

## NORFOLK SCHOOLS FORUM

### AGENDA

Meeting on Wednesday 11 September 2019 09:00 – 12:00 hours at South Green Park Mattishall Tea/Coffee available from 08.30 hours

Individual members, named below, are asked to provide verbal reports for these items.

<b>09:00 - 09:05</b>	<b>1 Welcome and Introductions Apologies</b>		
<b>09:05 - 09:15</b>	<b>2 Minutes of Last Meeting</b>		<b>3-8</b>
<b>09:15 - 09:30</b>	<b>3 Matters Arising</b>		
	<ul style="list-style-type: none"> <li>• PE &amp; Pupil Premium Mike Grimble to raise at FCG and SC to investigate – M. Brock</li> <li>• Staff Costs meeting – update</li> <li>• Implications on buy back of services with 3 special schools academizing – M. Brock</li> <li>• Additional info on criteria around accessing EY SEN Funds – J. Lamb (Agenda)</li> <li>• Further info on cluster balances held by 2 teaching alliances &amp; school to school support - M. Brock - see link to Spreadsheet below meeting papers</li> <li>• Clarification on criteria for Personal Budgets M. Bateman (Agenda)</li> <li>• Figures on tribunal costs M. Bateman</li> </ul>		<b>9-10</b>
			<b>11</b>
<b>09:30 – 09:50</b>	<b>4 Barclays Bank Proposed Changes Paper attached (J. Stanford)</b>	<b>Information</b>	<b>12-14</b>
<b>09:50 – 10:10</b>	<b>5 Early Years (including EY SEN Funds) Paper attached (J. Lamb)</b>	<b>Decision</b>	<b>15-21</b>
<b>10:10 – 10:30</b>	<b>6 Pupil Variance 6(a) this is paper from May meeting 6(b) Paper attached (S. Gasse)</b>	<b>Information</b>	<b>22-30</b>
<b>10:30 – 10:50</b>	<b>COFFEE</b>		
<b>10:50 – 11:10</b>	<b>7 Proposals for Fair Funding Consultation (M. Brock)</b>	<b>Comment</b>	

11:10 – 11:30	<b>8</b> SEN Transformation: Paper attached (M. Bateman) - 2020/21 funding transfer to the HN Block - Criteria for Personal Budgets - Tribunal costs	<b>Information/ 31-40</b> <b>Comment</b>
11:30 –11:40	Change of date for March meeting from 13.3.20 to 18.3.20	

### **Communication**

### **Future Agenda Items**

### **Dates of Meetings**

#### **School Forum**

16 October 2019 09:00 – 12:00

South Green Enterprise Centre Mattishall

# Norfolk Schools Forum

Minutes of Meeting held on Friday 10 May 2019

09:00 – 11:15 hours

South Green Park Mattishall

## Present:

John Banbury  
 Keith Bates, Eaton Hall Specialist Academy  
 Holly Bowman  
 Chris Caddamy, (Vice Chair) City College  
 Ian Clayton  
 Carol Dallas, Taverham High School  
 Alan Evans  
 Mike Grimble, Avenue Junior School  
 Glyn Hambling  
 Bob Groome  
 Clare Jones  
 Fyfe Johnston  
 Howard Nelson  
 Peter Pazitka  
 Joanne Philpott  
 Sarah Porter (substitute for Christina Kenna)  
 Sarah Shirras, (Chair) St Williams Primary  
 Joanna Tuttle  
 Vicky Warnes  
 Martin White  
 Michael Bateman

Sally Cutting  
 Marilyn Edgeley  
 Dawn Filtness  
 Samantha Williams  
 Jane Blackwell

## Apologies:

Martin Brock  
 Christina Kenna  
 Chris Snudden  
 Sara Tough

## Representing

Early Years  
 Special School Academy  
 Nursery Schools  
 16 – 19 Representative  
 Academies  
 Secondary Academies  
 Academies  
 Primary Governors  
 Alternative Provision  
 JCC  
 Academies  
 Maintained Special Schools  
 Diocesan Board of Education  
 Academies  
 Academies  
 Academies  
 Primary Schools  
 Maintained Secondary  
 JCC (primary phase)  
 Primary Governors  
 Head of Education HN SEND  
 Service  
 Senior Accountant  
 Admin Officer  
 Finance Business Partner  
 School Finance Manager  
 Place Planning Manager

Accountant  
 Academies  
 Assistant Director (Education)  
 Executive Director Childrens  
 Services

## 1. Welcome

The Chair welcomed everyone to the meeting

## 2. Minutes of the meeting 15 March 2019 and Matters Arising

It was highlighted that schools have been asked to account for PE and Pupil Premium Grant spend by Educator Solutions - members asked if this a statutory requirement.

**Action: Mike Grimble to raise at the Finance Consultative Group meeting. Sally Cutting will also investigate this.**

### Staff Costs

At the last meeting the point was raised that if a school is Red RAG rated they could get help with redundancy costs – this only applies to maintained schools.

Sarah Shirras/Chris Snudden/Carole Human and Sally Cutting met to discuss however still have no clearer advice for schools.

Another meeting involving Alison Randall is planned for 9 July. Members requested this meeting be brought forward.

**Action: Marilyn Edgeley will re-arrange meeting date.**

Members highlighted that there is a perverse process with the balance control mechanism, the rules under the Scheme for Financing Schools needs reviewing, as not being able to carry a higher balance forward can cause an issue in the 3<sup>rd</sup> budget year.

### Maintained Special Schools Buyback

At the last meeting a decision was postponed as there was no representative in attendance.

The chair said that this emphasised the point of members sending a substitute.

Fyfe Johnston confirmed that Special School did want to buy back services from the central block.

However, he reported that three schools are in the process of academising and asked for clarification on the implications.

**Action: Sally Cutting to investigate.**

## 3. Dedicated Schools Grant (DSG) Final Outturn 2018/19

The timeline for producing papers needs to be considered when meeting dates are arranged.

Dawn Filtness highlighted the following points:

- Overall DSG outturn position for all four blocks is £2.800m overspend for 2018/19 with a £10.8 cumulative overspend.
- There is a large movement in the Schools Block since reporting due to rates revaluations on Academy property that were not previously known. The £1.568m underspend is being used to fund the overspend on the High Needs Block.
- The total Early Years Block is underspent by £2.5m which is has been used to offset the overspend on the High Needs Block.
- The overspend on the High Needs Block has an overspend of £6.9m which is slightly lower than the authority forecast this is in relation to top-up funding to mainstream schools.

#### Members Questions:

- Early Years underspend, this is a large amount of funding to hold and then be transferred to the High Needs Block which is outside of what the Forum agreed – how was the budget originally calculated?
- SEN Inclusion and Complex Needs has a significant underspend and the mechanism for accessing this funding is not clear.

*The Early Years Budget was set with the introduction of the Early Years National Funding formula, the level of each budget and the rates paid were set following a full consultation with all providers of early education and discussed by schools forum.*

The SEN budget will not be adjusted next year, as the level is set as a result of a full consultation.

#### **Forum requested additional information on the criteria around accessing SEN funds and to bring this to the next forum in July.**

- **Further information was requested on the Cluster balances held by the 2 teaching alliances and the School 2 School support, and whether this is within the cluster balance regulations.**
- There was not a budget for Special Schools Milk £14,000 and Specialist Equipment £147,000 – Forum should be updated on a regular basis at a more detailed level so that elements like this are known prior to year-end.
- **Clarification was requested on the criteria around Personal budgets.**  
**Action: Chis Snudden**
- Education and Health Care Plans were introduced in 2014 to the educational sphere to offer choice and control to the family. However, some parents have unrealistic expectations and the Authority is trying to address this.
- Schools need clarity on their responsibilities under the SEN reform act.
- **Members requested figures on tribunals costs at future meetings.**  
**Action: Sally Cutting**

#### **Norfolk Schools' Forum agreed that they acknowledge and understand the Dedicated Schools Grant outturn position, specifically:**

- 1) **The £2.800m overspend on the Dedicated Schools Grant;**
- 2) **The current level of school and cluster balances.**

#### **4. Dedicated Schools Grant Recovery Plan**

This is the Authority's Recovery Plan, but School Forum were asked to review, comment and feedback to allow their views to be considered.

