

AGENDA SUPPLEMENT (1)

Meeting: Schools Forum
Place: Salisbury Room - County Hall, Trowbridge
Date: Thursday 6 November 2014
Time: 1.30 pm

The Agenda for the above meeting was published on 29 October 2014. Additional documents are now available and are attached to this Agenda Supplement.

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This Agenda and all the documents referred to within it are available on the Council's website at www.wiltshire.gov.uk

- 9 **Reports from Working Groups** (*Pages 1 - 4*)

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DATE OF PUBLICATION: 4 November 2014

SCHOOL SERVICES WORKING GROUP

Purpose of the Paper

1. To enable consideration of the terms and reference and membership of the School Services Working Group.

Background

2. The Schools Services Board was originally convened in February 1998 to co-ordinate the selling of LEA services which were bought back by schools. It was responsible for developing the "Right Choice" document to enable schools to purchase services as efficiently and effectively as possible from the Local Authority.
3. At its meeting on 27th January 2005 the Schools Forum agreed that the Schools Services Board be reconstituted as a formal sub group of Schools Forum, the Schools Services Working Group, reporting back to the Forum as appropriate. New Terms of Reference were also agreed for the Working Group and these are attached as Appendix 1 to this report.
4. As was reported back in 2005, the success of the Working Group has depended upon the time commitment and involvement of a number of Headteachers and Governors to advise LA Officers, and to report back on discussions to a number of different consultative groups including WASSH and PHF. Over recent years this has become more difficult with increased time pressures on schools and on LA Officers, in addition to the increase in number of Academies and the resulting changes to the number and types of traded services offered to schools. Traded services for Academies are not offered through the Right Choice document and there are a number of services which are offered free of charge to maintained schools but which must be purchased by Academies.
5. The Working Group has only met twice since March 2013 and the processes for agreeing services and consulting on changes has become less co-ordinated, particularly since the introduction of "rolling contracts" for many of the Right Choice services. The Working Group has not produced annual reports for Schools Forum.
6. The terms of reference and membership list for the Working Group are now out of date as many of the LA Officer posts named are no longer in place, and nor is the Education Advisory Panel. There is therefore a need to review and revise the terms of reference. In reviewing the terms of reference a number of issues or questions need to be addressed:
 - Is there still a need for a strategic overview of the provision of services to schools through a Schools Services Working Group?

- Should that overview just be of services to maintained schools or should it take in to account services to academies who may act as more independent purchasers?
- Is the role of the Group consultative or decision making? In particular this question relates to the process for agreeing price changes.
- Is there a role for the Group in reviewing service quality and value for money?
- If there is a continued need for the Working Group how frequently should it meet?
- What should the membership be?
- How frequently should the Group report and to whom?

Recommendation

7. Schools Forum is asked to consider these questions in order to inform the revised terms of reference for the Schools Services Working Group, if the Group is still required.

Unpublished documents relied upon in the production of this Report: NONE

Environmental impact of the recommendations contained in this Report: NONE KNOWN

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**Appendix 1:
School Services Working Group: Terms of reference (January 2005)**

The Schools Forum School Services Working Group will:

1. Consider and agree services to be provided by Wiltshire County Council for and with schools.
2. Consult with schools on the provision of these services
3. Produce a prospectus of these services on an annual basis in *The right choice for your school*
4. Monitor the quality and value for money of services, including those provided via central contracts
5. Maintain a strategic overview of the future provision of services
6. Liaise, as appropriate, with other Council departments, working groups, advisory and scrutiny panels, and with other partners on all aspects of service provision, monitoring/review and procurement
7. Report annually to Schools Forum and the Education Advisory Panel on its work

Proposed membership (based on existing School Services Board)

Primary Heads Forum, (3 representatives)
Wiltshire Association of Secondary Heads, (2 representatives)
Wiltshire Association of Governors (1 representative)
Teachers' Associations (1 representative)

Assistant Director, Schools
Assistant director, Resources and Improvement
Head of Administration (Schools)
Head of School leadership
Head of Children and Education Personnel
Payroll Manager

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Wiltshire Council

Schools Funding Working Group 20th October 2014

Budget Update 2015-16 – High Needs Block

Purpose of report

1. To present an analysis of expenditure on budgets within the High Needs Block of the overall schools budget for 2014-15 including projected spend for the current year.
2. To consider options for savings in 2015-16.

