

Wiltshire Council

Children's Services Select Committee

27 January 2011

Coalition Changes – DCE update November / December 2010

1. A new approach for Children's Trust Boards, children and young people's plans, and the 'duty to cooperate'

As of 31 October 2010:

- Statutory children's trust guidance, which no longer reflects Government policy, is withdrawn.
- Children and young people's plan regulations, which are unnecessarily prescriptive, are revoked. This means Children's Trust Boards will not be required to produce a children and young people's plan.

DFE are neither prescribing nor proscribing the need for a Board. In many areas such Boards are working well, but equally, other partnership arrangements can be as effective in securing the wellbeing of local children and young people.

The DFE acknowledges partnership working gets results and has no plans to remove this sensible principle, enshrined in the 'duty to cooperate' (section 10 of the Children Act 2004) from legislation. Local authorities should continue to lead partnership arrangements that make sense for local people and services. 'Relevant partners' continue to be:

- district councils
- strategic health authorities
- primary care trusts
- youth offending teams
- police
- probation services
- persons providing Connexions services in pursuance of section 68 of the Education and Skills Act 2008
- Jobcentre Plus.

The forthcoming Education Bill will, subject to the will of Parliament, remove the 'duty to cooperate' from

- maintained schools
- FE and sixth-form colleges
- non-maintained special schools

- academies, city technology colleges and city colleges for the technology of arts.

Within Wiltshire, we are still planning to maintain the Children and Young People's Trust although governance arrangements are being reviewed. We are also retaining a children and young people's plan.

2. Education Endowment Fund

The Secretary of State for Education has allocated £110 million to establish an education endowment fund (EEF) designed to raise standards in underperforming schools.

The EEF will distribute money to local authorities, academy sponsors, charities and other groups that bring forward innovative proposals to improve performance in our most challenging schools. Those bidding for funds from the EEF will have to outline how their proposals will raise attainment although the exact process has not yet been published.

3. Improving underperforming schools and the Academies programme

DFE propose to liberate local authorities by announcing the ending of statutory requirements on local authorities to set and then monitor a whole range of externally imposed performance targets on schools and Early Years settings.

However there will be new "floor standards". These will apply from January 2011, when we have the verified and final summer 2010 examination data.

Michael Gove has said he wants to focus on schools where both attainment and pupil progression are low and where schools lack the capacity to improve themselves. The minimum standards on attainment and progression are set out in the [Schools White Paper](#). Where schools fall outside these benchmarks but LAs consider that schools would still benefit from the involvement of sponsors, LAs will be encouraged to make proposals for the conversion of those schools to become academies.

Where schools are failing and where it has not been possible to reach agreement on a way ahead with the LA or the school or both, Mr Gove will be ready to use his power to insist on a change to academy status.

4. Schools in Wiltshire applying for academy status

Lavington School and South Wilts Grammar School have academy status from 1 January 2011.

5. Year 1 Reading progress check

All children will be given a phonics-based progress check in Year 1 so teachers can identify those not at the expected level in reading and in need of extra support. Tests will be administered by pupils' teachers and will be piloted in summer 2011 and will take place nationally from summer 2012. To help schools select an effective synthetic phonics programme, the

Government has published the core criteria that define the key features of such programmes.

6. Review of Key Stage 2 testing

The review will look at a number of issues, including:

- how best to ensure schools are properly accountable to pupils, parents and the taxpayer for the achievement and progress of every child, on the basis of objective and accurate assessments
- how to ensure parents have good-quality information on the progress of their children and the success of schools
- how to avoid, as far as possible, the risk of perverse incentives, over-rehearsal and reduced focus on productive learning
- how to ensure performance information is used and interpreted appropriately within the accountability system by other agencies, increasing transparency and preserving accountability to parents, pupils and the taxpayer while avoiding the risk of crude and narrow judgements being made.

The panel will publish its final report by June 2011.

7. New all-age careers service to launch in England in 2012

The Department for Business, Innovation and Skills announced the creation of a new all-age careers service. Both young people aged 13-19 and adults will be able to begin accessing new arrangements for careers guidance from September 2011. The service will be fully operational by April 2012. It will build on the best of Next Step and Connexions and provide a fully joined up service for all age groups for the first time.

