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# NOTICE OF MEETING

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## SCHOOLS FORUM

WEDNESDAY, 25 SEPTEMBER 2013 AT 4.30 PM

THE EXECUTIVE MEETING ROOM - THIRD FLOOR, THE GUILDHALL

Telephone enquiries to Jane Di Dino 023 9283 4060

Email: [jane.didino@portsmouthcc.gov.uk](mailto:jane.didino@portsmouthcc.gov.uk)

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### Membership

#### Schools Members

One head teacher representative - nursery phase  
Three head teacher representatives - primary phase  
Three head teacher representatives - secondary phase  
One head teacher representative - special phase  
One academy representative  
Eight governors

#### Non School Members

Three Councillors from each political party  
One representative from the following organisations:  
The Anglican Diocese  
The Roman Catholic Diocese  
The 14-19 Partnership  
The Early Years providers (from the private, voluntary and independent sector)

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(NB This Agenda should be retained for future reference with the minutes of this meeting.)

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: [www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

## AGENDA

- 1 Apologies
  
- 2 Minutes of the previous meeting held on 17 July 2013 (Pages 1 - 8)

**3 School Loan Scheme (Pages 9 - 12)**

Richard Webb, Finance Manager will present the attached report.

**RECOMMENDED that the Schools Forum consider and approve one of the following options:**

- a) Discontinue the operation of the loan scheme for new loans with immediate effect; or**
- b) Continue the operation of the loan scheme, whilst recognising the potential financial risks to all schools.**

**4 Funding for Outreach Services (Pages 13 - 22)**

Richard Webb, Finance Manager will present the attached report.

**RECOMMENDED that:**

**Schools Forum Members consider and advise their preference to one of the following options for 2014-14:**

- a) Continue to allocate funding for outreach services to the individual special schools from the high needs budget.**
- b) Delegate the funding to schools and academies and implement a traded outreach service.**
- c) Allocate funding for the period April 2014 - August 2014 to the Special Schools and then implement fully traded arrangements from September 2014.**

**5 Funding of Behaviour Support Services (Pages 23 - 32)**

Richard Webb, Finance Manager will present the attached report.

**RECOMMENDED that:**

**Primary School Forum Members consider and approve one of the following options for 2014-15:**

- a) De-delegate funding from maintained schools for behaviour support services to central control.**
- b) Implement a fully traded behaviour support service.**
- c) De-delegate funding from maintained schools for the period April 2014 - August 2014 and implement a fully traded behaviour support service from September 2014.**

**Secondary School Forum Members consider and approve one of the following options for 2014-15:**

- a) De-delegate funding from maintained schools for behaviour support services to central control.**
- b) Implement a fully traded behaviour support service.**
- c) De-delegate funding from maintained schools for the period April 2014 - August 2014 and implement a fully traded behaviour support service from September 2014.**

**6 School Funding Reform 2014-15 (Pages 33 - 54)**

**Richard Webb, Finance Manager will present the attached report.**

**RECOMMENDED that the Schools Forum:**

- a) Approve by phase, the proposed treatment of the central expenditure items detailed in the table at paragraph 4.4.\***
- b) Note the proposal to establish a contingency fund in 2014 - 15 as set out in paragraphs 4.5 and 4.6.**
- c) Agree to the proposed treatment of the centrally retained expenditure budgets as set out in paragraphs 4.7 to 4.9.**
- d) Note the consultation document issued to schools in Appendix 2 and that responses to the consultation document will be reported to Schools Forum at the meeting on 23 October 2013.**

- Note: only School Members by phase can vote on this item.**

**7 Craneswater Annex (Pages 55 - 58)**

**Richard Harvey, Education Officer will present the attached report.**

**RECOMMENDED that the Schools Forum:**

- a) Approve the establishment of a Resourced Unit with 6 places, which will be managed by Mary Rose School in the Craneswater Annex.**
- b) Approve the Element 3 'top up rate of '£25,448' for pupils places in the Resourced Unit.**
- c) Note that the funding for 2013/14 will be identified from within the high needs block and acknowledges that a sustainable funding source will need to be identified for 2014/15 onwards; which may require reallocation of funding from other areas within the DSG.**

**8 Any Other Business.**

**9 Dates of Future Meetings.**

23 October 2013  
18 December 2013  
15 January 2014

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# Agenda Item 2

## SCHOOLS FORUM

MINUTES OF A MEETING of the Schools Forum held on Wednesday 17 July at 4:30pm in Conference Room A, 2<sup>nd</sup> Floor, The Civic Offices, Portsmouth.

(NB These minutes should be read in conjunction with the agenda for the meeting which can be found at [www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)).

### Present

Bruce Marr, Governor - Secondary  
Jayne Pratt, Governor - Primary  
Justeen White, Governor - Primary  
Mark Mitchell (Chair), Governor - Special  
Steve Sheehan, Governor - Secondary  
Suzy Horton, Governor - Primary.

Councillor Ken Ferrett, the Labour Party's shadow spokesperson for Children & Education.  
Councillor Neill Young, the Conservative Party's shadow spokesperson for Children & Education.

Carole Damper, Early Years Provider

Alison Beane, Headteacher - Special  
David Jeapes, Headteacher - Secondary  
Jackie Collins, Headteacher - Primary  
Mike Smith, Headteacher - Secondary  
Sarah Sadler, Headteacher - Primary  
Fiona Calderbank, Headteacher - Secondary

Councillor Rob Wood, Cabinet Member for Children & Education - Observer

### Officers

Di Mitchell, Head of Education  
Richard Webb, Finance Manager  
Catherine Kickham, Early Support Commissioning Manager  
Jane Di Dino, Local Democracy Officer

#### **1 Apologies for absence (AI 1).**

Tom Blair and Julian Wooster sent their apologies.

#### **2 Declarations of interests (AI 2).**

Steve Sheehan declared an interest in item 7.

Jayne Pratt declared an interest in item 10.

Mark Mitchell declared an interest in item 11.

David Jeapes and Bruce Marr declared an interest in item 8.

**3 Minutes of the previous meeting held on 1 May 2013 (AI 3).**

**RESOLVED** that the minutes of the Schools Forum meeting held on 1 May 2013 be confirmed as a correct record subject to the amendment on the attendance list to show that Justeen White is a primary phase governor representative.

Matters arising.

The 2014-15 Funding Reform Working Group has been set up and further details are available in the report at agenda item 10.

Property Management Matters - the letter to the schools due to be tested for radon will be sent after this meeting. The testing will be happen during the Autumn term. The delay to the sending of the letters was due to the Health Protection Agency changing some of the criteria.

**4 Schools Forum membership (AI 4).**

Fiona Calderbank was welcomed to the forum as a secondary phase Headteacher representative.

(Councillor Wood joined the meeting).

The Chair explained that there were vacancies for representatives from the following areas:

- Primary phase governor.
- Academy
- 14-19 Partnership.

(Karen Damper joined the meeting).

**5 Scheme for financing schools (AI 5).**

Richard Webb, Finance Manager presented the report that was circulated with the agenda and in response to questions from the forum the following points were clarified:

- Two responses had been received during the consultation: Southsea Infant School said that it was happy with the changes and Solent Infant School had no issues regarding the changes but suggested the forum consider introducing a mechanism to claw back and redistribute the Pupil Premium from schools that had not committed and/or spent on on appropriate enterprises during the funding year. Mr Webb explained that it would not currently be possible to implement a clawback mechanism just for pupil premium. Mr Mitchell also highlighted the responsibilities on schools to report how it has used it pupil premium. Bruce Marr explained that parents expect schools to spend all the Pupils Premium that they receive on their pupils. He would be very concerned if this is not happening.

- The following sentence in section 4.8 in the report would be removed: *For amalgamating schools, Schools Forum may allocate an amount equal to the closing school balances from the new and reorganising schools contingency.*
- There are no changes to the powers of the governing body outlined in section 1.5 to consider the extent to which it wishes to delegate financial powers to the head teacher.

Mr Webb clarified that although schools are responsible for managing their own finances, the Schools Forum could introduce a mechanism for clawing back significant excessive uncommitted balances.

**The Schools Forum:**

**Approved the revised Scheme for Financing Schools which reflect the revisions required by the Department for Education and have been consulted on with schools (*approved unanimously*).**

**6 School balances at 31 March 2013 (AI 6).**

Richard Webb, Finance Manager presented the report that was circulated with the agenda and in response to questions from the forum the following points were clarified:

- It was expected that a proportion of St Edmund's RC Secondary School's surplus balance would be utilised for their ongoing capital works.
- CIPFA guidance suggests a level of 2-3% of budget for uncommitted balances.

Members expressed concern about some schools' significant surplus amounts of uncommitted balances that had accumulated over a period of time.

**The Schools Forum:**

- **Noted the proposed use of balances outlined in appendices 1 and 2.**
- **Requested that schools with significantly high uncommitted balances be investigated and a report be brought to the next meeting.**

**7 Dedicated Schools Grant 2012/13 outturn position (AI 7).**

Richard Webb, Finance Manager presented the report that was circulated with the agenda and in response to questions from the forum the following points were clarified:

- The carry forward balance amounts £2.445m equates to around 2% of the total Dedicated Schools Grant.
- ASC refers to Autistic Spectrum Conditions.
- It is not permissible for the Local Authority to use the carry forward balance for capital expenditure purposes.
- The National Non Domestic Rates refund referred to in paragraph 10 in relation to St Richard's School included a backdated element which is not recurring.

- There is currently no known risk that the £2.4m carry forward will be clawed back by the Department for Education.

Carole Damper expressed concern that there had been a cut in the number of people available to provide support to early years' providers when there are more placements. Richard Webb explained that the £19,000 underspend reported was not a funding reduction.

Di Mitchell, Head of Education explained that:

- The number of Early Years Support Managers has been reduced from five to three.
- The council is trying to retain the number of staff on the frontline.
- The number of Quality Assessment staff has not been reduced.
- Some administrative roles were reduced.
- There has been an increase in funding over the last two years generally.
- Children's Centres are remaining open with fewer managers.

Members discussed the difficulties of locating pupils with special needs.

**The Schools Forum noted:**

- 1. The reasons behind the substantial £2.445m carry forward of DSG funding in 2012/13.**
- 2. That this funding is not available on an on-going basis.**

## **8 Mayfield School (AI 8).**

Richard Webb, Finance Manager presented the report that was circulated with the agenda.

