attending Shropshire schools is £313k more than was budgeted for.

CENTRAL PROVISION

Line 1.4.1 - Contribution to Combined Budgets

The services and contracts within this section have been reviewed and savings of £219k identified.

Line 1.4.12 – Exceptions Agreed by the Secretary of State

It has been agreed that the deficit of a school converting to academy under a sponsored arrangement will be paid off over a 5 year period from surplus balances within Central DSG. In the current year savings of £219k have been allocated from the combined budgets of £219k shown in Line 1.4.1.

APPENDIX E

CENTRALLY RETAINED DEDICATED SCHOOLS GRANT FUNDING PERIOD (2014-15)

		PERIOD 7		
No:	Description	2014/15 Latest Budget	2014/15 Outturn	2014/15 Variance
1.01	Individual Schools Budget - Early Years PVI's	6,358,390	6,358,390	0
DEDELEGATED ITEMS				
1.1.1	Contingencies	87,680	160,000	72,320
1.1.2	Behaviour Support Services			
1.1.3	Support to UPEG and bilingual learners			
1.1.4	Free school meals eligibility			
1.1.5	Insurance	24,450	24,450	0
1.1.6	Museum and Library Services			
1.1.7	Licences/subscriptions			
1.1.8	Staff costs Maternity supply cover	429,190	333,823	-95,367
1.1.8a	Staff costs Trade Union Duties	60,160	60,160	0
HIGH NEEDS BUDGET				
1.2.1	Top Up funding - Maintained Providers	5,937,950	5,273,155	-664,795
1.2.2	Top Up funding - Academies & Free Schools	4,146,580	4,139,046	-7,534
1.2.3	Top Up funding - Independent Providers	5,660,670	5,587,704	-72,966
1.2.4	Other AP Provision	179,550	141,191	-38,359
1.2.5	SEN Support Services	1,571,680	1,549,324	-22,356
1.2.6	Support for Inclusion	331,790	330,577	-1,213
1.2.7	Hospital Education Services	105,190	105,190	0
1.2.8	Special Schools and PRUs in financial difficulty			
1.2.9	PFI and BSF costs at special schools			
1.2.10	Direct Payments (SEN and Disability)			
EARLY YEARS BUDGET				
1.3.1	Central Expenditure on children under 5	471,240	521,239	49,999
CENTRAL PROVISION WITHIN SCHOOLS BUDGET				
1.4.1	Contribution to combined budgets	1,341,860	1,123,323	-218,537
1.4.2	Schools Admissions	279,200	261,097	-18,103
1.4.3	Servicing of Schools Forums	11,000	10,936	-64
1.4.4	Termination of employment costs	1,091,400	1,027,696	-63,704
1.4.5	Carbon reduction commitment allowances			
1.4.6	Capital Expenditure from Revenue (CERA)	609,770	609,769	-1
1.4.7	Prudential Borrowing Costs	298,150	298,150	0
1.4.8	Fees to independent schools without SEN			
1.4.9	Equal Pay - Back Pay			
1.4.10	Pupil growth / Infant Class sizes			
1.4.11	SEN Transport			
1.4.12	Exceptions agreed by Secretary of State CLA Licence	112,690	112,687	-3
1.4.12	School Deficit Recovery		218,747	218,747
14.6.1	TOTAL CENTRALLY RETAINED	29,108,590	28,246,655	-861,935

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