The all-age careers service will be delivered through a range of channels – online, telephone and in the community – with prioritised intensive face-to-face guidance.

Local authorities will continue to have a statutory duty to provide services to young people that enable, encourage and assist them to participate in education and training. This is likely to be for specific vulnerable groups.

8. Schools & Children's Services Financial Settlement 2011-12 and 2012-13

The Department for Education (DfE) published the 2011/12 and 2012/13 financial settlement for schools and for other Children's Services Grants on 13th December. The settlement includes details on:

- Early Intervention Grant
- The Pupil Premium
- The Dedicated Schools Grant
- Academies Funding

- Capital Funding

In order to fully interpret the funding settlement for schools we need a clear estimate of pupil numbers and the detail on how the Minimum Funding Guarantee (MFG) for schools is to work. However it is possible to summarise the main headlines at this stage.

8.1 Early Intervention Grant

The Early intervention Grant (EIG) replaces a number of former funding streams (see below). The DfE has applied a **10.9% reduction to the 2010/11 baseline** before applying the allocation formula for 2011/12.

Grants Replaced by Early Intervention Grant:

Sure Start Children's Centres
 Early Years Sustainability
 Early Years Workforce
 Two Year Old Offer
 Disabled Children Short Breaks
 Connexions
 Think Family
 Youth Opportunity fund
 Youth Crime Action Plan
 Challenge & Support (Wiltshire did not receive)
 Children's Fund
 Positive Activities for Young People Programme
 Youth taskforce
 Young People Substance Misuse
 Teenage Pregnancy
 Key Stage 4 Foundation Learning
 Targeted Mental Health in Schools
 ContactPoint
 Children's Social Care Workforce
 Intensive Intervention Grant (Wiltshire did not receive)
 Child Trust Fund

The grant is not ring-fenced however the government has made it clear that the EIG should be spent on supporting services for children, young people and families including:

- Sure Start Children's Centres
- Free early education places for disadvantaged two year olds
- Targeted support for vulnerable young people
- Targeted support for families with multiple problems

The EIG is allocated by formula – around 79% of the allocation is determined by an Early Years formula and the remainder is determined by a youth formula. The early years formula is based on the under 5 population weighted to reflect deprivation, rurality and the area cost adjustment. The youth formula is based on population numbers, educational attainment at Key Stage

2 and 3 and GCSE, numbers of young people who are NEET, deprivation indicators and the Education Area Cost Adjustment.

The application of the formula gives Wiltshire an allocation of £18.325 million in 2011/12 however in order to minimise turbulence a damping mechanism has been applied and the amended allocations for Wiltshire are £14.6 million in 2011/12 and £15.5 million in 2012/13.

Allocations are indicative at this stage and will be finalised in the new year. Current figures suggest that the EIG will be £3.3million less than the 2010/11 allocations of previous specific grants.

8.2 Pupil Premium

A pupil premium to support pupils from deprived areas will be introduced from April 2011. The premium will be paid to LAs as a specific grant based on the number of pupils eligible for Free School Meals in the January Census in years from Reception to Year 11.

The value of the pupil premium in 2011/12 is £430 per pupil – no figure has been announced for future years however the national total spend on the pupil premium is set to increase from £625 million in 2011/12 to 2.5 billion in 2014/15. Pupils in non-mainstream settings, including special schools, independent special schools, pupil referral units and children not in school will attract the pupil premium.

Children who have been looked after for more than 6 months will attract the pupil premium at the value of £430.

Children from service families will attract a pupil premium of £200 for 2011/12. The school census will be used to drive the allocation of the funding.

For pupils in mainstream schools the pupil premium will need to be paid directly to the school. The premium is not ring-fenced at school level however schools will be held accountable for how they use it. This will be through new measures in the performance tables that capture the achievement of pupils covered by the premium, and through schools publishing how they have used the premium – this will be available on line.

For pupils in non-mainstream settings the premium will be paid to the authority on whose census return the pupils appear. The LA will retain the responsibility for allocating the premium for these pupils and what provision should be made for them; this could include passing the premium to the setting. Schools Forum will want to consider whether the premium should be allocated to Wiltshire's special schools and the Young People's Support Service.