David Jeapes explained that a single point of contact has been arranged for all enquiries at the school and a number of engagement exercises have taken place in the community. Mayfield School had its first project board meeting in March. The school has borne the set up costs in the assumption that these would be reimbursed by the Schools Forum.

The Chair observed that infant schools are receiving more pupils and therefore require the Growth Fund.

Bruce Marr observed that although the school opens in September 2014, it needs to be ready by September 2013.

*(Suzy Horton left the meeting).*

The Chair expressed concern that a number of pupils arrive in September but the school does not receive any funding until April the following year.



**Schools Members\*:**

- a) **Approved the additional Growth Fund criteria set out in paragraph 4.9, subject to the required endorsement by the Education Funding Agency.**
- b) **Agreed an additional allocation of £150,900 to Mayfield School from the Growth Fund towards the initial set-up costs of the new 'all-through' school. The total allocation to Mayfield School will amount to £186,900.**
- c) **Agreed to increase the budget for the Growth Fund by £186,900.**
- d) **Agreed that in developing the funding formula for 2014-15, that the council apply for approval to vary Mayfield's pupil numbers, in order to reflect the change in pupils numbers form September 2014 at the start of the new academic year.**

*(Approved unanimously). \* Representatives from Mayfield School did not vote.*

**9 Proposed use of schools Dedicated Schools Grant carry forward (AI 9).**

Richard Webb, Finance Manager presented the report that was circulated with the agenda.

A discussion took place about the proposal to allocate an additional funding of £150,000 on a one-off basis to support schools the introduction of the new revenue funding arrangements in 2013-14 in meeting the local offer. Schools Forum proposed that the allocation should be increased to £200,000 and the distribution mechanism set out in the table at paragraph 9 be amended accordingly.

Carole Damper expressed concern about schools being given this additional funding as she considered that schools should be more inclusive anyway.

**The Schools Forum:**

1. **Noted the contents of this report.**
2. **Acknowledged that the council is not permitted to make changes to the schools funding formulae once the funding period has commenced.**
3. **Endorsed the proposal to allocate additional funding on a one-off basis from the carry forward balance when developing the schools revenue funding formula for 2014-15.**
4. **Agreed the proposal to allocate additional funding of £200,000 on a one-off basis to support schools with the introduction of the new revenue funding arrangements in 2013-14 in respect of meeting the new 'local offer', as set out in paragraphs 8 and 9.**

*(Approved. 1 abstention).*

**10 Schools Funding reform 2014-15 (AI 10).**

Richard Webb, Finance Manager presented the report that was circulated with the agenda.

**The Schools Forum:**

- 1. Noted the contents of the report**
- 2. Agreed the principles for change as set out in Appendix 1 of the report, as recommended by the funding working group. (*Approved unanimously*).**

(David Jeapes left the meeting)

**11 Two year old funding update (AI 11).**

Catherine Kickham, Head of Early Years presented the report that was circulated with the agenda and in response to questions from the forum, the following points were clarified:

- Portsmouth City Council's work for supporting two year olds has been identified as an example of Good Practice.
- Ms Kickham will look into the budget details in response to concerns raised about the support available being reduced whilst the number of children in early years settings is increasing.
- Although there is only one non-PCC representative on the Early Support Leadership Team (ESLT), schools are very well represented on the Schools Forum. She had no objections to the minutes of the ESLT meetings being made public.

Councillor Rob Wood emphasised the importance of Early Years Providers having all the funding to which they were entitled.

*Actions*

- Details of the learning set to be held in August will be sent to the forum. (CK)
- Clarification as to reason for the early years underspend in 2012-13 will be reported back to the Forum. (RW)
- Progress on the actions outlined in the funding paper presented today will be brought back to the forum (CK).

**The Schools Forum noted the processes and proposals.**

**12 Craneswater annex (AI 12).**

Mark Mitchell, the Chair explained that this item had been deferred to a future meeting.

**13 Any other business (AI 13).**

Councillor Wood reminded members that children are entitled to free entry at Charter Academy Community Swimming pool.

**14 Dates of future meetings (AI 14).**

**The Schools Forum agreed the following dates:**

**25 September.**

**23 October.**

**18 December.**

**15 January 2014.**

Mark Mitchell informed the forum that he could not attend the meeting on 25 September and proposed that Mike Smith chair that meeting.

**The Schools Forum agreed that Mike Smith would chair the next meeting.**

The meeting concluded at 6:30pm.

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Agenda item: 

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**Title of meeting:** Schools Forum

**Date of meeting:** 25<sup>th</sup> September 2013

**Subject:** School Loan Scheme

**Report from:** Julian Wooster, Director of Children's & Adult's Services

**Report by:** Richard Webb, Finance Manager for Children's Services

**Wards affected:** All Wards

**Key decision:** No

**Full Council decision:** No

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## 1. Purpose of report

The purpose of this report is to provide Schools Forum with an update on the current issues facing the School Loan scheme and proposals for the future operation of the scheme.

## 2. Recommendations

It is recommended that Schools Forum consider and approve one of the following options:

- (a) discontinue the operation of the loan scheme for new loans with immediate effect; or
- (b) continue the operation of the loan scheme, whilst recognising the potential financial risks to all schools.

## 3. Background

- 3.1. Contained within the Scheme for Financing Schools is a school loan scheme (see appendix 1) which provides maintained schools with the opportunity to apply for a loan from the schools collective balances in order to fund capital improvement or maintenance projects.
- 3.2. After some five years without loan advances, 2012-13 saw approval of three such loans amounting to 288,600. A further two loans have been approved in 2013-14. The current outstanding loan balance is £427,280, which amounts to 4.5% of the school revenue balances at 01 April 2013.

#### **4. Future of the Loan Scheme**

- 4.1. As Schools convert to Academy status they generally take any surplus balances at the time of conversion with them, in accordance with 'The Academy Conversions (Transfer of Surpluses) Regulations 2010. Ultimately this is leading to a reduction in the balances available to fund the loan scheme.
- 4.2. The current scheme for financing schools states that if a school converts to Academy status during the loan period it will become repayable in full at the date of conversion.
- 4.3. There has recently been a significant increase in the number of maintained schools that have either converted or are in the processes of converting to Academy status. At the time of writing this report, 5 schools had converted and a further 6 were due to convert by 31 March 2014.
- 4.4. There is a significant financial risk that at the date of conversion, if a school has a loan issued through this mechanism, that it will have insufficient reserve balances to be able to repay the loan. This could ultimately leave the maintained school with a deficit balance at the date of conversion. It may be possible to agree a repayment plan with an Academy Trust, but there is no legal requirement for them to agree to this.
- 4.5. Generally, any deficit balances will remain with the Local Authority and will need to be funded from the Dedicated Schools Grant. In order to ensure that a balanced budget is maintained, it would be necessary to fund any deficit balances, through a reduction in the level of funding provided to all schools through the school funding formula.
- 4.6. Although the loan scheme clearly provided a useful mechanism for schools to finance projects in the past. In this increasingly uncertain environment, the risk that the loan scheme could result in maintained schools having deficit balances at the date of conversion to Academy status is increasing. It is therefore recommended that the loan scheme is withdrawn from operation for new loans.

#### **5. Reasons for recommendations**

As set out in section 4, the financial risks associated with the school loan scheme are now too significant, as a result of the recent increase in schools converting to Academy status. Two options are set out in section 2, and it is recommended that Schools Forum approve option 2(a).

**6. Equality impact assessment (EIA)**

This report does not require an Equality impact Assessment as the proposal does not have any impact upon a particular equalities group.

**7. Head of Legal Services' comments**

Legal comments have been included within the body of this report.

**8. Head of Finance's comments**

Financial comments have been included within the body of this report.

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Signed by:

**Appendices:**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
School Loan Financial Records	Education Finance
Scheme for Financing Schools	PCC website and Intralink
The Academy Conversions (Transfer of School Surpluses) Regulations 2010	www.opsi.gov.uk

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:

## Appendix 1 - Extract from the Scheme for Financing Schools

### 4.10 Loan schemes

The City Council will give all maintained schools the opportunity to apply for a loan from school's collective balances. All such loans will be considered by the Director of Children's Services (or nominated representative).

A loan arrangement will be considered according to the following criteria:

- It is for the purposes of capital improvement / cyclical maintenance;
- It has a high probability of raising educational standards or generating future savings;
- It is for a minimum of 2% of the schools budget share or £30,000 whichever is the least;
- It is for a sum not exceeding 5% of the schools budget share or £150,000 whichever is the least;
- It will be repaid to the City Council over a period of between 2 and 5 years and the school has agreed a repayment plan with Portsmouth City Council.

The City Council will also apply the following conditions when considering loan applications:

- In approving a loan the total amount of loans approved does not exceed a limit of 40% of aggregated schools balances;
- The following interest rates will be charged on the outstanding balance of any loan:
  - Primary schools - Base rate less 0.5%, divided by 2
  - Secondary schools - Base rate less 0.5%
- Schools with an existing budget deficit will not be considered for a loan
- Schools may only have one loan in force at any time.

Changes to repayment plans will only be approved in exceptional circumstances and must be agreed in advance with the Section 151 Officer / Director for Children's Services

If a school converts to academy status during the repayment period the loan will become repayable in full at the date of conversion.



# Agenda Item 4



Portsmouth  
CITY COUNCIL

Agenda item: **5**

**Title of meeting:** Schools Forum

**Date of meeting:** 25<sup>th</sup> September 2013

**Subject:** Funding of Outreach Services

**Report from:** Julian Wooster, Director of Children's & Adults' Services

**Report by:** Richard Webb, Finance Manager for Children's Services

**Wards affected:** All Wards

**Key decision:** No

**Full Council decision:** No

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## 1. Purpose of report

The purpose of this report is to inform Schools Forum of the different options of providing special schools with funding for Outreach services and to seek their preference regarding the funding arrangements for 2014-15.

## 2. Recommendations

- 2.1. Schools Forum Members consider and advise their preference to one of the following options for 2014-15:
- i. Option (a) - Continue to allocate funding for Outreach services to the individual special schools from the high needs budget.
  - ii. Option (b) - Delegate the funding to schools and academies and implement a traded Outreach service.
  - iii. Option (c) - Allocate funding for the period April 2014 - August 2014 to the Special Schools and then implement fully traded arrangements from September 2014.