The draft financial model within the Recovery Plan was reviewed by NCC's Corporate Board alongside review of the capital investment programme, due to the size of the budgetary risk.

Future papers will now include links to any relevant NCC committee papers for ease of reference.

The planned transformation programme will see a change for mainstream school support and challenge inclusion as well ensuring more specialist school places.

We need to ensure parents want to choose maintained specialist provision over independent schools and need to ensure we reduce travel costs.

The Authority has been successful in a Free School bid for capital costs of one of the new special schools to be funded by central government.

The DfE guidance advises that if the Recovery Plan is for longer than 3 years then the LA is required to provide detailed evidence to the DFE explaining the reasons.

Officers said it will be up to the DfE to review the plan and feedback to NCC. NCC officers will ensure that School Forum will be involved in future dialogue. The plan will need to be updated as plans progress, and officers will share this regularly with Forum.

Forum members were asked what questions they would like considered over the coffee break after which this item will continue to be discussed:

- Risks around the assumed savings and how they are calculated  
Answer: this is a net saving, as we open more maintained specialist provision and SRBs the children will be placed here instead of moving into high cost independent places.
- More information on demand management  
Answer: considers expectations around working differently, including parents increasing confidence that needs can be met in a mainstream school. Savings profiled for later in the programme as it is expected that it will take time to see impact.
- Alternative provision line on page 34  
Answer: This line includes the purchase of Alternative Provision in the private sector; a reduction in places is expected as the numbers of pupils excluded decreases.
- Growth rate, what growth has been built in?  
Answer: 112 children per year going into independent specialist provision if we did nothing.

#### Members Comments

- Plan does not include evidence of impact as requested at previous meeting on mainstream schools. This should include impact on staff as well as pupils i.e. training, sickness and recruitment. Training and recruitment a big challenge.
- All workstreams, not just capital investment, are important – want to see how they are progressing to give assurance about assumptions.

*School Forum will have a presence on the SEN Programme Board and be party to how the workstreams are progressing.*

- Members understand pressure on the Authority and must take some responsibility to keep our networks going.
- Move from independent is key but linking into this is quality so need for quality assurance
- Overspend/slippage could jeopardise plan so there needs to be regular monitoring and information.

*Chair and vice chair have regular meetings planned before school forum meetings with NCC Officers and will make sure this is on the agenda.*

- Make sure cabinet papers are available to Forum members.

- Clarity on our remit as a School Forum and when assumptions not correct we need to be informed. What we need to concentrate on and when we need to get the opinions of others to feed back into the process.
- What assumptions we can affect.

*Officers highlighted that Table 7 cumulative deficit on 29 is not correct and will need amending; the independent places on Appendix E 2023/24 should be 267.*

Comments made by members;

- Good that there is recognition of the situation and fact that there is a plan
- Credibility of delivering the plan – have you got a risk assessment.  
Answer: The Director of Finance recognises that this is a risk to the whole Norfolk County Council Budget as well as to the DSG.
- Research on the impact of children and staff
- The most overdue and welcome plan I have seen but most vulnerable to being so way out in its costings. But positive thinking behind it.
- Inclusivity of schools must be part of plan – how it is built in is a concern?
- Pressure on places in new schools will be from parents and the system and is a concern. Early Intervention must be built in.
- Thoughts about early intervention are good. Recruitment and retention is critical.
- Key that information to parents and carers that places in special schools are only for children who need them and in some instances a child may be more suited to what a maintained school can offer.

**Norfolk Schools' Forum agreed that they understood the key principles and assumptions of the recovery plan, including the timescales and expected scale of placements based on expected trends.**

## **5. Pupil Variance**

A decision is required as to whether to make retrospective adjustments to schools relating to pupil variations in the future. Forum are asked to look at the current pupil variations and to consider the financial and other effects of making retrospective adjustments to schools when making a decision.

This issue is about growth and how it is reflected through predictions and where those predictions become unrealistic.

The paper explains the current method and the impacts if a decision was made to adjust retrospectively where the adjustment would be made in the following financial year and could increase or decrease a school's budget for that financial year.

Comments:

Different situations where NCC are driving the change due to expected pupil growth and where the DfE decide on a new school. Policy needs to differentiate between the two.

The government stipulates that all schools must be treated the same.

Concern was raised about the apparent open-ended nature of the procedure and whether there should be time limits.

Forum asked for further information on categories of schools and how they are treated.

It is about preference of choice - we could say that when a free school is opened there should not be funding for unfilled places and define around placements within the catchment area.

Dawn Filtress suggested that a paper is brought to the next Schools Forum that details what is allowed under the regulations and clarifies the choices that Schools Forum have.

**Action: Jane Blackwell to bring a follow-up paper detailing what is allowed under the regulations with clarity about the choices that Schools Forum do have to allow Schools Forum to make appropriate decisions.**

## **6. Meeting Dates**

It was agreed that the Forward Plan will always include an update on the DSG Deficit Recovery Plan by exception as well as periodic full items.

**Forum agreed the meeting dates as set out.**

## **6. Dates of next meeting**

Friday 5 July 2019 – 9am-12pm – South Green Park Mattishall



## **Reporting Grants Spend to the Local Authority**

Schools Forum asked whether there is a statutory requirement for schools to report PE and Pupil Premium grant figures to the Local Authority Finance Department. Schools have a duty to publish a breakdown of their grant spend online for PE and Sports Premium and Pupil Premium. The systems put in place by Finance can help maintained schools to understand the make-up of their overall revenue balances. There is no statutory requirement for schools to complete a return to the LA for grants but the Local Authority does have a requirement to ensure that the grants are correctly distributed to schools and, for PE and Sports Premium, check that it has been spent in line with grant conditions.

Extracts from the conditions of grants are provided below.

### **PE and Sports Premium**

“Maintained schools, including those that convert to academies, must publish information about their use of the premium on their website by the end of the summer term or 31 July at the latest. Schools must publish:

- the amount of premium received
- a full breakdown of how it has been spent (or will be spent)
- what impact the school has seen on pupils’ PE and sport participation and attainment
- how the improvements will be sustainable in the future
- what percentage of pupils within their year 6 cohort for academic year 2018 to 2019 can do each of the following:
  - swim competently, confidently and proficiently over a distance of at least 25 metres
  - use a range of strokes effectively
  - perform safe self-rescue in different water-based situations

If selected, schools must also take part in a sampling review to scrutinise their compliance with these conditions.”

“Local authorities will be required to certify that they have passed on the correct amount of funding to schools and, where funding has been spent, that it has been spent in line with the conditions set out above.”

Source: <https://www.gov.uk/government/publications/pe-and-sport-premium-conditions-of-grant-2018-to-2019/pe-and-sport-premium-conditions-of-grant-2018-to-2019-local-authorities-and-maintained-schools>

### **Pupil Premium**

“For the current academic year, you must include:

- your school’s pupil premium grant allocation amount
- a summary of the main barriers to educational achievement faced by eligible pupils at the school

- how you'll spend the pupil premium to overcome those barriers and the reasons for that approach
- how you'll measure the effect of the pupil premium
- the date of the next review of the school's pupil premium strategy

For the previous academic year, you must include:

- how you spent the pupil premium allocation
- the effect of the expenditure on eligible and other pupils"

Source: <https://www.gov.uk/guidance/what-maintained-schools-must-publish-online>

**Action: For information only.**

## **Cluster Balances**

Schools Forum requested further information on the cluster balances held by the two teaching alliances and School 2 School support.

These were included within the DSG Outturn report in error, they are not clusters but they do operate through our coding/accounting systems and are funded by external/traded income and also, in the case of S2S a recharge from the HN Block.