8.3 Dedicated Schools Grant (DSG)

The government has only issued a one year financial settlement for the schools budget confirming that the current methodology for allocation of DSG will be continued. DSG is allocated on the basis of a guaranteed unit of funding (GUF) multiplied by the numbers of pupils as calculated by the January schools and Early Years census.

A number of former standards funds and other grants have been mainstreamed in to DSG. These are listed below.

Grants rolled in to DSG for 2011/12:

Schools Standards Grant (SSG and SSG(P))
School Development Grant
School Lunch Grant
Ethnic minority Achievement Grant
1:1 Tuition
Extended Schools – Sustainability
Extended Schools – Subsidy
Targeted Support for the Primary National Strategy allocated to schools
Targeted Support for the Secondary National Strategy allocated to schools
Diploma formula grant
London Pay Addition Grant (not received in Wiltshire)

The unit of funding per pupil for the grants has been added to the guaranteed unit of funding (GUF) for DSG in 2010/11 to arrive at a total GUF for 2011/12 – there has been no inflationary increase applied to DSG for 2011/12. The GUF for Wiltshire in 2011/12 is £4,592.87.

A minimum funding guarantee (MFG) of -1.5% has been applied to the delegated schools budget meaning that no school has a cut in its budget of more than 1.5% before any pupil premium is added. There is an expectation that LAs will be able to offer a greater level of protection than 1.5%. It is possible that further reductions may be required in central DSG budgets to fund the MFG.

8.4 Academies Funding

Funding for academies and the calculation of the Local Authority Central Expenditure Equivalent Grant (LACSEG) will be consulted on in the spring of 2011. For 2011/12 minimal changes are proposed.

Funding for delegated budgets for academies will be recouped from the DSG allocation for each LA based on the previous methodology under which the LA will run its funding formula for those schools and this will be the figure recouped by the DfE.

8.5 Capital

Capital Allocations have been received for Basic Need and Capital Maintenance as follows:

Basic Need £8,472,070

Maintenance £7,922,771

These allocations have been confirmed as grant funding but are not ring-fenced.

Devolved formula capital allocations for schools are significantly lower than in the current year.

9. Public Health white paper - Healthy Lives, Healthy People,

The [White Paper](#) sets out the Government's long-term vision for the future of public health in England. The aim is to create a 'wellness' service (Public Health England) and to strengthen both national and local leadership.

The core elements of the new approach will be set out in the forthcoming Health and Social Care Bill. The key features include:

- Local health improvement functions and responsibilities to be transferred to local government with ring fenced budgets, from April 2013
- Directors of Public Health to be the strategic leaders for public health and health inequalities in local communities
- A strong link to the Big Society agenda - empower local government and communities to improve the health and wellbeing of their populations and tackling inequalities
- A new integrated public health service will be created called 'Public Health England' as part of the Dept of Health, to strengthen the national response on health protection and emergencies

During 2011, the Department of Health will publish documents that build on this new approach, including on mental health, tobacco control, obesity, sexual health, pandemic flu preparedness, health protection and emergency preparedness, together with documents from other government departments addressing many of the wider determinants of health.

10. Child Poverty

The Government is asking local communities, voluntary groups and charities for their views on a new strategy to tackle the root causes of poverty and disadvantage.

A [consultation](#) sets out a new approach to tackling poverty, building on Frank Field's Independent review on poverty and life chances and Graham Allen's work on Early Intervention.

The Government is clear that tackling child poverty requires more than simply treating the short-term symptoms of poverty or moving families across an arbitrary income line. Making real progress requires a new focus on promoting fairness, opportunity and social mobility – to help address ingrained patterns of worklessness, family breakdown and educational under-achievement. Consultation closes 15 February 2011.

11. 16 to 19 funding and statutory guidance on arrangements for funding.

The Young People's Learning Agency (YPLA) published its [funding statement](#) for 16 to 19 education in the 2011/12 academic year.

The funding for young people's education and training over the period of the Spending Review makes it possible to support delivery of full participation for 16 and 17 years olds by 2015. In 2011-12 the total budget for education and training places £7.6 billion. This includes around £800 million for Apprenticeships and £310 million for young people with LDD. This is a 1.5% cash increase over the planned 2010-11 budgets. It will support record numbers of young people and the highest participation rates ever.

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