### 3. Background

- 3.1. The Portsmouth Special Educational Needs Partnership (PSENSP) is a partnership arrangement between the special schools in Portsmouth to deliver 'Outreach' services to Portsmouth schools and academies.
- 3.2. The aim of the service is to ensure consistent, high quality, outreach support that:
- Improves outcomes for children and young people with SEN and disabilities to enable them to remain in mainstream education, where appropriate;
  - Helps to maximise the educational opportunities for all children and young people;
  - Helps to build the capacity and confidence to meet the needs of all children and young people;
  - Works in partnership with families to build confidence that their children's needs are being met;
  - Works in collaboration with other service providers to ensure that the Services are complementary, simple to use, joined-up and effective.

Appendix 1 provides further detail on the menu of services provided through the outreach arrangements.

- 3.3. The proposals within this report have been discussed by the funding reform working group and the sub-group comprising the special Head Teachers.

### 4. Funding Options

- 4.1. The funding estimated to be required by each of the special schools in 2014-15 to continue to deliver the Outreach Services is shown in the table below.

	£
Cliffdale	71,250
Mary Rose	68,400
Harbour	57,000
Redwood Park	25,650
Willows Nursery	10,000
<b>Total</b>	<b>232,300</b>

- 4.2. Currently under the financial regulations, the main options available to fund the provision of Outreach Services are:
- (a) Allocate the funding directly to the special schools from the high needs budget; or
  - (b) Delegate the funding to the maintained schools and implement a traded services arrangement between the special schools and the mainstream schools and academies.

A combination of both options could be implemented for the first year, to allow for a phased introduction of the delegation and traded services arrangements.

- 4.3. There are currently a number of specific budgets, such as behaviour support or EMAS that can be de-delegated back to central control with Schools Forum approval. However, under the current financial regulations, the funding for Outreach Services is not currently permitted to be de-delegated from maintained schools.
- 4.4. The DfE operational guidance for 2014-15 states that were aspects of high needs provision are not arranged in the form of places, local authorities may fund this provision from their high needs budget as a separate arrangement.
- 4.5. Currently the allocated outreach funding amounts to £290,000 (0.18% of DSG) and is split between Mary Rose, Cliffdale and Redwood Park, although services are delivered by all five special schools; including Willows Nursery. The Harbour School is currently supporting the Outreach activity from within its Behaviour Support budget. In 2014-15 it is proposed that this funding is reclassified as Outreach.
- 4.6. Between the academic years September 2011 to August 2013 Portsmouth Special Education Needs Support Partnership has sign posted 103 pupils and over 85 staff, to the Outreach Service. The majority of outreach support provided is to primary schools (85%), with secondary schools (13%) and special schools (2%). Should option (b) be chosen the split of the funding would be primary: £197,500, secondary £30,200 and special £4,600.
- 4.7. The Outreach services provided by the individual schools, support pupils and teachers across the different school phases. The funding each special school receives is used to support the employment of staff members to deliver the service. It is therefore recommended that a joint decision is reached by all school phases to enable the continued viability of the service.

4.8. In the section below, the advantages and disadvantages of each of the funding options are reviewed.

### **Funding Options for 2014-15**

#### **(a) Allocate the funding directly to the Special Schools from the high needs budget**

Under this proposal, the funding for the Outreach Services would be allocated to Special Schools from the high needs budget.

The advantages of this option are:

- The schools would have certainty over the funding available for the financial year, enabling them to plan their resource requirements for the service.
- The services would be available to all maintained schools and academies as and when they need them.
- The potential disincentive for schools not use the services on financial grounds would be removed.
- There is no requirement to have service level agreements between the mainstream and special schools.
- Schools do not need to consider whether to sign up and pay for these services

The disadvantages of this option are:

- The outreach funding is capped at the above levels, limiting the scope of the Special Schools to develop the service beyond the current resources.
- Funding is provided to the Special Schools at the level in paragraph 4.1 and will not change in relation to the level of activity.

A service level agreement would be in place between the Local Authority and the maintained Special Schools under this option. However, where a Special School becomes an academy a contract would replace the service level agreement.

#### **(b) Delegate the funding to the maintained schools and implement a traded services arrangement between the Special Schools and the mainstream schools and academies**

Under this proposal, the funding for the Outreach Services would be delegated to all schools and academies within Portsmouth, through the funding formula. If the maintained schools and academies choose to use the Outreach Services, then they would need to enter into a service level agreement or traded services agreement respectively with the Special Schools.

The advantages of this option are:

- Schools and academies have the power to decide whether to sign up and pay for Outreach Services.
- The Outreach funding is not capped, allowing the Special Schools to develop the scope of the service.

The disadvantages of this option are:

- The Special Schools would require time to implement a traded services model, to enable them to have certainty as to the level of sign up for services and consequently the level of funding available, in order to be able to plan their resource requirements.
- If there is insufficient buy back from the maintained schools and academies, the Outreach Services may no longer be viable.
- Schools and academies will have to consider whether they want to sign up for Outreach Services and whether they want to use their allocated funding for these services. There is a risk that Outreach Services are not purchased by schools and that pupils will not receive the services that they require.
- There will be an increase in the level of administration required to manage a traded services function; particularly around individual or bespoke agreements.

### **(c) Delayed implementation - options (a) and (b)**

Under this proposal, for the period April 2014 – August 2014, funding would be allocated directly to the Special Schools from the high needs budget. From September 2014 funding for the Outreach Services would be delegated to all schools and academies within Portsmouth, through the funding formula. If the maintained schools and academies choose to use the Outreach Services, then they would need to enter into a traded services agreement with the Special Schools, which would run on an academic year basis.

This model allows the Special Schools time to plan and implement the necessary arrangements to operate in a traded services environment. For details of the advantages and disadvantages, please refer to options (a) and (b).

## **5. Reasons for recommendations**

The options available for funding Outreach services are set out in section 4, together with the advantages and disadvantages of each option. It is a decision for Schools Forum, as to whether to continue with the current arrangements of allocating funding directly to the Special Schools from the high needs budget; although it is recommended the current arrangement (option (a)) is continued.

**6. Equality impact assessment (EIA)**

This report does not require an Equality impact Assessment as the proposal does not have any impact upon a particular equalities group.

**7. Head of Legal Services' comments**

Legal comments have been included within the body of this report

**8. Head of Finance's comments**

Financial comments have been included within the body of this report.

.....  
Signed by:

**Appendices:**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
Outreach Finance Records	Education Finance & School Sites
PSENSP Activity Data	Mary Rose School
2014-15 Revenue Funding Arrangements: Operational Information for Local Authorities, June 2013	DfE Website

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:

## Appendix 1

### Menu of Outreach Services

#### a) Individual pupil services

1. Curriculum access / differentiation.
  - Developing ideas for differentiated resources and appropriate strategies to adapt the next steps in learning for particular pupil needs.
  - Advice on adaptations to teaching environments to ensure access to full curriculum.
2. Support with assessment and planning
  - Building upon assessment already in place in order to identify next steps in learning for particular pupil needs - aimed specifically at class/subject teachers.
3. Challenging behaviour / behaviour management
  - Support with developing appropriate strategies regarding challenging behaviour both in and out of school for individual pupils. Support with identifying the communication behind the displayed behaviour.
4. Induction / transition
  - Support for individuals through key educational transitions e.g. class changes, key stages, secondary transfer, change of setting. Identification of potential barriers to learning and action planning.
5. Communication
  - Support for staff working with individual pupils with communication difficulties, identifying strategies to adopt for individual needs. Support with implementing advice from Senior Leadership Teams, use of Picture Exchange Communication (PECS), visual timetables.
6. Intervention advice
  - Developing evidence based strategies for identified individual pupils, target setting and setting up monitoring processes to assess impact of interventions. E.g. Wave 3 Interventions.
7. Speech, Language and Communication / Autistic Spectrum Conditions (ASC)
  - Support for staff working with individuals with ASC on an individual tailored basis. Developing strategies for coping with change, visual resources and structured working practices.
8. Developing social and emotional skills
  - Supporting the assessment and teaching of social and emotional skills to individual pupils in order for them to be successful within the school and wider community.
9. Developing functional skills
  - Support for staff with early identification of individuals requiring additional support with functional skills in literacy, numeracy and ICT. Advice on developing strategies for interventions.
10. Sex and Relationships Education (SRE)
  - Highly tailored support for individuals including advice with curriculum planning, differentiation and strategies for delivering SRE to pupils with specific learning disabilities, especially where issues have arisen.
11. Adaptive Technology and/or ICT support
  - Supporting staff with the best use of ICT in the classroom for individual pupils. Assessments of ICT requirements, advice on suitable software/hardware. Raising staff awareness of current technology options available.
12. Access to resources or specialist equipment
  - Loans and/or demonstrations of resources and equipment for individual pupils where available. Support with applications to the Council for additional funding for specialist equipment.
13. ICT support / alternative forms of recording
  - Supporting staff with the best use of ICT in the classroom for individual pupils.
  - Developing appropriate strategies for individual pupil to record their work in different ways.

14. Positive people handling risk assessments / training
  - Individual advice, in consultation with Occupational Therapy and Physio services, where individual concerns have arisen, to ensure safe moving and handling of any pupils requiring help with transfers.

**b) CPD services General SEN**

15. Work with leaders on SEN issues / development
  - Tailored support for leadership teams following consultation and identification of areas for development. E.g. following an Inspection.
16. Review of SEN provision in your school
  - Support for leadership teams with school self review, assessing current provision for SEN, identifying areas for development. Support with writing, implementing and evaluating the impact of an action plan.
17. Differentiation / curriculum access
  - Training for groups of staff on developing ideas for differentiated resources and appropriate strategies to adapt the next steps in learning for pupil needs. Raising awareness of barriers to learning presented by a range of SEN.
18. Use of adaptive technology
  - Training for groups of staff on how to best use ICT in the classroom for pupils with SEN. Raising staff awareness of options available through demonstrations of a range of software and hardware suitable for pupils with SEN.
19. Alternative forms of recording
  - Training for groups of staff on how to develop best practice and appropriate strategies for pupils with a range of SEN to record their work in different ways.
20. Assessment
  - Training for groups of staff on how to develop their use of assessment to assess pupil progress, especially where such small steps in learning are evident. Dealing with regression. Developing self-assessment skills in children with SEN.
21. Planning
  - Training for groups of staff on how to use assessment data to inform planning for pupils working at P Levels. Developing use of differentiation within planning. Advice on appropriate target setting and expectations for pupils with SEN.
22. P Level support / moderation
  - Staff training / support with use of P levels, baselining and assessing pupil attainment. Demonstrations of exemplar materials for moderation. Modelling of assessment systems for pupils with SEN.
23. General CPD linked to SEN
  - Wide ranging, tailored support for staff to support particular school needs, planned in conjunction with leadership teams. Building staff capacity and confidence in meeting the needs of a child with SEN.
24. Supporting Transition
  - Training for staff in how to support pupils with SEN through key educational transitions e.g. class changes, key stages, secondary transfer, change of setting. Identification of systems to be put into place to aid smooth transitions.