Main considerations for School Forum

Analysis of High Needs Block

3. The High Needs Block covers expenditure on provision for pupils and students with high needs from ages 5 to 25 and support services for pupils covering early years provision to FE college provision. The responsibility to fund provision for students in FE colleges and Independent Specialist Providers (ISPs) up to the age of 25 years was transferred in to DSG for 2013-14 to support this, based on previous learner numbers. The high needs block also covers the cost of alternative provision and hospital education services.
4. The final allocation of high needs funding to Wiltshire in 2014-15 is £37.111 million, expenditure (including central support service recharges) has been calculated at £38.325 million. This is analysed as follows:

HIGH NEEDS BUDGET	£	
Top-up funding – Independent Special Schools	3,327,194	9%
Top-up funding – Named Pupil Allowances	1,226,400	3%
Top-up funding – Wiltshire Special Schools	7,485,900	20%
Top-up funding – Wiltshire Schools Resource Bases	1,128,600	3%
Top-up funding – Wiltshire Schools ELP	920,300	2%
Top-up funding – Non-Wiltshire Schools	546,300	1%
Top-up funding – Post 16	4,872,000	13%
SEN support services	3,342,939	9%
Hospital education services	603,500	2%
Other alternative provision services	3,000,755	8%
Place Funding Special Schools, RBs and ELP	11,870,800	31%
Total High Needs Expenditure (incl Central Support Recharges)	38,324,688	100%

Current expenditure forecast 2014-15

5. An analysis of projected expenditure against top up budgets for high needs pupils in 2014-15 is attached to the budget monitoring report elsewhere on the agenda for this meeting. It is currently projected that top up budgets will overspend by £3.1 million in this financial year and the key reasons for that overspend are detailed in the budget monitoring report.

6. An overspend at this level will require significant utilisation of the DSG reserve at the end of 2014-15 leaving little flexibility for the use of reserves in future years. The recurrent level of spend will also need to be addressed in order to prevent further overspends in 2015-16.

Cost Pressures 2015-16

7. Based on the spend in the current year and projected pupil numbers for next year it is estimated that there will be cost pressures amounting to £3.5m against the high needs block for 2015-16. These are summarised in Appendix 1.

Place numbers 2015-16

8. One of the key pressures impacting on high needs spend is the number of additional places required within post-16 provision, particularly at Wiltshire College. This is due, in part, to improved identification of high needs students within the college.
9. In the guidance for 2015-16 the Education Funding Agency (EFA) has stated that there will be some additional funding for high needs in 2015-16 and that the first call on this will be the requirement for additional places. It is the EFA's intention that place numbers for next year will be based on current numbers however local authorities have been given the opportunity to submit exceptional requests for increases in numbers of places from September 2015. Wiltshire has made a submission for additional places as follows:

Provider	Additional Places
Wiltshire College	156
Greentrees Primary – opening of new Resource Base in September 2015	14
Exeter House, Larkrise and St Nicholas Special Schools – to meet current and projected demand	3 places each
Kings Park Primary School Resource Base – to meet demand	2
Springfields Academy – to develop KS2 provision to meet demand	19

10. Local Authorities will be notified of the outcome of any exceptional requests in December 2014.
11. If funding is allocated for these additional places this will ease the pressure on top up budgets for 2015-16 in two ways. Firstly by meeting the demand for places at Wiltshire College and secondly by increasing capacity within Wiltshire schools to meet demand and prevent more expensive placements. For all of the above requests places are already committed to except those at Springfields Academy. For budget planning purposes it is assumed that if the additional places at Springfields are not agreed by the EFA they will not be commissioned.

12. The potential impact of additional place funding if it is received is reflected in Appendix 1.

Commitments from 2014-15

13. Schools Forum agreed to fund two items of expenditure within the High Needs block from reserves these were
 - a. Support for Hard to Place pupils (£0.4m allocated in total with £0.150m from reserves)
 - b. Support for pupils transitioning to primary school (£0.2m)
14. If these items are to be funded on a recurring basis then this becomes a cost pressure for 2015-16. Both of these schemes are due to be reviewed before additional funding is confirmed for 2015-16 and reports will be brought to the January meeting to update on expenditure and outcomes.