They will be excluded from future reports.

Revised tables for balances have been provided.

**See link to spreadsheet**

**Action: For information only.**

# Schools' Forum

Item No 4

<b>Report title:</b>	<b>Fraud Mitigation - Barclays Bank Proposed Changes to Payments Processes</b> Paper applies to Maintained Schools
<b>Date of meeting:</b>	<b>11 September 2019</b>

## Executive summary

There has recently been an increase in the number of actual and attempted fraud attacks against school bank accounts, which has resulted in the loss of thousands of pounds of public money. To assist schools to protect the funds in their care, we are seeking to increase the protection mechanisms that can be put in place to mitigate the risk of loss.

**For information:** Children's Services Educator Solutions Finance & Business Services Team have already put in place some measures to further protect LA maintained schools that use the Barclays corporate bankers from the risk of loss, and these are detailed in the report for your information.

We have also requested to increase the number of school officers required to authorise any online/BACS payments raised through the schools corporate Barclays account, and to add an additional step for single online payments exceeding £10k.

## 1. Changes Implemented

The following updates will be made on the global NCC schools' contract with Barclays:

- The Norfolk County Council audit policy on cheque payments is that if any cheque has a value of £500 or over, or if it is made payable to a member of staff, it must be signed by two authorised signatures. Currently this is not enforced by Barclays Bank. We have informed Barclays that we require them to enforce the policy, but we will increase the limit to £1,000 for the two authorised signatories with effect from 1 October 2019.
- The majority of the frauds that are successfully carried out on school bank accounts are those that are instigated using the immediate payments process. We have therefore informed Barclays that immediate and international payments within the schools banking system are suspended. The only recommended method that should be used for school accounts is the three-day payment process and we additionally recommend using this in conjunction with the BACS payments process.
- Where a school has a need for an urgent requirement to make a same-day payment, there is the availability of the NCC CHAPS system, where there are

stringent audit-proof checks already in place to detect and prevent fraudulent payments. Schools will be given instructions on who to contact to make CHAPS payments (NB this will be via the Schools Finance Team).

- We have requested to increase the number of authorising officers required for .Net online payments made through Barclays (this includes BACS uploads). Currently only one authorised officer is required for any online payments, which significantly increases the vulnerability of schools to fraud. We have requested that this is increased to two officers where the collective value of the total payments included within the BACS payment file is £1,000 or more.
- We require that any single online payments over £10,000 must have an additional check in place to ensure the veracity of the payee i.e. to add reassurance that the school is not being targeted by a fraudster. The additional check will be carried out by a member of the School's Finance & Business Services Team. Currently this check is not carried out.

Please note that schools were all originally issued with two .Net bank card readers; one for the payment processor and one for the authorising officer. Schools may require additional readers at a cost of £5 per device although they could share their current devices (but not the bank cards). It is appreciated that smaller schools may struggle for officers, but they would require two authorising officers for cheques, and online authorising is probably easier to action.

Where we are requesting further check for online payments over £10,000, please note that the full details supporting the payment would need to be shared with School's Finance & Business Services Team to ensure they have the appropriate information to determine if they are able to counter-authorise it, and to enable them to detect and prevent any attempt to target the school by fraudsters.

NB Overall the changes that will take place are to strengthen the safeguarding of school's assets.

## **2. Financial Implications and Risks**

There is the risk that, should these additional security measures not be implemented, schools may be at a higher risk of fraud and financial loss than otherwise might be the case.

## **3. Background**

There has recently been an increase in the number of actual and attempted fraud attacks against school bank accounts, which has resulted in the loss of thousands of pounds of public money. We have, along with colleagues from Norfolk Audit Services, supported an increasing number of schools that have fallen victim to increasingly sophisticated scams, which are not necessarily covered by insurance, and there is no guarantee of recovering lost funds. It is therefore imperative that schools take every measure possible to prevent the loss.

## Officer Contact

If you have any questions about matters contained in this paper please get in touch with:

<b>Officer Name:</b>	<b>Tel No:</b>	<b>Email address:</b>
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If you need this report in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.

# Schools' Forum

Item No 5

<b>Report title:</b>	<b>Early Years Entitlement for 2, 3 and 4 year olds</b> This report applies to all schools, including academies, and private voluntary and independent sector early years providers who offer early education places for 2, 3 and 4 year olds.
<b>Date of meeting:</b>	<b>11<sup>th</sup> September 2019</b>

## Executive summary

To update Schools Forum on the delivery and take up of the universal and extended early education entitlement for eligible 2, 3 and 4 year olds.

### **Recommendations:**

**To decide on whether the Local Authority should carry out a consultation during the Autumn Term 2019 on making changes to current funding arrangements for 3 and 4 year olds.**

## 1. Background

The Early Years block forms part of the Dedicated Schools Grant and must be used as defined in the School and Early Years Finance Regulations. Funding for early years has been allocated through a national funding formula since 2017/2018.

Since the inception of the national funding formula, local authorities have been required to set a single funding rate across both entitlements for three and four year olds (universal and extended), with a universal base rate for all types of provider within the private, voluntary and maintained sectors including Maintained Nursery Schools.

The Department for Education provides local authorities with six relevant funding streams which together form the early years block of the DSG. They are:

- the early years entitlement for disadvantaged two year olds
- the early years universal entitlement for three and four year olds
- the early years additional entitlement for three and four year old children of eligible working parents
- supplementary funding for Maintained Nursery Schools (MNS)
- the Early Years Pupil Premium (EYPP)
- the Disability Access Fund (DAF)

Local Authority funding must:

- pass through at least 95% of the 3 and 4 year old funding directly to providers – there is no pass through requirement for 2 year old funding. In Norfolk 100% of the funding received for 2 year olds is passed directly to providers
- use a deprivation supplement in the 3 and 4 year old formula, with other supplements not forming more than 10% of the overall funding amount
- provide an SEN Inclusion Fund for 3 and 4 year olds

Compliance with these requirements is monitored through the s251 return.

Each academic year, providers wishing to offer Early Education (EE) in Norfolk must sign a Funding Agreement (FA). The agreement is the contract between the LA and provider to permit payment of early education funded through the Early Years block, and the provider's agreement to comply with any statutory guidance relating to early education and childcare.

To support our duty Local Authorities must ensure that;

- funded childcare is free to families at the point of delivery,
- any charges including fees for additional services and hours are compliant with the funding agreement and
- the government funding received is used to provide high quality, flexible childcare

Providers are required to submit documents which detail their policy on charging, admissions, SEND and complaints. (Following the initial submission these documents are only required when changes to the content have taken place).

### Number of providers that have signed the Funding Agreement and then claimed funding

SUMMER	signed FA		claimed	
	2018	2019	2018	2019
EE2	666	602	383	366
EE3&4	769	712	683	666

### Total number of early education hours claimed for summer term

	EE3&2		EE3&4	
	2018	2019	2018	2019
<b>TOTAL HOURS</b>	<b>376,375</b>	<b>325,304</b>	<b>3,349,341</b>	<b>3,486,834</b>
Childminder	27,265	20,290	200,046	210,682
PVI	302,157	256,473	2,326,548	2,438,103
School Managed 1:13	7,450	20,820	620,245	599,770
School Managed 1:8	39,504	27,722	202,503	238,280
	decrease of	51,071	increase of	137,493

23% of the Early Education hours claimed for 3 and 4 year olds in Summer 2019 were for the extended entitlement (30 hours). These hours were claimed by 587



providers (88% of those that claimed universal Early Education funding for 3 and 4 year olds).

### **Take up**

Norfolk has had a consistently high level of take up for both 2 year old and 3 and 4 year old funded places. In Summer 2019 take up of 2 year old places was 88.8%. Whilst still high the take up rate is falling in line with national, for a variety of reasons including a change to the threshold.

The take up rate for 3 and 4 year old places in Norfolk during the Spring term was 94%.