**c) CPD Services SPECIALIST Special Educational Needs (SEN)**

25. Leadership and specialist SEN provision
  - Focussed support for leadership teams on identified individuals or specific groups of pupils with Learning Difficulties and Disabilities to support the development of whole school strategies and have a positive impact on attainment.
26. Supporting children and young people with specific learning disabilities
  - Awareness raising for groups of staff on Specific Learning Difficulties e.g. Dyslexia, Dyspraxia, Dyscalculia, Pragmatic Language Disorder. This could be delivered jointly with Specialist Teaching Advisers or Therapy Teams. Support for schools with pupils with specific conditions e.g. Down Syndrome.
27. Joint delivery of specialist training (e.g. therapies)
  - Joint training for staff with Occupational Therapy Physio/ Speech and Language Therapy / Specialist Teaching advisers on a range of topics regarding SEN including total communication, curriculum access, development of school and classroom environments. E.g. specialist seating.
28. Autistic Spectrum Conditions
  - Autism awareness training for groups of staff on general TEACCH strategies for pupils on the ASC spectrum including developing strategies for coping with change, visual resources and structured working practices.
29. Augmentative and alternative communication
  - Training for staff on the different methods that can be used to help pupils with SEN communicate with others either as an alternative to speech or to supplement it.
30. Communication
  - Training for staff on the development of their own communication skills when working with pupils with SEN including use of visual prompts and minimal and appropriate language.
31. Makaton
  - Training for groups of staff or individuals on supporting spoken language for children with SEN. This could be through either Foundation (2 Days) or Enhancement (3 Days) workshops for professionals.
32. Safer people handling (Full Course)
  - Training required by any staff involved in the lifting, handling or transfer assistance of pupils with SEN. This is a one day course which is delivered by RoSPA trained trainer.
33. Safer people handling (Refresher)
  - Required to be renewed every 12 months by any staff involved in the lifting, handling or transfer assistance of pupils with SEN. This is a 1/2 day course delivered by a ROSPA trained trainer.

**d) CPD Services SOCIAL/EMOTIONAL/BEHAVIOUR**

34. Leading development in social and emotional learning
  - Supporting staff with a lead role for Social and Emotional learning aspects in schools e.g. National Programme for Specialist Leaders in Behaviour and Attendance (NPSLBA).
35. Assessing and teaching social and emotional skills
  - Training for staff on making the best use of APP for Social and Emotional Aspects for Learning (Developed by The Harbour School).
36. Teaching CYP to resolve conflict peacefully
  - Training for staff on how to use the collaborative problem solving approach to teach children the skills they need to resolve conflict for themselves in the future.
37. Supporting CYP to change their behaviour
  - Training for staff in on how to provide mentoring support to CYP including use of approaches from motivational interviewing and solution focussed approaches.
38. Team Teach / Physical intervention



- Accredited training for staff in positive handling strategies through a whole setting holistic approach, focussing on de-escalation skills, actively committed to reducing restraint and risk and using physical intervention as a last resort.
- 39. Restorative approaches
  - Training for staff regarding the evidence based approach of mediation for individuals and groups.
- 40. Stress busting
  - Training for staff to enable them to understand and manage stressful situations either for themselves or for CYP.
- 41. Loss and bereavement
  - Child and Adolescent Mental Health Services training for staff to support children and young people YP experiencing loss and bereavement including the opportunity to become a school loss companion.
- 42. Attachment difficulties
  - Training for staff to better understand the theory and practice behind attachment theory. Practical strategies and interventions for children and young people experiencing difficulties.
- 43. Emotional First Aid
  - A course of training for staff (6 1/2 day sessions) to support learners with additional emotional needs. This can be delivered tailored to Primary or Secondary age groups.
- 44. Social and Emotional Aspects of Learning / Silver Set
  - Support for staff to review and develop Social and Emotional Aspects of Learning work. E.g. Joint delivery and development of Silver Set (Small group intervention).
- 45. De-escalation
  - Training for staff on how to develop techniques and approaches to de-escalate potentially dangerous and violent situations.

**e) CPD OTHER**

- 46. Parent / carer workshops
  - Tailored to school needs, workshops delivered directly to groups of parents and carers on a range of issues related to SEN. E.g. Total communication, PPP, Stepping Stones, Makaton, Supporting children's learning at home.
- 47. Disability awareness training for CYP
  - General awareness raising, delivered through assemblies, focus days etc. Specific work with groups of pupils on developing tolerance, acceptance and general citizenship skills.
- 48. Opportunities for staff to gain SEN classroom experience
  - Visits to Special Schools to carry out observations, gain hands on experience, view resources and specialist equipment. Opportunities to discuss issues with experienced SEN staff.
- 49. Lunchtime supervisor training
  - Training for groups of lunchtime supervisors on managing behaviour positively, effective communication and developing play skills.
- 50. Midas Training
  - Training on driving accessible minibuses to transport pupils with additional mobility needs. This is a one day course which must be updated every three years and includes a driving assessment.



Agenda item: 

<b>6</b>
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**Title of meeting:** Schools Forum

**Date of meeting:** 25<sup>th</sup> September 2013

**Subject:** Funding of Behaviour Support Services

**Report from:** Julian Wooster, Director of Children's & Adults' Services

**Report by:** Richard Webb, Finance Manager for Children's Services

  

**Wards affected:** All Wards

**Key decision:** No

**Full Council decision:** No

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## 1. Purpose of report

The purpose of this report is to inform Schools Forum of the different options of providing funding to the Harbour School for the provision of Behaviour Support services to primary and secondary schools.

## 2. Recommendations

It is recommended that:

- 2.1. Primary School Forum Members consider and approve one of the following options for 2014-15:
  - i. Option (a) - De-delegate funding from maintained schools for behaviour support services to central control.
  - ii. Option (b) - Implement a fully traded behaviour support service.
  - iii. Option (c) - De-delegate funding from maintained schools for the period April 2014 - August 2014 and implement a fully traded behaviour support service from September 2014.
  
- 2.2. Secondary School Forum Members consider and approve one of the following options for 2014-15:
  - i. Option (a) - De-delegate funding from maintained schools for behaviour support services to central control.
  - ii. Option (b) - Implement a fully traded behaviour support service.
  - iii. Option (c) - De-delegate funding from maintained schools for the period April 2014 - August 2014 and implement a fully traded behaviour support service from September 2014.

### 3. Background

3.1. The Harbour School provides Portsmouth Schools with services to support and improve the emotional and behavioural development of pupils in schools. This is delivered through:

3.1.1. Multi Agency Behaviour Support that provides support to develop children's and young people's social and emotional skills and behaviour for learning, by working with children and young people (individually or in groups), with families, and with school staff (regarding individual children and young people and through training).

3.1.2. Targeted Mentoring Support Service that offers flexible education packages and mentoring for Key Stage 4 learners.

3.1.3. Fair Access Protocol Support that provides mentoring to children and young people who are identified as hard to place by the Inclusion Support Panel, due to their additional needs and/or complex circumstances when moving between schools.

3.2. In 2013-14 funding for Behaviour Support was delegated to schools. At the Schools Forum meeting in October 2012, School Members voted by phase (primary & secondary) to de-delegate this funding back from maintained schools to central control for one year. It was not possible to de-delegate from academies or special schools, and traded services / service level agreements are now in place between them and The Harbour School.

3.3. Behaviour support funding for primary and secondary schools (including academies) is allocated via the Basic Per Pupil Entitlement and Free School Meals on a 50/50 split.

3.4. The total funding delegated to primary and secondary schools within the school funding formula for 2013-14 amounted to £791,500 (Primary £401,800, Secondary £389,700). This was then de-delegated from maintained schools at the following rates:

Basic Per Pupil Entitlement:

- Primary £14.11 per pupil
- Secondary £22.92 per pupil

Deprivation - FSM

- Primary £42.97 per eligible pupil
- Secondary £70.72 per eligible pupil

The total amount de-delegated from maintained schools at the 1<sup>st</sup> April 2013 was £751,743.

- 3.5. As schools convert to Academy status during the year, the amount of de-delegated funding will reduce. The Authority can only retain any de-delegated funding until the following September or April, whichever comes first.
- 3.6. At the time of writing this report, if the de-delegation rates remain at the above levels, then based on the current pupil numbers, the amount de-delegated on the 1<sup>st</sup> April 2014 would be £574,200. This amount reflects the current academy conversions and those anticipated to have converted by 1<sup>st</sup> April 2014.
- 3.7. In preparing this paper it was identified that £57,000 of the behaviour support funding is required to be reclassified as Outreach funding in 2014-15, to correctly reflect the referrals received through the Portsmouth Special Educational Needs Support Partnership (PSNESP). The adjustment would be reflected through an adjustment to the de-delegation rates.
- 3.8. The proposals within this report have been discussed by the funding reform working group and the sub-group comprising the Special Head Teachers.

#### **4. Funding Options**

- 4.1. Currently under the financial regulations, the main options available for funding the provision of Behaviour Support Services are:
  - (a) Continue to de-delegate from maintained schools with Schools Forum approval by phase. Separate Traded Services Agreements will continue to be put in place between Academies and The Harbour School.
  - (b) Implement Service Level Agreements between all maintained primary and secondary schools and The Harbour School. Separate Traded Services Agreements continue between academies and The Harbour School.
  - (c) A combination of both options could be implemented for the first year, to allow for a delayed introduction of the complete traded arrangement with all schools. This is explained in further detail below.

It should be noted that where there is reference to The Harbour School entering into a Traded Services agreement, the School will be acting on behalf of the Local Authority.

- 4.2. Primary and secondary school phases can separately decide on the options above. Each phase will be required to vote separately on the decision of whether to de-delegate the Behaviour Support budgets to central control.