Options for 2015-16

15. Even if additional place funding is received for 2015-16 the high needs block will continue to be under pressure. The analysis in Appendix 1 indicates that the pressure can be reduced to £1.840m if the additional places requested are funded and if the underspend against the ISS budget continues. Savings proposals will need to be considered for 2015-16. Options that could be considered include:
 - a. **Residential provision at Rowdeford school** – Schools Forum has previously considered a proposal to reduce residential provision at Rowdeford school to 16 places. Provision would be purchased through separate Service Level Agreement as a flexible residential provision as opposed to allocating residential statements to specific pupils. Since the June meeting further work has been carried out with the school to establish the costs of a 16 bed residential provision and it is estimated that savings of £115,000 can be achieved against the High Needs block. Schools Forum is asked to consider this proposal and agree a way forward at this meeting so that the school can plan for the reduction in income from 1st April 2015 if the proposal is agreed.
 - b. **Consider Options for Post-16 top Ups** – Expenditure on post-16 top ups and places exceeds the current budget by £2.6 million. Significantly more students are being supported than initially estimated and top up values are currently based on those paid to schools without taking in to account the different circumstances of FE Colleges and other post-16 provision, which might include economies of scale associated with larger establishments. An options paper should be brought to Schools Forum in January to consider the potential for reductions in expenditure
 - c. **NPAs** – it is proposed to move to a banding system for NPAs. Analysis needs to be carried out to understand the reasons for the current overspend in order to prevent spend continuing to increase above budget. A banding system, similar to that used for ELP, will be modelled to establish the likely impact on costs and potential for savings.

- d. **Hard to Place Pupils** - £0.4m was allocated to support secondary schools in placing pupils who come in to the county with additional needs. £0.250m was funded from savings against the schools block growth fund and £0.150m from the DSG reserve. Expenditure this year has still to be reviewed but any underspend against this year's allocation will be rolled forward by the secondary federations for spend in 2015-16. This would leave the option for the allocation to be reduced in 2015-16. Potential saving £0.150m.
- e. **Transition in to Primary School** - £0.2m was allocated from the DSG reserve in 2014-15 to support pupils with additional needs entering Reception. Schools Forum requested that an evaluation of this pilot scheme should be considered prior to funding being allocated for 2015-16. To date £16,500 has been allocated from this budget in the current year and so if it is agreed that scheme should be continued it is likely that the allocation for 2015-16 can be reduced compared with the current year.
- f. **SEN Support Services** – the breakdown of the high needs block indicates that £3.4m is currently spent on SEN support services including the Early Intervention Team, Specialist SEN Service and Sensory Support Service. Options for savings could be considered against these services
- g. **Utilise additional schools block funding** – the additional funding for the schools block is not ringfenced although the DfE has made it clear that the intention of the funding is to reduce funding differences within the schools block. Schools Forum could opt to allocate part of this funding to support the high needs block.

Proposals

- 16. That Schools Funding working Group note the current pressures against the high needs block.
- 17. That Schools Forum agree the proposal to fund a 16 bed flexible residential provision at Rowdeford School from April 2015 in place of the current 23 bed allocation.
- 18. That Schools Forum agree which savings options should be considered in more detail for the January meeting.

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High Needs Block - Cost Pressures 2015-16

Places and Top Up Payments	£	
High Needs Places - Pre-16	171,667	Additonal Places at Greentrees from September and 3 SLD Special Schools from April
High Needs Places - Post-16	900,000	assume 150 additional places "Element 2" only for full financial year
High Needs Places - additional KS2 provision at Springfields	110,833	Assume 19 places from September 2015
Additonal Top Ups - Grentrees	43,974	using average top up rate for ASD Resource Bases
Additional Top Ups - Post 16	570,000	Assumes average FE College top up value at 14-15 rates
Top Ups for Pupils in Non-Wiltshire Schools	680,000	Based on 2014-15 Spend
Named Pupil Allowances	630,000	Based on 2014-15 Spend
Split site Allowances	60,000	Estimate - 2 schools to qualify if agreed
Commitments Currently Funded from Reserves		
Hard to Place Pupils - Secondary Schools	150,000	Committed from Reserves in 2014-15 - no ongoing funding identified
Support for Transition in to Primary Schools	200,000	
Total Pressures 2015-16	3,516,474	

Potential Reductions Identified

Potential Additional Place Funding	£	
Pre-16	(245,000)	Any Additional Place funding will be from September 2015
Post-16	(525,000)	
Reduced Post-16 costs in ISS	(156,223)	Based on expected leavers and estimate of pupils staying on to post-16
Utilise underspend on ISS to offset placements in Non-Wiltshire Schools	(750,000)	assumes some provision for new pupils therefore full 14-15 underspend not identified here
Potential Cost Reductions	(1,676,223)	

Remaining Cost Pressure assuming Additional Place Funding Allocated

1,840,251

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