### **SEN Inclusion Fund**

Local authorities are required to have SEN inclusion funds for all three and four year olds with special educational needs (SEN) who are taking up the free entitlements, regardless of the number of hours taken. Funding is also available for children with more complex needs, a medical need or an EHCP. These funds are intended to support local authorities to work with providers to address the needs of individual children with SEN. In Norfolk we also provide a small amount of funding to support 2 year old children accessing the free entitlement, but this is non-statutory.

The purpose of the 4 SEN funding streams available to early years providers is to provide additional financial assistance to ensure the inclusion of children aged between 2 and 5 where there is an identified need that is “additional to” and “different from”.

#### **Inclusion Funding Available (2019-20)**

- **SEN Inclusion Fund**

This funding is for early years providers to meet the individual needs of children with low level or emerging SEN who are in receipt of 3 and 4 year old Early Education.

- **EHCP and Complex need**

This funding is for early years providers to meet the individual needs of children with either an agreed or issued Education, Health and Care plan who are in receipt of 3 and 4 year old Early Education.

- **2 year olds in Early Education**

This funding is for children who are in receipt of 2 year old Early Education that have an identified need that is “additional to and different from”.

- **Exception**

For some children it may be necessary to submit an exceptional circumstance application because they do not meet any criteria for the funding sources available.

<b>SEN Inclusion Fund 3 - 4 yr olds (statutory)</b>	<b>Total spend</b>	<b>Low &amp; Emerging (£1.10)</b>	<b>Complex (£6.50)</b>	<b>Medical (£6.50)</b>
Summer 2018	190,519	54,532.50	82,975.75	53,011
Autumn 2018	129,738	38,805.25	65,016.25	25,916
Spring 2019	159,025.99	68,048.74	65,016.25	25,961.00
<b>TOTAL</b>	<b>479,282.74</b>	161,386.49	213,008.25	104,888
<b>Exceptional Circumstances (non statutory)</b>	<b>Awards</b>	<b>£250</b>		
Summer Term 2018	4	1,000		
Autumn Term 2018	4	1,000		
Spring Term 2019	8	2,000		
<b>TOTAL</b>		<b>4,000</b>		
<b>EHCP</b>	<b>Award (£6.50)</b>	<b>No. children</b>		
Summer Term 2018	113,652.50	80		
Autum Term 2018	77,034.75	48		
Spring Term 2019	81,051.75	64		
<b>TOTAL</b>	<b>271,739</b>	192		

Further information of the funding streams available can be accessed through the early years and childcare page on the schools website:

<http://www.schools.norfolk.gov.uk/Early-years-foundation-stage/Inclusion/index.htm>

<b>SEN 2 yr olds (non statutory)</b>		<b>EE2 (up to £1.24)</b>	<b>Complex (£4.80)</b>	<b>Medical (£4.80)</b>
SEN 2 Yr Old summer 2018	25,918	9,982	6,811.20	9,124.80
SEN 2 Yr Old Autumn 2018	25,298.56	13,132.96	5,563.20	6,602.40
SEN 2 Yr Old Spring 2019	19,789.41	10,782.21	6,060	2,947.20
<b>TOTAL</b>	<b>71,005.97</b>	33,897.17	18,434.44	18,674.40

**Total Inclusion Fund actual spend for 2018/19 £755,021.74**

## 2. Financial Implications and Risks

### Hourly Rate

**Early Education for 2 year olds** - The DSG Early Years Block LA hourly rate received for Norfolk is £5.20. All funded hours are paid at £5.20, there are no additional supplements.

**Early Education for 3&4 year olds** - The DSG Early Years Block EYNFF LA hourly rate received for Norfolk is £4.30. All funded hours are paid at a base rate of £3.65 plus supplements (quality & flexibility) if specific criteria are met.

There is an additional mandatory supplement for deprivation. This is paid at either 25p or 15p for children living in the 0-10% or 11-20% most deprived areas of the county.

Other funding that can be claimed by providers to support children is Early Years Pupil Premium (EYPP), SEND Inclusion Fund (SIF) and Disability Access Fund (DAF) when Early Education for 3&4 year olds is claimed. Certain criteria must be met and consent from families for information to be shared with the LA must be sought before a claim can be submitted.

### Number of providers receiving each rate (with a signed Funding Agreement)

	SUMMER 2018				SUMMER 2019			
	Rate per hour				Rate per hour			
	£3.65	£3.85	£4.05	TOTAL	£3.65	£3.85	£4.05	TOTAL
TOTAL	198	259	312	769	171	240	301	712

### Number of providers receiving each rate (that claimed funding) –

	SUMMER 2018				SUMMER 2019			
	Rate per hour				Rate per hour			
	£3.65	£3.85	£4.05	TOTAL	£3.65	£3.85	£4.05	TOTAL
TOTAL	184	221	278	683	165	215	286	666
Childminder	3	90	170	263	2	87	172	261
PVI	95	112	104	311	84	104	109	297
School Managed 1:13	74	8		82	69	10		79
School Managed 1:8	12	11	4	27	10	14	5	29

### EE3&4 Total Funding Paid for Summer (excl. Deprivation, EYPP, SIF, DAF)

2018	2019
£12,928,264	£13,510,650
increase of	£582,387

The number of hours providers were recommended to offer to each eligible child for Summer 2019 was 198 for a universal place (15 hours).

### EE3&4 Total Funding Paid for Summer (excl. Deprivation, EYPP, SIF, DAF)

Current Rate:	<b>£3.65</b>	<b>£3.85</b>	<b>£4.05</b>
Funding:	£722.70	£762.30	£801.90

The rates currently paid to providers have not altered since the introduction of the Early Years National Funding Formula (EYNFF) in April 2017. The DfE have previously indicated the hourly rate received via the DSG Early Years Block will not be reviewed until the 2020 Spending Review.

Alongside this Early Years providers have been subjected to a number of new initiatives which are having a significant impact on provision. Although the numbers of children taking up the extended offer (30 hours) is high this initiative has seen a reduction in the number of fee paying places available, as they are now filled with children accessing the extended offer, for which providers now only receive the funded hourly rate. The hourly rate currently paid is, in many instances, less than a provider would normally charge.

Other factors have given rise to increased costs for all providers, including National Living Wage and national Minimum Wage, Pension contributions, apprenticeship contributions, increased business rates and utilities and rent charges.

Consideration does need to be given as to whether a consultation is undertaken during the autumn term to seek the views of providers on changes to the funding arrangements currently in place. Whilst the amount of funding available will not increase removal of the quality and flexibility supplements, alongside a reduction in contingency funding, would allow the base rate paid to all providers to increase. However, any underspend would need to be protected to ensure we have the ability to afford a higher base rate in future years.

If the funding hourly rate were to increase (based on summer 2019 data) –

- £4.05 – remove criteria for quality and flexibility supplements
- £4.08 – remove criteria for quality and flexibility supplements and increase current hourly rate

*NB: £4.08 is for example only to demonstrate difference increase could make to a provider*

Rate:	<b>£4.05</b>	<b>£4.08</b>
Cost for Summer Term:	£14,121,678	£14,226,283
Additional Funding Required:	£611,027	£715,632

Difference per child:	<b>£3.65</b>	<b>£3.85</b>	<b>£4.05</b>
<b>£4.05</b>	£79.20	£39.60	£0.00
<b>£4.08</b>	£85.14	£45.54	£5.94

## Officer Contact

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# Schools' Forum

Item No 6(a)

<b>Report title:</b>	<b>Pupil Variations (Paper from 10 May 2019)</b>
<b>Date of meeting:</b>	<b>11 September 2019</b>

## Executive summary

A decision is required as to whether to make retrospective adjustments to schools relating to pupil variations in the future. Forum are asked to look at the current pupil variations and to consider the financial and other effects of making retrospective adjustments to schools when making this decision.