4.3. In the section below, the advantages and disadvantages of each of the options are reviewed.

**(a) Continue to de-delegate from maintained schools with Schools Forum approval by phase. Separate Traded Services Agreements will continue to be put in place between academies and The Harbour School.**

Under this proposal, Schools Forum would agree by phase (primary & secondary) to de-delegate funding for Behaviour Support Services from maintained schools budget shares to be held centrally. As it is not possible to de-delegate from academies separate Traded Services Agreements would be put in place between them and The Harbour School, if they wished to purchase the services.

The advantages of this option are:

- The Harbour School would have greater certainty over the funding available for the financial year, enabling them to plan their resource requirements for the service.
- The services would be available to all maintained schools as and when they need them (and academies if the services are purchased).
- The potential disincentive for schools not use the services on financial grounds would be removed.
- There is no requirement to have service level agreements between the maintained school and The Harbour School.
- Schools do not need to consider whether to sign up and pay for these services.

The disadvantages of this option are:

- As more schools convert to Academy status, the amount of de-delegated funding will be reduced. Where a school converts to become an Academy during the year, the Authority can only retain any de-delegated funding until the following September or April, whichever comes first.
- The majority of funding is provided to The Harbour School irrespective of the level of use by maintained schools.
- Overtime, with the increased number of academies, the level of funding through the de-delegated route will reduce.

Where a School becomes an academy during the year, a Traded Services Agreement will be put in place between the Academy and The Harbour School, if the Academy wishes to continue purchasing the Behaviour Support services.

**(b) Implement Service Level Agreements between all maintained primary and secondary schools and The Harbour School. Separate Traded Services Agreements continue between academies and The Harbour School.**

Under this proposal, the funding for the Behaviour Support Services would be delegated to all schools and academies within Portsmouth, through the funding formula. If the maintained schools and academies choose to use the Behaviour Support services, then they would need to enter into service agreements with The Harbour School.

The advantages of this option are:

- Schools and academies have the power to decide whether to sign up and pay for Behaviour Support services.
- Schools may have the option to choose the level of service that they require.

The disadvantages of this option are:

- The Harbour School would require time to implement a traded services model, to enable them to have certainty as to the level of sign up for services and consequently the level of funding available, in order to be able to plan their resource requirements.
- If there is insufficient buy back from the maintained schools and academies, the Behaviour Support service could become unviable.
- Schools and academies will have to consider whether they want to sign up for Behaviour Support services and whether they want to use their allocated funding for these services. There is a risk that services are not purchased by schools and that pupils will not receive the services that they require.
- There will be an increase in the level of administration and marketing required to manage a traded services function.

**(c) Delayed Implementation - a combination of (a) and (b)**

Under this proposal, funding would be de-delegated for the period April 2014 - August 2014 and the arrangements explained in option (a) would be in place. From September 2014, Service Level Agreements would be put in place between all maintained schools and the Harbour School. Separate Traded Services Agreements continue between academies and The Harbour School, as detailed in option (b)

This model allows the Harbour School time to plan and implement the necessary arrangements to operate in a traded services environment. For further details of the other advantages and disadvantages, please refer to options (a) and (b).

4.4. The de-delegated funding amounts used in the 2014-15 funding formula, will differ depending on the options selected by Schools Forum Members. The final rates will be reported to Schools Forum when the final preform is presented for approval.

**5. Reasons for recommendations**

It is a decision for School Members as to whether by phase they would prefer to de-delegate Behaviour Support funding to central control. Therefore it is recommended that School Members consider the options available to them as set out in detail in section 4.

**6. Equality impact assessment (EIA)**

This report does not require an Equality Impact Assessment as the proposal does not have any impact upon a particular equalities group.

**7. Head of Legal Services' comments**

Legal comments have been included within the body of this report

**8. Head of Finance's comments**

Financial comments have been included within the body of this report.

.....  
Signed by:

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
Behaviour Support Financial Records	Education Finance & School Sites
2014-15 Revenue Funding Arrangements: Operational Information for Local Authorities, June 2013	DfE Website

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:



## **APPENDIX A: The impact of the services**

### **Multi-Agency Behaviour Support (MABS) Service**

MABS supports approximately 550 children and young people, their parents/carers and school staff and provides over 250 hours of training for school staff per year.

The impact of MABS is:

- 86% of the children and young people supported by MABS sustain a measurable improvement in their social and emotional skills (NFER assessment before support and after 6 months).
- This sustained measurable improvement is important as research demonstrates that social and emotional skills are key to success in life impacting upon our relationships, behaviour, success at work and academic success in school.
- 100% of the parents supported by the MABS Triple P programmes report a positive impact on their parenting.
- 96% of school staff rate the support they receive from MABS as either useful or very useful.
- 94% of parents/carers rate the support they receive from MABS as either useful or very useful.

### **Fair Access Protocol (FAP) Support**

FAP supports approximately 50 children and young people per year.

The impact of FAP Support is:

- 75% of children and young people supported improve their school attendance.
- 70% of children and young people supported did not receive any exclusions from their new school.
- 100% of children and young people supported are tracked and prevented from becoming missing children.
- 81% of children and young people supported remain within their new mainstream school.

### **Targeted Mentoring Support Service (TMSS)**

TMSS supports 80 young people in KS4 per year.

The impact of TMSS is:

- 97% of the young people supported achieve accredited outcomes by the end of Yr11.
- 89% of the young people supported achieve an accredited outcome in English.
- 86% of the young people supported achieve an accredited outcome in Maths.
- 100% of the young people supported secure a post 16 destination.

## **APPENDIX B: The range of services provided**

### **Multi-Agency Behaviour Support (MABS) Service**

MABS works with schools to support children and young people to develop their social and emotional skills and behaviour for learning in order to achieve success now and in the future.

MABS provides a range of evidence-based interventions which can involve work with the:

- child or young person
- parents and carers
- school staff
- other agencies

Working with children and young people to provide:

- 1:1 mentoring to support behaviour change
- 1:1 teaching of social and emotional skills
- Group work to teach social and emotional skills
- Support with challenging behaviour
- Support with stress, anxiety and worry
- Support with transition between schools
- Back to school support
- Support with loss and bereavement
- Emotional First Aid

Working with parents and carers to provide:

- Assessment of needs, planning, intervention and review (including use of the Common Assessment Framework, Team Around the Child meetings and Lead Professional role).
- 1:1 casework
- Parenting groups (Primary Triple P)
- Parenting groups (Teen Triple P)
- Support with challenging behaviour
- Support with stress, anxiety and worry
- Support with loss and bereavement
- Support with school attendance
- Theraplay
- Parent drop ins

Working with school staff to provide:

- Support with assessment, planning, intervention and review (including Pastoral Support Programmes and Risk Assessments).
- Consultation
- 1:1 Coaching
- Staff Learning Circles

- Developing whole school approaches
- Training / CPD including:
  - Behaviour policy and practice review
  - Social and Emotional Aspects of Learning (SEAL)
  - SEAL group work (Silver Set)
  - Assessing and teaching social and emotional skills (APP for SEAL)
  - Effective support for young people with relationship difficulties
  - De-escalation
  - Restorative Approaches and Non-Violent Resistance
  - Attachment difficulties and developmental trauma
  - Autism and Asperger's Syndrome
  - Anxiety and stress
  - Anger management
  - ADHD and ADHD type behaviours
  - Therapeutic storytelling
  - Emotional First Aid
  - Loss and bereavement
  - Making the most of breaktimes and lunchtimes
  - Solution-Focused Approaches and Motivational Interviewing
  - Creating an emotionally literate classroom and developing behaviours for learning
  - The brain and learning (applying research findings)
  - Teaching children and young people to resolve conflict peacefully (the Collaborative Problem Solving Approach)
  - Peer mediation

### **Fair Access Protocol (FAP) Support**

FAP provides mentoring support to children and young people who are identified as hard to place by Inclusion Support Panel due to their additional needs and/or complex circumstances when moving between schools.

### **Targeted Mentoring Support Service (TMSS)**

TMSS provides individually tailored programmes for young people in KS4 who are at risk of leaving school without accredited outcomes and becoming NEET, and who are assessed to be more likely to succeed through vocational courses. The individual programmes can be full time or part time and are supported by intensive 1:1 mentoring to support the young people to fully engage in their programmes, to overcome their barriers to learning and to learn the skills they need for success now and in the future.

The range of courses available through TMSS to make up individual programmes includes:

- English functional skills and/or GCSE (Achievement Programme)
- Maths functional skills and/or GCSE (Achievement Programme)
- Science entry level and/or GCSE (Achievement Programme)
- ICT
- Construction
- Motor Vehicle
- Catering
- Hairdressing
- Beauty
- Animal Care
- Public Services
- Sport and Leisure
- Childcare
- Business Administration
- Art and Design
- Boxing
- Gym
- Activation
- Personal ,Social, and Health Education
- Outdoor Education
- Work Experience

# Agenda Item 6

Agenda item:

7

**Report to:** Schools Forum

**Date of meeting:** 25<sup>th</sup> September 2013

**Subject:** School Funding Reform 2014-15

**Report from:** Julian Wooster – Director for Children’s & Adult's Services

**Written by:** Richard Webb - Finance Manager for Children's Services

**Wards affected:** All Wards

**Key decision:** No

**Full Council decision:** No

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## 1. Purpose of report

The purpose of this report is to provide schools forum with an update on the implementation of the school funding reform arrangements for 2014/15, and to seek the required approvals at this stage in the process

## 2. Recommendations

It is recommended that the Schools Forum:

- a) Approves by phase, the proposed treatment of the central expenditure items detailed in the table at paragraph 4.4.\*
- b) Notes the proposal to establish a contingency fund in 2014-15 as set out in paragraphs 4.5 and 4.6.
- c) Agrees to the proposed treatment of the centrally retained expenditure budgets as set out in paragraphs 4.7 to 4.9.
- d) Notes the consultation document issued to schools in Appendix 2 and that responses to the consultation document will be reported to Schools Forum at the meeting on 23<sup>rd</sup> October 2013.

*\* Note: only School Members by phase can vote on this item*

### **3. Background**

- 3.1 In July 2013 a report was presented to Schools Forum which provided Members with a summary of the main changes proposed by DfE to the 2014-15 school revenue funding arrangements, in their publication issued in June 2013.
- 3.2 This report provides Members with an update on the implementation of these changes and seeks early agreement to a number of proposals for 2014-15.

### **4. Proposals for 2014-15**

#### **De-Delegated Central Expenditure Budgets**

- 4.1 In 2013-14 the following budgets were de-delegated to central control from maintained schools, following approval by Schools Forum.
- a. Administration of Free School Meal Eligibility
  - b. Licences & Subscriptions (excluding CLA and MPA)<sup>1</sup>
  - c. Maternity costs
  - d. Special Staff Costs
  - e. Ethnic Minority Achievement Service (EMAS)
  - f. Museum and Library Services
  - g. Behaviour Support Services
- 4.2 The table in Appendix 1 provides further details on the above items and the proposals for de-delegation in 2014-15. Behaviour Support has been excluded from Appendix 1 as this is covered in a separate report on this meeting's agenda.
- 4.3 It is not possible to de-delegate from Academy schools, therefore in the case of Academies, all of the funding for items (a) to (g) listed above will remain with the school to be managed locally. Academy schools will be able to continue to purchase certain services through contractual agreement with the Local Authority.
- 4.4 In summary, the list below summarises the proposed treatment of the central expenditure items for maintained primary and secondary schools. Further detailed information can be found in Appendix 1.

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<sup>1</sup> Copyright Licensing Agency (CLA) and Music Publishing Association (MPA) licences have been purchased by the Department for Education and will cover all maintained and Academy schools in England. Details can be found at <http://www.copyrightandschools.org/>

Expenditure Item	De-delegation proposals for 14-15
Administration of free school meals eligibility	De-delegate from maintained primary & secondary schools.
Licences or subscriptions	De-delegate from maintained primary & secondary schools.
Special Staff Costs: Maternity	De-delegate from maintained primary & secondary schools.
Special Staff Costs: Union Duties, Suspension, Jury Service, etc.	De-delegate from maintained primary & secondary schools
Support for minority ethnic pupils or underachieving pupils	De-delegate from maintained primary & secondary schools for the period Apr - Aug 2014.  The EMAS service will implement and traded service arrangement from September 2014
Museum & Library Services	De-delegate from maintained primary schools only

4.5 In addition to the above a schools specific contingency can be retained centrally for the following purposes, through a de-delegation mechanism within the school funding formula.

- Schools in financial difficulty
- New, amalgamating or closing schools
- Other expenditure where the circumstances were unforeseen when initially determining the schools budget share.

4.6 It is proposed that a contingency fund is created in 2014-15 in order to provide increased flexibility in relation to the above items. An amount of between £10 and £20 per pupil would be de-delegated from maintained school budget shares in order establish the fund. This would create an estimated fund of between £179k and £358k.

### **Centrally Retained Expenditure Budgets**

4.7 There are no significant changes to the arrangements for centrally retained expenditure budgets. It is not permissible to increase the budgets for Admissions and Schools Forum above the budgeted levels in 2013-14.

4.8 It is therefore proposed that the following items continue to be centrally retained

Admissions - (budget in 2013-14 £252,000)

Servicing of Schools Forum - (budget in 2013-14 £15,500)

CLA & MPA licences - £37,000

4.9 The final budget requirements for the CLA & MPA licences will be reported to School Forum as part of the final budget report for 2014-15.

### **Consultation on proposed funding formula changes**

4.10 As reported in July, there are no significant changes to the funding formula for mainstream primary and secondary schools in 2014/15, although the DfE did introduce some minor changes in response to the feedback from the consultation undertaken earlier this year.

4.11 Appendix 2 contains the consultation document issued to Schools earlier this month. This sets out the changes proposed to the Portsmouth funding formula in 2014-15. Alongside this document, schools also received an indicative budget share spread sheet, which showed the impact of the proposed changes against their current budget share allocation.

4.12 The consultation will close on the 4th October 2013 and any responses will be reported to schools forum at the meeting on 23<sup>rd</sup> October 2013.

### **High Needs Settings**

4.13 As reported in July, the DfE are not proposing significant changes to the high needs funding arrangements for 2014-15.

4.14 As explained within the consultation document, there will be discussion with the schools and high needs settings to confirm the number of places, etc required for 2014-15; and a further report will be presented to Schools Forum later in the year.

## **5. Reasons for recommendations**

The purpose of this report is to provide schools forum with an update on the implementation of the school funding reform arrangements for 2014/15, and to seek the required approvals at this stage in the implementation process.



**6. Equality impact assessment (EIA)**

This report does not require an Equality impact Assessment as the proposal does not have any impact upon a particular equalities group.

**7. Head of Legal Services' comments**

Legal comments have been included within the body of this report

**8. Head of Finance's comments**

Financial comments have been included within the body of this report.

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Signed by:

**Appendices:**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
School Funding Records	Education Finance
2014-15 Revenue Funding Arrangements: Operational Information for Local Authorities, June 2013	DfE Website

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:

### Appendix 1 - De-delegation proposals for 2014-15

No.	Central Expenditure Item	De-Delegation Phase Agreement Required	2013-14 Basis of de-delegation *	Working Group Proposals for 14-15
1.	Administration of free school meals eligibility	Primary & Secondary	Basic Entitlement (per pupil) Primary - £1.22 Secondary - £1.67	<ul style="list-style-type: none"> <li>▪ Continue to de-delegate from maintained schools (SLA for maintained special schools).</li> <li>▪ Traded Services Agreement with Academies</li> </ul>
2.	Licences or subscriptions	Primary & Secondary	Basic Entitlement (per pupil) Primary - £0.87 Secondary - £1.38	<ul style="list-style-type: none"> <li>▪ Continue to de-delegate from maintained schools (SLA for maintained special schools).</li> <li>▪ Academies to purchase their own licence and subscriptions.</li> <li>▪ This does not cover Copyright Licensing Agency (CLA) and Music Publishers Association (MPA) which are now held centrally.</li> </ul>
3.	Special Staff Costs: Long Term Sickness	N/A	Not de-delegated	<ul style="list-style-type: none"> <li>▪ Continue to operate Service Level Agreement with Maintained Schools</li> </ul>
4.	Special Staff Costs: Maternity	Primary & Secondary	Basic Entitlement (per pupil) Primary - £19.90 Secondary - £18.74	<ul style="list-style-type: none"> <li>▪ Continue to de-delegate from maintained schools (SLA for maintained special schools).</li> </ul>

No.	Central Expenditure Item	De-Delegation Phase Agreement Required	2013-14 Basis of de-delegation *	Working Group Proposals for 14-15
5.	Special Staff Costs: Union Duties, Suspension, Jury Service, etc.	Primary & Secondary	Basic Entitlement (per pupil) Primary - £6.96 Secondary - £14.83	<ul style="list-style-type: none"> <li>▪ Continue to de-delegate from maintained schools (SLA for maintained special schools).</li> </ul>
6.	Support for minority ethnic pupils or underachieving pupils	Primary & Secondary	English as an Additional Language Primary - £211.66 Secondary - £1025.11	<ul style="list-style-type: none"> <li>▪ Continue to de-delegate from maintained schools (SLA for maintained special schools).</li> <li>▪ Additional services continue to be provided through SLA.</li> <li>▪ Traded Services Agreement with Academies for all EMAS services.</li> </ul>
7.	Library and Museum Services	Primary	Basic Entitlement (per pupil) Primary - £1.12	<ul style="list-style-type: none"> <li>▪ Continue to de-delegate from maintained primary schools</li> <li>▪ Traded Services Agreement with Academies.</li> </ul>

\* Note: the final de-delegation rates will be agreed in setting the final budget for 2014-15

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# 2014-15 School Funding Formula

Consultation



Portsmouth  
*CITY COUNCIL*

# Funding Formula

## 2014-15 consultation

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## **1 Introduction**

### **1.1 Background and Purpose**

In March 2013 the government confirmed that a new national funding formula for schools would be introduced in the next spending review period (2015-16 onwards). In June last year, the government announced interim changes that would be made to the school funding formula from 1<sup>st</sup> April 2013 which have now been implemented.

For 2014-15 further changes to the funding arrangements will be required as we continue to move towards the national funding formula. At the beginning of June, the DfE published the guidance documents for funding arrangements for 2014-15 which included some proposed changes to the current funding formula.

The purpose of this consultation document is therefore to set out how Portsmouth City Council intends to implement the changes to revenue funding arrangements for 2014-15 and to seek your views on points of local discretion within the new framework.

### **1.2 Funding for 2014-15**

The Department for Education (DfE) have confirmed that the level of funding for 2014-15 that the Council receives for Early Years and Mainstream Schools will remain at the 2013-14 per pupil levels. The funding that the Council receives for High Needs services is not on a per pupil basis and it has been confirmed that this allocation nationally will remain at the 2013-14 level.

Therefore there is no additional funding from the DfE to allocate out to schools and similar settings for 2014-15.

### **1.3 Working Groups**

Schools Forum agreed to the creation of a working group to help inform the proposed changes to the funding arrangements, as happened last year. The working group included a Head Teacher, a Finance Officer and a Governor from each phase.

The first task of the working groups was to agree a set of principles which would guide and inform the financial modelling. At the July meeting of Schools Forum these principles were agreed (see Appendix 1 for details).

## **2 Early Years**

### **2.1 Early Years Funding Formula**

No changes are currently proposed to the Early Years funding formula for 2, 3 or 4 year olds.

## **3 Mainstream Schools**

### **3.1 Introduction**

Although the DfE are not proposing any significant changes to the funding for mainstream primary and secondary schools in 2014-15, they have introduced some minor changes in response to feedback they received to their consultation earlier this year.

This document sets out how Portsmouth City Council intends to implement these changes in 2014-15 and seeks your views on points of local discretion within the new arrangements.

There are no proposals, other than as explained in section 3.15, to revisit or amend the other formula factors, which are not affected by the DfE changes,.

### **3.2 Prior Attainment**

The factor has been amended for both primary and secondary schools.

#### **Primary schools:**

The first assessment of the new Early Years Foundation stage profile (EYFSP) took place over the summer of 2013. This means that in terms of the funding formula, some pupils will be assessed on the old EYFSP and year 1 will be assessed on the new EYFSP. Locally we can still choose to fund pupils based on either the achievement of fewer than 78 points or fewer than 73 points.

It is proposed that funding continues to be allocated to schools where pupils achieve fewer than 73 points in years 2-5 and for those pupils who did not achieve a good level of development in year 1.

The funding unit rate may need to be reassessed once the final data set is distributed in December 2013 in order to ensure that the allocation to schools remains affordable.