### Recommendations:

**To decide on whether retrospective adjustments should be made to schools in relation to pupil variations and the methodology that would be adopted, or to continue with the current method of variation and no subsequent adjustment (unless otherwise agreed as per St. Clement's Hill Primary Academy).**

## 1. Proposal

### Current method vs retrospective adjustments

The Authority Proforma Tool (APT) is completed in January of each year and we use 5/12ths of the October census of the financial year we are currently in to calculate April - August plus a 7/12ths estimate for the period September to March.

The estimate is a combination of information received from the Admissions team after having liaised with the school in question, plus any other information that has been published on the school reorganisation web page. We use an estimate for the 7/12ths because the census data for October of the financial year we are calculating is not yet available.

We are allowed to make retrospective adjustments but currently choose not to and the schools are expected to manage the budget that has been allocated to them.

A recent exception to this was St. Clement's Hill Primary Academy which had a retrospective adjustment made in the 2019/20 APT. It was agreed that a clawback system would be actioned if the estimated numbers used for 2018/19 were significantly different when compared to actual numbers following the October 2018 census.

If a decision was made to adjust retrospectively, the adjustment would be made in the following financial year and could increase or decrease a school's budget for that financial year, so schools would have to plan ahead for any potential adjustment.

We must fund schools using the same principles of estimates for pupil growth, in both schools with growth recognised by the LA, and growth in centrally delivered free schools that are growing. There are many variables that can affect the difference

between numbers on roll from one year to the next in growing/re-organising schools so it would be difficult to apply a principle that would work for all.

## **Modelling**

2018/19 data has been used to model the effects of pupil variation and the difference between estimated numbers for September 2018 to March 2019 compared with the October census 2018 numbers for this same period. The spreadsheet attached shows the outcomes.

Of the ten schools modelled, four of the schools' budgets would have decreased when using the census data, compared with six schools that showed an increase in budget. However, the total decreases in funding amounted to -£280,945 compared with increases in budget of £93,981, giving an overall retrospective adjustment figure of -£186,964.

Forum suggested looking at the percentage increase/decrease of September numbers, comparing estimated to census, and deciding on a fixed percentage threshold amount when deciding whether to make a retrospective adjustment. It was thought that 10% and 20% would be sensible threshold starting points for modelling. Using the figures in our model, all schools would fall into the 10% threshold and half of schools over 20%. One disadvantage of using this method is that it creates a cliff edge for those on the cusp of the threshold.

Another suggestion would be to look at what the actual additional intake was compared to estimated numbers. It could be that a school has been given an estimate of 60 pupils intake (an additional 2 classes) and actually only gets 28 (just one class). If this was the case, it would not justify the additional class costs and therefore a retrospective adjustment would seem appropriate.

## **Advantages and Disadvantages**

This additional funding is based on NCC estimate of new pupils arriving at the school due to re-organisation (schools growing from infant or junior to all-through primary or new schools that are growing year by year. NCC rely on schools to work with us with proposals to re-organise and/or to grow year by year and funding to be able to do this is essential to schools. Any likelihood of funding being removed at a later date could mean a school would not agree to NCC proposals.

The only advantage to this proposal is that in some circumstances money would come back into the budget.

## **Further comments**

As mentioned above, it would be difficult to apply a simple principle that would work for all different scenarios. A simple model would be as suggested above, to apply funding for proposed additional Forms of Entry. This funding would only be clawed back if the school in question did not admit that number of Forms of Entry and took less children.

## 2. Financial Implications and Risks

If a decision was made to reduce funding in the following financial year, where there has been a significant drop in pupil numbers, this would have a significant impact on school budgets. Schools would need to financially plan ahead for this scenario, when the actual pupil numbers became available in October.

Any funding would be returned to the Schools Block, for use within the schools' financial regulations.

## 3. Background

This item was previously discussed at School Forum on Friday 11 January 2019 and 15 March 2019 and 10 May 2019.

### Officer Contact

If you have any questions about matters contained or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

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School	Oct '17 Census	Sept '18 Estimate Variation	Oct '18 Census	APT 2018/19 Total 5/12ths Oct '17 census 7/12ths Sept Estimate	Actual NOR for 2018/19 Oct '17 census 5/12ths & Oct '18 census 7/12ths	Difference in actual NOR and APT	Difference in funding if actual nos. used instead of estimated £	Difference in Sept 2018 numbers est. v oct 18 census %
St Clement's Hill Primary Academy	0	60	30	35	18	-18	-59,891	-50%
Jane Austen College	676	180	140	781	758	-23	-118,227	-22%
Charles Darwin Primary	102	68	76	142	146	5	17,550	12%
Ashleigh Primary School and Nursery	385	60	73	420	428	8	24,486	22%
Browick Road Primary School	184	30	35	202	204	3	9,718	17%
Northgate Primary School	348	60	67	383	387	4	17,140	12%
St George's Primary and Nursery School	166	30	38	184	188	5	21,586	27%
Drake Primary School and Nursery	295	60	51	330	325	-5	-17,577	-15%
Rosecroft Primary School (Attleborough Infant)	365	72	28	407	381	-26	-85,250	-61%
Attleborough Primary School	391	19	21	402	403	1	3,502	11%

NOR

Number on Roll

Authority Proforma Tool (the DFE's return that calculates individual schools funding)

APT

# Schools' Forum

Item No 6(b)

<b>Report title:</b>	<b>Pupil Place Planning and Variation</b> Paper applies to Academies and Maintained and Free schools
<b>Date of meeting:</b>	<b>11 September 2019</b>

## Executive summary

Previous papers on pupil variation set out the funding mechanism as well as the merits and disadvantages of applying retrospective adjustments. Feedback from Schools Forum indicated that the concern was largely related to place planning and the DfE Free School Policy.

This paper sets out some of the policy background and the place planning considerations that are used to shape the response to a DfE Free School proposal. There is no recommendation to change policy.

The paper is provide to assist Schools' Forum in understanding the financial implications, where NCC or other parties seek to make changes to the number of school places provided in an area.

## 1. Background

### DfE Free School Policy

The government introduced centrally commissioned schools in form of Free School Academies as part of new legislation in 2010. They represent centrally commissioned new schools, which are explicitly outside of local government control with both revenue and capital funding coming from the DfE.

The policy has been subject to change and successive Secretaries of State for Education have interpreted the implementation of the programme. In the early stages of the policy new schools were introduced to explicitly target areas of low school quality, with surplus places considered a welcome element of competition. Recent free school rounds have focused more directly on geographical areas or sectors where places are needed. There has always been some form of consultation with local government. The ability to influence has varied over time, with little regard for local views in the early stages of the policy.

### Norfolk County Council Policy

The policy approach taken by Children's Services has been set out in a range of committee papers and was debated by committee at the time. References to a range of papers are set out at the end of this document.

Norfolk County Council has either actively sought, welcomed or tolerated the creation of these types of schools in the county. The Local Authority has sought to influence their

location, age range and size in line with our objectives for high quality education and a geographically coherent landscape of provision.

Ultimately, the creation of Free Schools is welcomed by Norfolk County Council where it makes a significant positive contribution to the provision of new school places in areas or sectors where they are needed. As documented elsewhere, the Local Authority was recently successful in its own bid for a Specialist Free Schools for pupils with learning and cognition needs.

Norfolk pupils benefit from these new schools, generally operated by local MATs with a track record of providing a good or better education. Norfolk County Council benefits, where the capital investment is made by the DfE and where possible, the LA considers 'self-delivery' to ensure that the quality of the built environment matches that of schools directly commissioned by NCC.

There is no overall benefit in terms of revenue funding, as the amount available for education in Norfolk is not affected by the types of schools created. Revenue funding for individual schools is affected by the overall number of institutions in Norfolk.

### Norfolk Free Schools

School Name	Proposer/Trust	Characteristics	NCC Response	Current Ofsted Judgement
The Norwich Free School		Primary Free School, PAN 24	<i>Welcome by NCC to assist with place planning pressure in Norwich</i>	Good
Sir Isaac Newton Sixth Form Free School, Norwich	Inspiration Trust	Free School 6 <sup>th</sup> form 16-19.	<i>No need for more places or A-level provision to raise aspirations. Norfolk performance below national.</i>	Outstanding
The Pinetree School		11-16 PRU Free School	<i>Welcome additional AP provision</i>	Good
University Technical College Norwich	The TEN Group	14-19 Technical College	<i>Welcome in light of support for skills and economic development as well as other schools</i>	Good
Jane Austen College Norwich	Inspiration Trust	Secondary 11-19 Free School, PAN 180	<i>Tbc</i>	Good
Charles Darwin Primary School	Inspiration Trust	Primary and nursery Free School PAN 60	<i>Place Planning Need in Norwich identified – location not ideal</i>	Not yet available – inspected Summer 2019
Great Yarmouth Charter Academy	Inspiration Trust	Secondary 11-16 Free School, PAN 120	<i>No place planning need identified</i>	Good
The Wherry School	Parkside Foundation Trust	Special Free School 4-19	<i>Welcome and supported by NCC</i>	Not yet inspected

			<i>as demand for places evident</i>	
St Clements Hill Primary Academy	Rightforsuccess Trust	Primary Free School with potential PAN of 60.	<i>Place planning need identified for North Norwich – 1 FE needed based on 3 years of pressure</i>	Not yet inspected
White House Farm Primary, Sprowston	Sapienta Education Trust	Primary Free School with potential PAN of 60	<i>Supported by NCC as identified in Schools Local Growth and Investment Plan.</i>	Not yet inspected

## Funding and Disruption to the existing school landscape

The funding mechanisms to ensure new schools can operate effectively have been documented in the previous paper. Once a school is agreed by receiving a funding agreement from the DfE, it is treated in the same way as any other school.

Both changes to existing institutions and the creation of new institutions inevitably cause some disruption to the system. Parental preference patterns are a key factor. The disruption is largely mitigated through:

- Admission criteria and compliance with the Admissions Code
- Consultation on variation to the Pupil Admission Number agreed by any admission authority
- Funding mechanisms for new classes

Norfolk County Council actively seeks to minimise the disruption to local schools, where it introduces changes. This includes:

- A clear policy on how to influence and develop the education landscape
- Considering the expansion of existing schools where possible
- Dealing with place pressure as a temporary phenomenon, until a three-year pattern is established
- Planning only for the places needed in the system
- Continual improvement to the forecasting and place planning process

## 2. Financial Implications

None

## 3. Issues, risks and innovation

None

## 4. Background

**“Sustaining high quality leadership in Norfolk Schools” (report to Children’s Services Overview and Scrutiny Panel 13 April 2014.**

**“Sustaining high quality leadership in Norfolk schools – progress report (report to Children’s Services Service Committee 17 June 2014.**

**July 2015 Children's Services Committee papers Developing Norfolk's selfimproving school system in the light of the Education and Adoption Bill 2015**  
<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/352/Committee/8/Default.aspx>

**May 2015 Children's Services Committee papers**  
<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/317/Committee/8/Default.aspx>

**March 2015 Children's Services Committee papers**  
<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/283/Committee/8/Default.aspx>

**November 2015 Children's Services Committee papers**  
<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/355/Committee/8/Default.aspx>

**May 2016 Children's Services Committee papers**  
<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/461/Committee/8/Default.aspx>

**June 2016 Children's Services Committee papers**  
<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/462/Committee/8/Default.aspx>

**Children's Services Committee – May 2018 Schools Capital building programme, page 103**  
<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/128/ctl/ViewMeetingPublic/mid/496/Meeting/1468/Committee/8/Default.aspx>

**Children's Services Committee – November 2017 (Capital prioritisation)**  
<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/617/Committee/8/Default.aspx>

**Policy and Resources Committee – October 2018 Transforming the system for Special Educational Needs and Disability (SEND) in Norfolk, page 20**  
<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/128/ctl/ViewMeetingPublic/mid/496/Meeting/1421/Committee/21/Default.aspx>

**“Free Schools in England” a publication by the Education Policy Institute**  
<https://epi.org.uk/publications-and-research/free-schools-england/>

**Children's Services Committee - January 2018 (Growth and Investment Plan)**  
<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/618/Committee/8/Default.aspx>

## Officer Contact

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# Schools' Forum

Item No...8

<b>Report title:</b>	<b>High Needs Block:</b> <ul style="list-style-type: none"> <li>• 5 Year Recovery Plan update</li> <li>• Proposal to transfer funding from Schools Block</li> <li>• Personal Budgets and Tribunal costs</li> </ul> <i>For information</i>
<b>Date of meeting:</b>	<b>11 September 2019</b>

## Executive summary

In May this year the Schools' Forum received a report setting out a 5 year recovery plan to address the ongoing overspend pressure within the High Needs Block.

The 5 year recovery plan is underpinned by the Norfolk Area SEND Strategy and the County Council's £120million investment through the SEND & AP Transformation Programme. Since developing these strategies, within Children's Services, the DfE subsequently requested all LA areas to submit HNB recovery plans. In June 2019 we provided our formal submission of our HNB recovery plan to the DfE.

We have committed to provide regular updates to Schools' Forum on the 5 year recovery plan and to ensure that Forum is made aware of future plans to request ongoing transfer of funds between the Schools Block and High Needs Block. In addition we have committed to continue to report to Schools' Forum on our ongoing 'line by line' review of historic HNB commitments.

The paper for the September Schools' Forum, therefore, sets out 3 elements in relation to the High Needs Block:

- HNB 5 year recovery plan update
- Proposals for further transfer of funds between Schools Block and High Needs Block – including school survey consultation
- Matters Arising from previous Schools' Forum
  - Personal Budgets
  - Tribunal Costs

Recommendations:

- **Provide comments on the 5 year recovery plan update**
- **Note the Local Authority plan to carry out a 3 week online survey consultation of all schools regarding 0.5% Schools Block to High Needs Block transfer \***
- **Note the LA intention to seek additional transfer between Schools Block and High Needs Block, of 1.0%, via application to the Secretary of State**

*\*the report today is marked 'For Information' as the decision making point for Schools' Forum will occur at the October meeting following the outcome of the school survey consultation*

## 1. Updates, proposals and information

### High Needs Block 5 year recovery plan update

The High Needs Block recovery plan will be submitted to the DfE annually at the end of each academic year. However, to enable ongoing monitoring via the Schools' Forum and through the county council's internal governance structures there will be a regular re-refresh of the plan at the end of each term.

This will enable updates to incorporate movements within individual High Needs Block budget lines through 'business as usual' (for example special school placement costs). In addition adjustments will also be made as the SEND & AP Transformation Programme progresses (for example changes to the opening dates of new specialist provision).

Therefore, the tables below provide a copy of the recovery plan from the summer term submission to the DfE and also the current, in year, Needs Block budget schedule:

**Table 1: 5-Year Financial Plan (provided to Schools' Forum in May 2019 and submitted to DfE in June 2019)**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
High Needs Block Allocation	80.462	81.822	81.839	82.664	83.492	84.324
0.5% Schools' Block Transfer	2.365	2.410	2.434	2.459	2.483	2.508
Additional Schools' Block Transfer	0.000	4.580	4.580	4.580	4.580	4.580
NCC General Fund Contribution		2.000	3.000	3.000	3.000	3.000
Schools, Early Years and Central Services Blocks Underspend	4.090					
<b>Total Resources Available</b>	<b>86.917</b>	<b>90.812</b>	<b>91.854</b>	<b>92.702</b>	<b>93.555</b>	<b>94.412</b>
Placement Budget brought forward		80.488	83.478	82.765	78.285	76.865
Demographics and unmet demand		5.196	6.748	5.206	5.206	5.206
Demand Management *		0.000	0.000	-1.080	-2.931	-4.620
Savings *		-2.207	-7.411	-8.556	-3.644	-1.853
<b>Sub-Total Placement Costs</b>	<b>80.488</b>	<b>83.478</b>	<b>82.815</b>	<b>78.385</b>	<b>77.015</b>	<b>75.749</b>
Early Intervention SEN funding	6.075	8.439	8.439	8.439	8.439	8.439
Start-up Costs		0.500	0.500			
Speech and Language	0.771	1.004	1.004	1.004	1.004	1.004
Sensory Support	1.624	1.624	1.624	1.624	1.624	1.624
YOT	0.290	0.290	0.290	0.290	0.290	0.290
CAMHS	0.251	0.251	0.251	0.251	0.251	0.251
LA Posts	0.774	0.774	0.774	0.774	0.774	0.774
Fines Income *	-0.999	-0.900	-0.900	-0.900	-0.900	-0.900
Other services	0.447	0.447	0.447	0.447	0.447	0.447
Repay overdrawn position				2.300	4.600	6.700
<b>Total expenditure</b>	<b>89.722</b>	<b>95.907</b>	<b>95.244</b>	<b>92.614</b>	<b>93.545</b>	<b>94.378</b>



<b>Surplus (+)/Deficit (-)</b>	<b>-2.804</b>	<b>-5.095</b>	<b>-3.390</b>	<b>0.089</b>	<b>0.011</b>	<b>0.034</b>
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\*These 3 rows are income/savings with a positive effect on the High Needs block.

**Table 2: Cumulative Deficit**

	<b>Brought Forward</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
<b>Cumulative Deficit</b>	<b>-8.087</b>	<b>-10.887</b>	<b>-15.982</b>	<b>-19.372</b>	<b>-16.983</b>	<b>-12.373</b>	<b>-5.639</b>

**Table 3: Current High Needs Block, FY2019\_20, Budget Schedule**

High Needs Block Budget 2019/20 - Period 4							
	<b>Places Apr-Aug</b>	<b>Places Sept-Mar</b>	<b>£000's Budget</b>	<b>£000's Forecast @14/08/19</b>	<b>£000's Variance Over/(Under)</b>	<b>Previous</b>	<b>Change</b>
DSG Allocation			81,917.36				
Transfer from schools block			6,990.06				
<b>Total Budget</b>			<b>88,907.42</b>				
Special Schools (Pre-16)	1,500	1,560	30,751.66	30,308.26	(443)	228	(672)
Special Schools (Post-16)			3,706.00	3,584.28	(122)	(113)	(9)
Specialist Resource Bases	238	238	3,327.52	3,140.06	(187)	(209)	21
Exceptional Circumstances Fund			1,000.00	1,000.00	0	0	0
VS SEN Support/EHCPs			7,439.09	7,439.09	0	0	0
<u>Independent &amp; Non maintained, Alternative Education</u>							
Services to Home Educators			92.83	92.83	0	0	0
Youth Offending Team			290.37	290.37	0	0	0
Non Maintained Special Schools			22,718.75	27,663.93	4,945	3,734	1,211
-Single funded	622	616					
-Joint funded	41	46					
-Private Hospital	21	23					
-Other Provision/Therapies	36	41					
Personal Budgets	63	69	250.00	466	216	201	15
Estimated Inter Authority Recoupment	81	82	630.00	661	31	44	(13)
Short Stay School For Norfolk & Alternative Provision	350	370	5,748.20	6,725.74	978	978	0
Less PEX income			(900.00)	(900)	0	0	0
Alternative Education			4,099.00	4,966.75	868	833	35
-Compass Centre	50	50					
-Pinetrees	22	35					
-Include (Catch 22)	106	85					
-Earthsea House	12	12					
-Hooper Lane (within SSSfN budget from Sept'19)	60	0					
-Crea8	6	3					
-Horatio House	23	15					
<u>LA Hosted Services</u>							
County Sensory Support			1,623.04	1,623.04	0	0	0
Moving and Handling			41.41	41	0	0	0
SEN Invest to Save			171.05	171	0	0	0
Learning Support & ATT Central Costs			663.50	663.50	0	0	0
Critical Incident			18.00	18.00	0	0	0
CAHMS			250.52	250.52	0	0	0
PATHS			100.00	100.00	0	0	0
Virtual School for Sensory Support			68.48	68.48	0	0	0
<u>Other Services</u>							
Speech and Language Therapy			1,004.00	1,004.00	0	0	0
Post 16 FE High Needs top up	590	590	2,806.00	3,810	1,004	657	347
Post 16 Place Funding	427	479	3,008.00	3,008	0	224	(224)
Schools DDA Equipment			0.00	49	49	18	30
<b>Total</b>			<b>88,907.42</b>	<b>96,245</b>	<b>7,338</b>	<b>6,595</b>	<b>743</b>

There have been additional costs for independent / special school placements which have resulted in a further £0.743m commitment to the current year High Needs Block forecast. This will need to be factored into the overall 5 year recovery plan and will be reflected in the re-refresh at the end of autumn term 2019.

### **Further transfer of funds between Schools Block and High Needs Block - all schools' survey consultation proposal**

#### 0.5% transfer

The Local Authority intends to provide all Norfolk schools with an online survey consultation for a three week period between the September and October Schools Forum meeting dates.

This survey will be similar to the one carried out last year and will set out the historic and current reasons for the High Needs Block overspend pressure, our strategic plan to address the cumulative overspend pressure and the impact of a 0.5% Schools Block transfer at individual school level.

The outcome of this survey consultation will be presented to the Schools' Forum at the October meeting and a recommendation will be made for Schools' Forum Members to support this transfer. This will require a vote of relevant Members of the Schools' Forum within that meeting.

Currently a 0.5% transfer is equal to £2.410 million.

#### 1.0% transfer

The Local Authority will again consider the merits of a further application to the Secretary of State to transfer additional funds from the Schools Block to the High Needs Block; to consider if the 1% transfer agreed last year is required.

Further information regarding this will be contained within the High Needs Block report to the October 2019 Schools' Forum meeting. This will reflect any further information received by that point regarding both Schools Block and High Needs Block increases from central government; we have initial announcements currently at a national level but require Norfolk indicative figures to be able to model impact.

### **Ongoing review of all High Needs Block activity - matters arising from May Schools' Forum**

In addition to the major elements of the High Needs Block which are experiencing significant pressures / overspends (such as special school and alternative provision placements) all aspects of the High Needs Block are under review.

We need to ensure that historic decisions to fund provision from the high needs block are reviewed to ensure activity is still relevant and effective; currently, for example, we are working with colleagues carrying out the CAMHS re-design to ensure HNB contributions will be effective in the future.

At future Schools' Forum meetings we will be able to report back on the various ongoing reviews and our plans for reductions or increases as appropriate.

At the May Schools' Forum meeting a request was made for information relating to Personal Budgets and Tribunals.

## Personal Budgets

Clarification was sought, at the May Schools' Forum meeting, regarding the criteria and costs of personal budgets.

Below is a link to the relevant pages on the SEND Local Offer pages regarding personal budgets.

<https://www.norfolk.gov.uk/children-and-families/send-local-offer/support-for-learning/education-health-and-care-ehc-plans/ehc-needs-assessment-and-plans/personal-budgets>

Within these pages the local authority sets out the legal duty regarding personal budgets and how they operate within Norfolk, for example:

## EHC plan personal budgets

### What is a personal budget?

A personal budget is a part of an [Education, Health and Care \(EHC\) plan](#). It is designed to give families choice and control, on how the provision in the EHC plan is delivered.

The Children and Families Act 2014 states that we, as a local authority, are under a duty to consider a personal budget, when requested by a parent or young person. This could be:

- Following the completion of an EHC needs assessment, where we have confirmed we will produce an EHC plan for a child or young person
- As part of a statutory review of an existing EHC plan

Although we are under a duty to consider a personal budget, we are not under a duty to provide one.

### What can it be used for?

An EHC plan can contain provision from education, health or social care agencies. Therefore how your personal budget could be set up, will depend on:

- The child or young person's needs
- The circumstances, which would be explored during the EHC needs assessment

A personal budget would be described in Section J of an EHC plan. It links to provision agreed in Section F (education), Section G (health) or Section H (social care), or any combination of these.

Personal budgets can only be used for outcomes identified in an EHC plan. Personal budgets cannot be used to pay for:

- Assessments (as part of the EHC needs assessment or in readiness for an annual review)
- To cover the cost for fees of a named educational placement

Currently in Norfolk we are providing personal budgets for:

- Provision for pupils enrolled in schools (mainstream and special) where bespoke packages are required outside of core commissioned services, eg
  - a. Sensory Occupational Therapy
  - b. Speech and Language Therapy
  - c. Applied Behaviour Analysis

You may also be interested in...

[Personal Budgets Policy \(pdf - 293kb\)](#)

[Making it personal: A guide to Personalisation, Personal Budgets and EHC Plans for educational settings and LAs](#)

- d. Parent psychological support to manage challenging behaviour
- e. TA support
- Home Education support for children and young people under the age of 16, in line with LA duties within Children & Families Act 2014, eg pending re-integration to mainstream / special school
- Post 16 provision within unregulated provision where mainstream college placements have not been secured
- Teaching Assistant support within independent schools where core fees require subsidy
- Travel training to supplement other LA travel schemes

Funding of personal budgets in the past 3 years has been:

	Number of Personal Budgets	Total commitment for the corresponding financial year
July 2019	69	£380,241
July 2018	82	£393,528
Sept 2017	48	£260,271

### Tribunal Costs

The direct costs of SEN Tribunal activity is funded via the county council's 'general fund' and not from the High Needs Block. Costs relate primarily to the co-ordination of tribunal cases, the preparation of case evidence and representation at the hearing. A verbal update will be provided at the September Schools' Forum meeting regarding these costs in the past 3 years.

The only direct costs to the High Needs Block due to tribunal activity would be the need for the LA to place a child in a particular placement or arrange specific provision, at a greater cost than current or planned provision. We have not, to date, tracked these costs but will be doing so in the future (likely starting from FY2020\_21) as part of the SEND & AP Transformation Programme.

## **2. Financial Implications**

The financial assumptions, modelling and implications are contained with the 5 year recovery plan. The key elements are:

- 1% increase per annum in the High Needs Block allocation;
- Increasing the number of maintained specialist provision to increase quality and reduce placement costs;
- Increased investment in early intervention funding and Specialist Resource Base provision to reduce needs escalating and, therefore, reduce demand on places in special school provision;
- Continued movement between the Schools' Block and the High Needs Block of 0.5% plus the additional £4.58m agreed by the Secretary of State for 2019/20;
- Continued NCC General Fund support to the High Needs Block of £3m per annum.

The recovery plan projects that the High Needs Block will balance in-year from Year 3 onwards. The cumulative deficit position will have reached £19m by the end of 2020-21, and as this is a ring-fenced grant, the deficit will need to be repaid over a number of future years. This deficit will be identified separately within the Council's accounts from the Council's general reserves, as per the DfE guidance.

It should be noted that if the application to move the funding from the School's Block to the High Needs Block is not agreed, or is only partially agreed, or if NCC is unable to continue investment from its General Fund beyond 2019-20, then there will be a significant delay as to when an in-year sustainable position will be achieved. This will, in turn, result in significant additional accumulated deficit over that period requiring future repayment. NCC are aware that there is significant risks with both of these assumptions given the uncertainty surrounding local government funding settlements and Schools funding.

In addition to these risks, as with any medium-to-long term plan, there are risks around the validity of assumptions.

The financial modelling is based upon the best available information at the time of preparation and some elements of the transformation planned are further through the planning cycle than other elements. For example, detailed plans for new Special School provision is well-underway allowing the financial modelling to take account of the planned movement of places from independent to maintained special schools

There are updates on both the transformation programme and the DSG Recovery Plan scheduled within the Schools' Forum Forward Plan for the 2019-20 academic year. As detailed planning continues, the local authority will review the validity of the assumptions made and will make appropriate updates to the place and financial modelling for future years. These will be shared with Schools' Forum.

The Government has announced its funding plans for education, including a £700m increase in funding for Special Educational Needs & Disabilities (SEND) for 2020/21.

More details on the announcement here <https://www.gov.uk/government/news/prime-minister-boosts-schools-with-14-billion-package>

The County Council's Network (CCN) has recently been co-ordinating lobbying of central government regarding SEND funding issues across the county, both in terms of council Children's Services budgets and the High Needs Block. Following this announcement the CCN provided this clarification:

*The £700m extra pledged by the government next year will form part of the 'high needs block' of the dedicated schools grant to councils, the Department for Education has confirmed to LGC.*

*Questions had been raised on whether the funding, announced on Friday as part of a as part of £14bn investment in education over the next three years, would go to council budgets or be handed to schools to spend.*

*Responding to the announcement, chairman-elect of the County Councils Network David Williams (Con) said: "CCN look forward to the precise details of these funding plans, including how additional resources will be distributed."*

*Today a DfE spokesperson told LGC the extra SEND money will be included in the high needs block and councils will retain "flexibility to meet local needs".*

Therefore, as soon as we have confirmation of the Norfolk share we will reflect this in our 5 year recovery plan.

### 3. Background

There have been a significant number of papers and discussions regarding the High Needs Block pressures at Norfolk Schools' Forum. These are available online as part of the Schools Forum agenda, papers and minutes:

<http://www.schools.norfolk.gov.uk/School-administration/Finance/Norfolk-schools-forum/Agendas-and-Papers/index.htm>

16 March 2016	Item 2 High Needs Budget for 2016/17 and Places Commissioned
16 March 2016	Exclusions – removal of funding as a disincentive and cover AP costs
27 May 2016	Item 2 Permanent Exclusion Charging
27 May 2016	Item 5 Final DSG Outturn Budget Monitoring
27 May 2016	LDD (SEN) Funding Sub-group - Minutes of meeting 21.4.16

14 October 2016	Item 3 Fair Funding
14 October 2016	Item 4 PEX charges
14 October 2016	Item 8 LDD (SEN) Funding sub-group Minutes of meeting 27.9.16
14 December 2016	Item 3 High Needs Block Pressures
11 January 2017	Item 6 National Funding Formula Stage 2 Schools and High Needs Block
19 May 2017	Item 6 Final Outturn Dedicated Schools Grant
19 May 2017	Item 9 High Needs Block 2017/18
19 May 2017	Item 10 Excluded Pupil Charges – proposals to reduce exclusions and cover AP costs
7 July 2017	Item 4 PEX charging update
18 October 2017	Matters Arising - Impact on HN overspend
18 October 2017	LDD Minutes 28 Sept
24 October 2017	Item 4 High Needs Block Budget
10 January 2018	Item 4 Final Outturn
10 January 2018	Item 6 High Needs Budget and Places update
10 January 2018	Item 7 DSG
18 May 2018	Item 5 Final DSG
18 May 2018	Item 7 HN Budget
12 September 2018	Item 5 HN Block
12 September 2018	Item 6 Options for Consultation
17 October 2018	Item 6 DSG and High Needs Block update
17 October 2018	Item 8 Schools Block consultation
11 January 2019	Item 5 Dedicated Schools Grant 2019/20 Paper
15 March 2019	Item 4 Dedicated Schools Grant recovery plan Paper – DfE pilot template
10 May 2019	DSG Deficit Recovery Plan

There are also a number of relevant papers to Norfolk County Council's Childrens' Services Committee and Policy and Resources Committee, all of which are available here: <https://norfolkcc.cmis.uk.com/norfolkcc/Committees.aspx>

## Officer Contact

If you have any questions about matters contained or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

If you have any questions about matters contained in this paper please get in touch with:

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If you need this report in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.