#### **Secondary:**

In terms of the secondary prior attainment factor, funding can now be targeted at all pupils who fail to achieve a level 4 for either English or Maths. The English element of the KS2 measure will identify those who do not achieve a level 4 in either the reading or teacher assessed writing elements. This change has resulted



in an increase in the number of pupils who would attract funding through this factor from 1,157 to 2,749 pupils (an increase of 1,592 pupils). If the funding rate per pupil was maintained at the 2013-14 level of £3,178.89, then the allocation through this factor would be unaffordable in 2014-15. Therefore it is necessary to either reduce the unit rate of funding through this factor or reduce funding through another factor, in order to maintain affordability.

In developing the final proposal, a number of options were reviewed:

- (a) The first option reviewed, was to reduce the prior attainment unit rate. In order to maintain affordability using the 2013-14 data, it would be necessary to reduce the unit rate to £1,377.57. However, the change in the allocation between the secondary schools, caused by the change in pupil characteristics, resulted in an almost doubling of the MFG cost.
- (b) An alternative option was to reduce the Basic Entitlement factor, in order to maintain affordability. It would be necessary to reduce both the KS3 and KS4 rates by £595.36 to £3,267.14 and £3,876.14 respectively. Reducing these rates would mean that Portsmouth would move closer to the £3,000 minimum set by the DfE. It would also result in Portsmouth being among the Authorities with the lowest funding rates through Basic Entitlement nationally (lowest 12 at KS3 and lowest 14 at KS4). Currently Portsmouth is in line with the rates of the majority of Authorities.
- (c) The proposed option for maintaining affordability is to reduce both the prior attainment and basic entitlement factors. Through reducing both these factors, it is possible to maintain the KS3 and KS4 factors nearer to the current position, whilst also limiting the impact on MFG, (4 schools would no longer have MFG or cap). Under this proposal, the prior attainment factor is reduced by £1178.89 to £2,000, whilst the basic entitlement factors are reduced by only £214.19 to £3,648.31 and £4,257.31 respectively for KS3 and KS4.

*Q1 – Do you agree with the proposal to reduce both the prior attainment funding factor and the KS3 and KS4 funding rates in order to maintain overall affordability, following the change in the prior attainment funding allocation criteria?*

### **3.3 Looked After Children**

The factor has been amended so that it will identify all pupils who have been looked after for one day or more on 31<sup>st</sup> March 2013. As a result of this change in criteria for the dataset, the number of children that will attract funding through this factor will increase.

The initial modelling indicates that based on the current pupils, an additional 18.89 pupils would be eligible (total 90.99 pupils). This would increase the funding allocated through this factor by £53,100 (@ £2,811 per pupil). In order to maintain the existing level of funding through this factor, the unit value would need to be reduced by £583.58 to £2,227.42.

Based on the financial modelling and the feedback from the funding working group, it is proposed that this factor continues to be used and that the unit rate of £2,811 remain unchanged. In order to fund the additional number of pupils at the current level, it is proposed that the lump sum rate be reduced by £850 to £139,150.

*Q2 – Do you agree with the proposal to retain the Looked After Children per pupil funding factor rate at £2,811?*

*Q3 – Do you agree with the proposal to reduce the Lump Sum rate by £850 in order to fund the increased number of children that will attract funding through the Looked After Children factor, as a result of the change in the dataset used by DfE?*

### **3.4 Pupil Mobility**

In developing the funding formula for 2013-14, it was decided that the pupil mobility funding factor would not be used, due to the low rates of mobility and the decision to allocate funding based on the needs of pupils rather than their mobility. Therefore funding was directed through the Looked After Children and other factors rather than mobility. The DfE have now revised the criteria for the use of this factor and funding may now only be targeted at those schools experiencing pupil mobility above a 10% threshold.

Based on the data provided by DfE for modelling purposes, Portsmouth Schools currently have the following pupil mobility characteristics:

- 13 schools have pupil mobility over 10% (12 primary, 1 secondary).
- The highest rate of mobility is 18.86% (funding would only be applied to 8.86%).
- The bandings of mobility are as follows:
  - 5 schools - 10% to 12%
  - 5 schools - 12% to 15%
  - 3 schools - 16% to 19%
- The mobility factor would only apply to 149 pupils across the city.

To allocate funding through this factor, it would be necessary to reduce the funding through other factors, which would affect all schools. Financial modelling was undertaken to look at the impact of redirecting funding from the Basic Per Pupil Entitlement factor to allocate on the basis of mobility. The results of the modelling provided the following conclusions:

- (a) We would need to reduce funding to all schools in order to increase funding to the 13 schools
- (b) In all scenarios modelled, 3 of the 13 schools saw a loss in funding, even with the pupil mobility factor unit rate at £3,000.
- (c) The funding would only apply to 149 pupils (0.065% of all pupils) across the city.
- (d) The decisions reached in developing the 2013-14 funding formula still remain valid, i.e. the pupil mobility rates remain low and funding is better

directed to schools based on the needs of the pupil rather on the basis on mobility.

Therefore based on the financial modelling, the conclusions above and the feedback from the funding working group, it is proposed that the pupil mobility funding factor is not used in 2014-15.

*Q4 - Do you agree with the proposal not to use the pupil mobility factor to allocate funding to schools?*

### **3.5 Lump Sum**

Currently Portsmouth allocates £140,000 as a lump sum to all primary and secondary schools. From 2014-15 Local Authorities will be able to set a different lump sum allocation for primary and secondary schools. However, the maximum sum that may be allocated is £175,000. Any all-through schools will receive the secondary lump sum value.

Authorities must also ensure that at least 80% of the delegated funding is allocated through pupil led factors. In 2013/14 Portsmouth allocated 89.77% of the school funding through these factors.

The impact of increasing the lump sum to £175,000 has been reviewed and the financial modelling shows that we would not breach the 80% rule above. However reducing the funding through the pupil led factors (such as Basic Entitlement, Deprivation, Looked After Children, etc) in order fund the increase in the lump sum, would not be consistent with the DfE principle of increasing the amount of funding through the pupil led factors.

Additionally, reducing funding through pupil led factors in order to increase the lump sum would increase the volatility in the funding for schools and would also increase the MFG requirement, which is not consistent with the principles adopted by Schools Forum in Appendix 1.

It is therefore proposed that Portsmouth does not make use of the additional flexibility to have separate lump sum rates for Primary and Secondary schools.

*Q5 – Do you agree with the proposal to retain a single lump sum rate for both Primary & Secondary schools?*

### **3.6 Sparsity**

This factor is available to small schools (less than 150 pupils) where the average distance to pupils' second nearest school is more than 2 miles (primary) or 3 miles (secondary). Based on these criteria this factor will not be eligible to Portsmouth Schools.

### **3.7 Minimum Funding Guarantee**

The Minimum Funding Guarantee (MFG) for primary and secondary schools will remain at minus 1.5% for 2014-15. The DfE have confirmed that the MFG mechanism will remain in place for 2015-16 onwards but have not yet confirmed whether it will remain at minus 1.5%.

### **3.8 Capping Mechanism**

The capping mechanism will also be retained again in 2014-15. As part of setting the budget for 2014-15 it will be necessary to re-determine the level at which the capping on the gains will be applied. For the purposes of consulting with schools, the indicative budgets have assumed that the cap remains at 1.5%.

The DfE have adjusted the capping mechanism in so that it cannot be applied to schools that have opened in the last 7 years and have not reached their full number of year group.

### **3.9 Amalgamating Schools**

Schools and academies will now benefit from additional protection when they amalgamate. Currently under the existing arrangements, where schools amalgamate they would only be eligible for one lump sum. Under the new proposals from the DfE, schools would be able to retain the equivalent of 85% of the two lump sums for the financial year following the year in which they merge.

### **3.10 Delegated and De-delegated central funding**

In 2013-14 the following budgets were de-delegated to central control from maintained schools, following approval by Schools Forum.

- a. Behaviour Support Services
- b. Administration of Free School Meal Eligibility
- c. Museum and Library Services
- d. Licences & Subscriptions (excluding CLA and MPA)<sup>1</sup>
- e. Maternity costs
- f. Special Staff Costs
- g. Ethnic Minority Achievement Service (EMAS)

It is proposed that these budgets, with the exception of Behaviour Support and the Ethnic Minority Achievement Service, will continue to be de-delegated for maintained schools. Schools Forum will be asked to vote on the proposals to de-delegate budgets at the Schools Forum meeting on the 25<sup>th</sup> September.

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<sup>1</sup> Copyright Licensing Agency (CLA) and Music Publishing Association (MPA) licences have been purchased by the Department for Education and will cover all maintained and Academy schools in England. Details can be found at <http://www.copyrightandschools.org/>

New flexibilities within the proposed Finance Regulations for 2014-15, include a proposal to allow any unspent de-delegated central expenditure to be carried over and used for the same purpose as it was used in 2013-14. This is unlikely to have any impact on the de-delegated pupil rates for 2014-15, due to the timing of the submission to the Department of Education.

It is not possible to de-delegate from Academy schools, therefore in the case of Academies, all of the funding for items (a) to (g) listed above will remain with the school to be managed locally. Academy schools will be able to continue to purchase certain services through contractual agreement with the Local Authority.

### **3.11 Growth Fund**

There are currently no proposals to amend the growth fund criteria for 2014-15.

### **3.12 Falling Rolls Fund**

As part of the 2014-15 changes, the DfE have introduced the ability for funding to be retained centrally (in the same way as the Growth Fund) where a population bulge is expected in the future but where a good and necessary school or academy currently has surplus places and faces an unmanageable funding shortfall in the short term.

A review of the schools, forecast pupil numbers and surplus capacity rates has indicated that the falling rolls fund is unlikely to be of significant use or benefit in 14-15, due to the significant pressure on schools places, particularly in the primary sector. Therefore the consensus of both the working group and the Education service is there is not a requirement for this fund in 2014-15. However we will review the position again for 2015-16.

*Q6 – Do you agree with the proposal not to create a falling rolls fund?*

### **3.13 Contingencies**

A schools specific contingency can be retained centrally for the following purposes, through a de-delegation mechanism within the school funding formula.

- Schools in financial difficulty
- New, amalgamating or closing schools
- Other expenditure where the circumstances were unforeseen when initially determining the schools budget share.

For 2014-15 it is proposed that a contingency fund is created to enable additional support and flexibility to be available to support Portsmouth schools in the above instances. If the fund is not created at the beginning of the financial year, then it will not be possible to use the contingency fund for the whole of the financial year.

A report will be presented to Schools Forum at a forthcoming meeting, which will set out the operational framework of the contingency fund. This would include

eligibility criteria and the requirement for Schools Forum approval to access the fund.

In order to establish the contingency fund, it is proposed to de-delegate between £10.00 and £20.00 per pupil on the Basic Entitlement factor. This would create a contingency of between £179k and £358k. As it is not possible to de-delegate from Academy Schools, this funding will remain with the Academy and they would not be eligible to call on the contingency fund.

*Q7 – Do you agree with the proposal to establish a contingency fund?*

### **3.14**

#### **Budget Share Financial Modelling**

An indicative 'budget share' spread sheet has been prepared to accompany this document which will provide you with an understanding of the impact of these proposals on your schools funding allocation. The indicative budget share allocation is calculated using the 2013-14 pupil data provided by the DfE.

The following points should be noted:

- (a) The comparison to the current 2013-14 budget share is shown before the de-delegation of any centrally held funding.
- (b) The final budget share for 2014-15 may differ as a result of the change in pupil numbers and characteristics and will be based on the October 2013 pupil census.
- (c) The budget share excludes any funding for resourced units or early years nursery provision.
- (d) The budget share includes changes relating to the National Non Domestic Rates corrections for 2013-14 payments and adjustments relating to schools that have converted to Academy status.
- (e) Changes to pupil numbers to reflect Mayfield School becoming an all-through school
- (f) Changes to reflect those schools who have amalgamated during the year.

The budget share spread sheet will be available on Intralink at the following location:

**[Services > Schools > Budget Information > Budget Share 2014-15 Consultation](#)**

### **3.15 Final Budget Shares**

As explained within this document, the financial modelling undertaken for the purposes of consultation have been based on the updated 2013-14 pupil data provided by the DfE.

In setting the final budget for 2014-15 for the Primary and Secondary schools, updated pupil data based on the October census will be provided by the DfE. As a result of the change in pupil numbers and pupil characteristics, it may be necessary to amend the final unit values attached to the funding formula factors, in order to maintain overall affordability.

In order to provide schools with some certainty, where possible any changes will be limited to the following formula factors:

- Prior attainment
- Basic Per Pupil Entitlement
- Lump Sum
- The percentage of the financial cap

## **4 High Needs**

### **4.1 Resourced Units**

The place funding for resourced units will remain at £10,000 per place. There are currently no proposals to amend the resourced unit top-up rates for 2014-15.

There will be discussion with each of the individual schools to confirm the number of places required for 2014-15.

### **4.2 Alternative Provision**

The place funding for resourced units will remain at £8,000 per place. There are currently no proposals to amend the resourced unit top-up rates for 2014-15.

There will be discussion with the individual schools to confirm the number of places required for 2014-15.

### **4.3 Special Schools**

The place funding for Special Schools will remain at £10,000 per place.

There will be discussion with each of the schools to confirm the number of places required for 2014-15. Top-up (element 3) funding will continue to be provided according to the level of need via the individual school's banding values. The legislation places a protection of minus 1.5%, and there will be discussion with each of the schools to confirm the banding value for 2014-15.

#### **4.4 High Needs pupil in Mainstream settings**

There are no proposals to change the funding arrangements in 2014-15 with regard to those pupils with statements of special educational need in mainstream schools. Mainstream schools and academies will continue to be required to contribute the first £6,000 of the additional support costs.

Exceptional circumstances funding will continue to be allocated where the funding formula does not adequately reflect the number of pupils with statements within the school. The rates payable will be agreed with Schools Forum. The allocations will be based on the following criteria, with the funding targeted to those schools with the higher inclusion rates:

*The percentage of pupils with low incidence high cost statements, as agreed by the SEN team in the return submitted in April, compared to the number on roll as per the October census.*

#### **Responding to the Consultation**

### **5 Submission of Responses**

A consultation response form accompanies this document and is available for schools to complete.

Please send your completed response forms to [cflfinance@portsmouthcc.gov.uk](mailto:cflfinance@portsmouthcc.gov.uk)

The consultation will close on the Friday 4th October 2013.



## 6 Appendices

### 6.1 Appendix 1

#### **School Funding Reform 2014-15 Principles for agreement by Schools Forum**

1. There will be no additional funding. Department for Education (DfE) has confirmed that the starting point for Local Authority allocations for 2014/15 Dedicated Schools Grant will be the Guaranteed Units of Funding for 2013/14.
2. All primary & secondary schools will receive protected funding levels at minus 1.5% per pupil. Special Schools will receive protection on the top-up funding (Element 3) at minus 1.5%.
3. For modelling purposes funding for each phase should remain in same proportion / percentage of overall funding as in 2013/14.
4. Ceilings on gains will continue to be imposed to allow for overall affordability (the percentage level will need to be determined).
5. We will seek to minimise the MFG and fluctuations in funding for schools.
6. Results of financial modelling will be shared with working groups and Schools Forum at a high level only (e.g. X schools lose more than £a or b%, Y schools gain more than £c or d%) to ensure that further proposals are informed by principles.
7. The formula factors for primary and secondary schools for 2014-15 will continue to be applied as they were in 2013-14, unless there are proposed changes by the DfE which would require reconsideration.
8. For modelling purposes the funding for Outreach, Behaviour Support or similar SEN services will remain at the 2013-14 levels, subject to changes affected by the academy programme.
9. Members of the working group will be expected to seek views and input from their phases and to ensure their colleagues are aware of any consultations issued by the Local Authority in respect of school funding.

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# Agenda Item 7

Agenda item:

8

<b>Report to:</b>	Schools Forum
<b>Subject:</b>	Craneswater Annex
<b>Date of meeting:</b>	25 <sup>th</sup> September 2013
<b>Report by:</b>	Di Mitchell - Head of Education & Strategic Commissioning
<b>Written by:</b>	Richard Harvey - Education Officer
<b>Wards affected:</b>	All Wards
<b>Key decision:</b>	No
<b>Full Council decision:</b>	No

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## 1. Purpose of report

To seek approval from Schools Forum to establish a Resourced Unit. The unit will be managed by Mary Rose School in the 'Craneswater Annex', for pupils with severe and complex needs and challenging behaviour.

## 2. Recommendations

It is recommended that the School's Forum:

- (a) Approves the establishment of a Resourced Unit with 6 places, which will be managed by Mary Rose School in the Cranewater Annex.
- (b) Approves the Element 3 'top up rate of '£25,448' for pupils places in the Resourced Unit.
- (c) Notes that the funding for 2013/14 will be identified from within the high needs block and acknowledges that a sustainable funding source will need to be identified for 2014/15 onwards; which may require reallocation of funding from other areas within the DSG.

## 3. Background

3.1. In 2011 an interim agreement was made between Mary Rose School and the Local Authority to use Cranewater Annex as a placement for one pupil unable to be maintained on the school site. The other option would be an out of city placement at full cost to the DSG as health and care needs could be met locally. Placements costs for young people with severe and complex needs could start at £150,000 per year.

3.2. The need for at least one new placement per year is required and by agreement with the Local Authority two other Mary Rose pupils have been placed at the Craneswater Annex Resource Base, so as to continue to meet needs locally rather than use out of city placements. Typically the placements are needed for pupils who in addition to their SEND start to present extreme challenging behaviour.

#### **4. Proposal**

4.1. The Craneswater Annex needs to be able to cater for three places and given potential demand, up to an additional three places will be required, giving a total capacity of six places. Six places is the probable number but depending on the individual profile of the pupils, this could be less but would not be more.

4.2. The proposed unit would release three places at the Mary Rose School as the current arrangements mean the pupils placed there at present are in fact double funded. That is they remain on the Mary Rose School roll and prevent the admission of new pupils. Any pupil subsequently placed at the Craneswater Resourced Base will maintain their place at Mary Rose School for six weeks to ensure that the placement at Craneswater is appropriate.

4.3. Admissions arrangements to the Craneswater Annex 'Resourced Unit' will be through the normal the Inclusion Support Panel processes and will be available for when children and young people are identified with the needs that can be met by the staff of Mary Rose, but not in Mary Rose settings.

4.4. As with all Resourced Units a contract will be agreed with Mary Rose School which details the monitoring and reporting arrangements. This will include an annual report by the Head Teacher and annual meeting with the nominated Local Authority officer.

#### **5. Funding**

5.1. Currently the pupils placed within the Craneswater Annex are funded through the main schools budget share allocation, which means that these places cannot be used for other pupils. In 2012/13 additional funding of circa £44,000 was allocated for two children from the central DSG budget for pupils with statements of special educational needs to meet the additional needs of these pupils.

5.2. If the Annex is established as a formal 'Resourced Unit' then place funding of £10,000 per place would be allocated to the school for the 6 places. In 2013/14 the place funding cost would equate to £40,000 for the period 1<sup>st</sup> August to 31<sup>st</sup> March 2014.

5.3. The costs of placing a pupil in this Resourced Unit have been calculated based on a staffing ratio of 2:1, and also include management support, curriculum support, cleaning, caretaker and utility costs.

5.4. The top-up rate for the Craneswater Annex has therefore been calculated to be £25,448 per pupil. As with other top-up funding, this will only be payable when a pupil is actually placed in the Resourced Unit and will be calculated on a pro-rata basis.

5.5. There is no additional funding available for this unit in 2013/14 or in 2014/15 as the DfE have announced that the DSG allocation for 2014/15 will be cash flat. Therefore funding for 2013/14 will need to come from the high needs block. In setting the budget for 2014/15 it will be necessary to identify a sustainable funding source for the Resourced Unit within the DSG allocation; which may require reallocation of funding from other areas within the DSG.

5.6. Rising demand and costs of such placements and the desire to meet needs locally full cost of out of city placements are more likely to put pressure on the education budget. The current costs of the three young people currently located in the Craneswater Annex would be in the range of £500,000 per year if they were in out of city placements as opposed to £136,000 at the Craneswater Annex Resource Base.

## **6. Reasons for recommendations**

Based on the analysis contained within the report, the establishment of an additional resourced unit at the Craneswater Annex would provide an alternative to placing pupils in out of city placements, which are likely to cost considerably more than a placement in the Annex.

## **7. Equality impact assessment (EIA)**

The report does not require an Equality Impact Assessment as the proposal does not have any impact upon a particular equalities group.

## **8. Head of Legal Services' comments**

Legal comments have been included within the body of this report

## **8. Head of Finance's comments**

Financial comments have been included within the body of this report.

.....  
Signed by:

## **Appendices:**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
SEN Financial Records	Education Finance

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by: