

NOTICE OF MEETING

Schools Forum

Thursday 10 March 2016, 4.30 pm

Council Chamber, Fourth Floor, Easthampstead House, Bracknell

To: The Schools Forum

Schools Members:

Sue Barber, Primary School Governor
Liz Cole, Primary School Representative
Liz Cook, Secondary Head Representative
Karen Davis, Primary Head Representative
Brian Fries, Secondary School Governor
Martin Gocke, Pupil Referral Unit Representative
Keith Grainger, Secondary Head Representative
John McNab, Secondary School Governor
Trudi Sammons, Primary School Representative
Anne Shillcock, Special Education Representative
Debbie Smith, Secondary Head Representative
David Stacey, Primary School Governor
Beverley Stevens, Academy School Representative
Grant Strudley, Primary Head Representative
John Throssell, Primary School Governor (Vice-Chairman)

Non-Schools Members

George Clement, Union Representative (Chairman)
Kate Sillett, PVI Provider Representative
Vacant, 14-19 Partnership Representative
Vacant, Diocese Representative (Roman Catholic)
One Vacancy, Diocese Representative (Church of England)

ALISON SANDERS
Director of Corporate Services

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If you require further information, please contact: Derek Morgan
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Published: 1 March 2016

Schools Forum
Thursday 10 March 2016, 4.30 pm
Council Chamber, Fourth Floor, Easthampstead House, Bracknell

Sound recording, photographing, filming and use of social media at meetings which are held in public are permitted. Those wishing to record proceedings at a meeting are however advised to contact the Democratic Services Officer named as the contact for further information on the front of this agenda as early as possible before the start of the meeting so that any special arrangements can be made.

AGENDA

Page No

1. **Apologies for Absence/Substitute Members**

To receive apologies for absence and to note the attendance of any substitute members.

2. **Declarations of Interest**

Any Member with a Disclosable Pecuniary Interest or an Affected Interest in a matter should withdraw from the meeting when the matter is under consideration and should notify the Democratic Services Officer in attendance that they are withdrawing as they have such an interest. If the Interest is not entered on the register of Members interests the Monitoring Officer must be notified of the interest within 28 days.

3. **Minutes and Matters Arising**

To approve as a correct record the minutes of the meeting of 14 January 2016.

3 - 8

4. **LA Revenue Budget 2016-17 - Further Savings Protocol**

9 - 20

5. **Proposals for the 2016-17 Early Years and High Needs Block Elements of the Schools Budget**

21 - 40

6. **2015-16 funding allocations**

41 - 58

7. **Dates of Future Meetings**

The next meeting is scheduled for 21 April 2016.

**SCHOOLS FORUM
14 JANUARY 2016
4.30 PM**



Present:

Schools Members

Liz Cook, Secondary Head Representative
Karen Davis, Primary Head Representative
Keith Grainger, Secondary Head Representative
John McNab, Secondary School Governor
Trudi Sammons, Primary School Representative
Anne Shillcock, Special Education Representative
Debbie Smith, Secondary Head Representative
David Stacey, Primary School Governor
Beverley Stevens, Academy School Representative
Grant Strudley, Primary Head Representative
John Throssell, Primary School Governor (Vice-Chairman)

Non-Schools Members:

George Clement, Union Representative (Chairman)

Apologies for absence were received from:

Brian Fries, Secondary School Governor
Martin Gocke, Pupil Referral Unit Representative

10. Declarations of Interest

There were no declarations of interest.

11. Minutes and Matters Arising

It was noted that the Terms of Reference for the SEN Panel and the admissions criteria for Rise@GHC were under review and would be re-issued in due course.

A consultation had taken place before Christmas in respect of two changes to the Scheme for Financing Schools in respect of school permission to borrow money and the register of business interests. It was noted that all 18 schools that responded had approved the changes.

The forum noted that the expected long term funding policy for new and expanding schools had been deferred due to uncertainty around the precise timing of when the schools would be required and the outcomes of the National Funding Formula for Schools that the DfE intend to introduce from April 2017. As a consequence, the Council is proposing a funding solution for one year only.

RESOLVED that the minutes of the meeting held on 22 October 2015 be approved and signed by the Chairman as a correct record.

12. **Schools Forum: Operational and good practice guidance**

The Forum **COMMENTED** on the responses from the Council to the self-assessment toolkit returns with the focus on the areas where less than 50% of respondents agreed that best practice was being met:

- The dedicated website link for the Schools Forum was considered to be difficult to find from the BFC public website homepage and this would be addressed through the current re-design of the BF public website which is in progress.
- It was not clear to observers of the Forum who the attendees were or what body they represented. In response to this, it was noted that name plates had now been introduced but would be amended to include the body being represented.
- An induction pack or training programme was not consistently available to new members. In response to this, it was noted that a new induction pack covering key responsibilities and duties was being developed for new members and would be completed before the next meeting of the forum.
- With respect to whether members actively canvassed views and objectively represented their peer group at the Forum, the responses indicated that Head teachers felt this was being met. However, governors responded this was either not being met or didn't know if it was being met. The Forum agreed this was an area of improvement and discussed setting up an e-mail group to include all school governors and a governors forum.

13. **Local Authority Budget Proposals for 2016/17**

As part of the council's consultation process, the Forum was presented with a report on the local authority budget proposals for 2016/17 which was based on the expected outcomes from the Local Government Financial Settlement. David Watkins, Chief Officer, Children, Young People and Learning (CYPL) advised members that the report set out the overall financial arrangements and proposals for next year and that comments were sought in particular on the proposed changes for CYPL in respect of the revenue budget and capital programme. The report set out the difficult financial situation facing the council over the medium term with a balanced budget only being possible by making savings of £3.7m with Members yet to decide how the remaining £6m budget gap would be financed either from using reserves, further expenditure reductions, an increase in Council Tax or a mixture of the three options.

Cllr Barnard then provided the Forum with an update on the Council's budget position following the publication of the provisional Local Government Financial Settlement, which was announced after the commencement of the council's consultation process. This confirmed that there would be a much larger reduction in grant allocations to local authorities than previously stated. Furthermore, the settlement included assumptions about how the local authority would increase income from its current level through using the new 2% Adult Social Care Council Tax levy and that additional Council Tax would be due from 950 new house builds in the Borough over the next year when recent experience has shown that a more realistic figure is 350.

In essence, the Council had to find further savings of £2.4m for the year 2016/17 and this would impact on aspects of both revenue and capital budgets managed by CYPL. Officers were currently working through proposals and savings could lead to a

reduction in front-facing work together with a re-phasing of a number of planned projects on the capital programme.

With respect to any impact on front line services within CYPL as a result of necessary savings, Cllr Barnard advised that specialist services that provided help to those with additional support needs and those who were vulnerable or at risk would be protected. More universal services would be reviewed to identify if alternative delivery mechanisms could be implemented via involvement from voluntary organisations or the Town Council. Whilst it was accepted that savings had to be made there was a commitment to provide services to the young people in the Borough that most needed it and that the mental health and wellbeing work already underway would remain a priority. Cllr Barnard advised members that the work to effect the changes that were needed had begun in relation to consultations and employees at risk and that those affected would be contacted within the next week. Cllr Barnard clarified that whilst this meant some posts would be deleted this included existing vacancies that had not been filled. However, no action would be taken until the final budget proposal was made to the Executive on 9 February 2016.

In respect of the savings proposed for CYPL detailed in the published report, Anne Shillcock expressed concern about the potential impact a revised management structure for Children's Centres would have on the delivery of the service. Cllr Barnard said there would be close scrutiny on the Children's Centres and that the change in management structure may mean that outreach and support services would be provided across all four Centres but a commitment would be made to have a presence on all four sites. Cllr Barnard agreed to provide a report on the new management structure to review the impact of the cutbacks once relevant data was available to evaluate the impact and said he would also ask the Scrutiny Panel to look at the effect of the changes.

The Forum also discussed the Schools Music Festival. This event took place every two years and enabled pupils from the Council's Primary schools to participate in a large scale production which linked music, dance and art. Cllr Barnard said the event had a very positive impact across the schools that took part and the cost would remain in the proposed budget. Discussion took place with regard to an alternative funding stream for the event and Wellington College was proposed as a potential source of sponsorship.

In respect of the CYPL proposed capital programme, it was noted by members that a commitment was being made to large scale projects in relation to new and expanding schools whilst some existing services were struggling to be maintained and a number of staff may be at risk of redundancy. David Watkins advised members that the revenue budget and capital programme were entirely separate and that legally, capital money could not be used to support revenue funding.

The Forum was advised that the proposed budget for the capital programme was indicative and subject to change, particularly in respect of phasing of projects and would need to reflect the latest actual market forces relating to the need for new schools that would follow the building programme determined by developers. In relation to new and expanding schools, Liz Cook commented that there was a need to ensure house builders worked on time as their output was interlinked with the schools building programme in terms of meeting future need. The forum was advised that the Council was already in talks with developers on this issue.

Cllr Barnard said the proposed capital programme was the first to be predicated on borrowing but that robust work was being undertaken to ensure that as little as

possible is borrowed to reduce the impact on revenue and to focus on maximum service delivery at the lowest possible cost.

The Forum was advised that the proposed revenue budget for 2016/17 that formed part of the current consultation process would not change unless there were concrete reasons not to proceed and feasible alternative suggestions for savings were made.

Anne Shillcock proposed that members of the Executive were made aware of the concerns of Forum members on the proposed cuts to CYPL services in respect of their long term impact on young people and the potential for future cost increases. All members of the Forum endorsed Anne's proposals.

14. **Proposals for the 2016/17 Schools Block Element of the Schools Budget**

The Forum was presented with a report updating on school funding and to seek comments on proposals from the Council for the 2016-17 Schools Block element of the Schools Budget. Recommendations agreed from this report would form the basis of proposals to be presented to the Executive Member for Children, Young People and Learning. Thereafter, there was a tight timetable to record the views of the Forum on the report proposals with 21 January 2016 being the deadline for the submission of the actual Funding Formula for Schools to the Department for Education (DfE).

Paul Clark, Head of Departmental Finance, Children Young People and Learning said the current financial climate continues to create difficulties in setting a balanced Schools Budget. This related to the tight financial settlement from the DfE that does not include funding for £2.7m of known cost pressures – equivalent to 3.3% of current spending - and the emerging long term pressure arising from new / expanding schools. To finance the budget changes considered necessary, the Council was proposing a one off draw down of £0.213m from the general balances of the Schools Budget meaning reductions to school budgets were not proposed.

Questions and comments from forum members were received in respect of:

- Was there any information on how the government intended to reduce the local authority role in running schools and remove a number of statutory duties to which officers confirmed that details were outstanding.
- Wasn't it inevitable that school budgets would have to be cut in the future to pay for the diseconomy funding that expanding / new schools would required? Officers commented that the main factor to influence this would be the outcomes of the proposed National Funding Formula for Schools. With the BFC funding rate the 17th lowest out of 151 LAs, it is considered more likely to benefit from this review than to be penalised.
- Would there be issues around providers having insufficient capacity to deliver the required places to meet the anticipated increase from doubling the free entitlement from 15 to 30 hours? Officers commented that plans were in place to meet future need including talks with those nursery providers who share premises with other community service providers.
- The investment of additional resources to increase the average hourly rate childcare providers receive was welcome as existing rates are considered low.
- With a recent report indicating a 20% reduction in SEN pupils, this may offset the additional costs anticipated moving forward from the increase in post-16 SEN numbers as a result of LA responsibilities being extended from age 19 to 25.

The Forum **AGREED** the following recommendations made in the report:

- That the administration arrangements in place in respect of the allocation of central government grants were appropriate and would remain unchanged.
- The budget amounts for each of the services centrally managed by the Council and funded from the School Block DSG.
- That the budget for Schools Block DSG is reset to £66.522m which was an increase of £1.246m to the current budget of £65.276 and that other Schools Block related grants be reset to anticipated 2016-17 amounts.
- To maintain appropriate funding allocations for the most vulnerable pupils, budget allocations to schools in respect of deprivation and low prior attainment should remain at 3.9% and 3.3% respectively of total funding.
- The funding allocations to be paid to new / expanding schools.
- The net £1.459m of budget adjustments were allocated to the budget areas set out in the report as follows:
 - £1.378m into delegated school budgets
 - £0.081m into centrally managed budgets
- The £0.213m shortfall in funding to be financed by a one-off allocation from the year end surplus of £0.609m from the Schools Budget.
- That the requirement to hold £0.51m in general reserves as a contingency provision against unforeseen cost increases was waived again for the 2016-17 budget.
- That the DfE pro forma template of the 2016/17 BF Funding Formula for Schools as set out in Annex 6 of the report be submitted for the 21 January deadline.

The report requested that the Forum **NOTED** the following items:

- That proposals in respect of the Early Years and High Needs Block elements of the Schools Block would be presented for consideration to the Forum at its 10 March meeting when more information would be available in respect of funding and likely spending requirements.
- That a significant budget pressure on the new / expanded schools programme was anticipated that may require future reductions to school budgets.
- The general balances on the Schools Budget were £0.114m below the minimum required level, which would need to be addressed in future budgets.
- The education related outcomes from the Government Spending Review 2015.
- The cost pressures that schools were likely to need to finance from within existing resources, estimated at around 3.3% of current spending levels.

Primary School Representatives **AGREED**:

- To the continued de-delegation of budgets for the services permitted by the DfE.

Secondary School Representatives **AGREED**:

To the continued de-delegation of budgets for the services permitted by the DfE for 2016/17 with a review to be undertaken with secondary schools to determine their longer term requirements on these services.

15. **Dates of Future Meetings**

The next meetings of the Schools Forum were scheduled to take place at 4.30pm in the Council Chamber at Easthampstead House on:

Thursday 10 March 2016

Thursday 21 April 2016

Thursday 16 June 2016

If there was no business to discuss, meetings would be cancelled.

CHAIRMAN

**TO: SCHOOLS FORUM
10 MARCH 2016**

**LA REVENUE BUDGET 2016/17 – FURTHER SAVINGS PROPOSALS
Director Children, Young People and Learning**

1 PURPOSE OF REPORT

- 1.1 To seek comments from the Schools Forum on a range of further savings proposals that will contribute towards the delivery of a sustainable revenue budget for 2016/17 and beyond, and in particular, their impact on Children, Young People and Learning Department. The proposals reflect the outcomes of the Provisional Local Government Financial Settlement and are in addition to those presented to the Forum at its last meeting in January.

2 RECOMMENDATION(S)

- 2.1 **That the Schools Forum comments on the 2016/17 further savings proposals of the Executive in respect of the revenue budget for the Children, Young People and Learning Department.**

3 REASONS FOR RECOMMENDATION(S)

- 3.1 The Executive seeks the views of the Schools Forum as an interested party on the 2016/17 budget proposals.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The range of options being considered are included in the report and its annexes.

SUPPORTING INFORMATION

5 BACKGROUND

- 5.1 The Council published its initial budget proposals for consultation on 16 December 2015 with the Schools Forum invited to make comments at its meeting on 14 January 2016. In respect of the CYPL Department, £0.246m of pressures and £0.714m of savings were proposed and subsequently approved by the Executive on 23 February. Annexes 1 and 2 show the details of the agreed changes.
- 5.2 The scale of the initial budget proposals was entirely consistent with the guidance provided by Government throughout the late summer and autumn of 2015. They included economies of approximately £4m which left a potential budget gap of around £6.044m. Members were advised that to bridge this remaining gap any, or all, of the following options were available:

- An increase in Council Tax

Unrestricted

- An appropriate contribution from the Council's revenue reserves, bearing in mind the Medium Term Financial Strategy
- Identifying further economies.

5.3 With regards to identifying additional economies, the Council established a Transformation Board to take the lead on reviewing the way in which all Council services are delivered over the next four years. This represents a continuous programme of work, with the aim of identifying significant savings that can be incorporated into the 2016/17 budget and beyond. In December, it was anticipated that a significant proportion of the £6.044m budget gap would be met from the following five service areas:

- Adult social care commissioning
- Highways and transport
- Welfare and housing
- Cultural and leisure services, and
- Public health

5.4 The work of the Transformation Board has to date identified potential economies of £2.183m from these areas for 2016/17 of which £1.816m are expected to be available to contribute to closing the £6.044m budget gap. These are set out in more detail below at paragraph 5.10.

5.5 The Council's initial budget proposals were published for consultation ahead of the Provisional Local Government Finance Settlement which was announced on 17 December 2015. The Provisional Settlement for 2016/17 included previously unannounced changes to the distribution of resources amongst authorities depending on the different sets of services provided by them and their relative ability to raise income through council tax locally. The intention is to recognise both the rising costs of adult social care and the differing relative abilities of local authorities to raise income. The impact of this is for the significant cuts already announced by the Government in the November 2015 Spending Review to fall greatest on those authorities with a perceived ability to raise more income from council tax, of which Bracknell Forest is one. The consequence is that Bracknell Forest's Revenue Support Grant will be cut by 80% over the four year period of the settlement. This is against a backdrop of Government announcements prior to 17 December that signalled real terms reductions of up to 40% should be expected.

5.6 In its response to the consultation on the Settlement, the Council, along with the other Berkshire Council's, has made strong and compelling arguments for treating Berkshire more favourably. This has been reinforced through a delegation of Berkshire Leaders, headed by the Leader, in a meeting with the Minister for Local Government, Marcus Jones, MP. The Government announced the outcome of its consultation on the Provisional Local Government Finance Settlement on 8 February. Whilst the Council's Revenue Support Grant remains unchanged a new transitional grant has been introduced to assist those authorities that have been affected most severely by the changes to the distribution of resources. As such, the Council will receive transitional grant of £0.9m in both 2016/17 and 2017/18.

- 5.7 The following table sets out the impact of the Provisional Settlement on the Council's Revenue Support Grant over the four year period of the Spending Review.

Loss of Revenue Support Grant

	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
Anticipated Revenue Support Grant Loss	3.0	2.5	2.0	1.5
Actual Revenue Support Grant Loss	5.4	4.2	2.0	1.7
Additional Revenue Support Grant Loss	2.4	1.7	0.0	0.2
Transitional Grant	0.9	0.9	0.0	0.0
ADDITIONAL LOSS OF GRANT	1.5	0.8	0.0	0.2

In overall terms this represents a further £2.5m loss of grant. The original forecasts contained in the Council's Medium Term Financial Strategy anticipated a budget gap of £22m over four years. This has now become £24.5m over four years and has become heavily front loaded.

- 5.8 Given the short time available to deal with this additional financial challenge, there are very few options available to the Council to set a legal and balanced budget. A key change is an increased use of balances (£5.161m) to enable the Council to set its budget and council tax on 24 February. Such a significant use of balances is not sustainable over the medium term and as a consequence a range of additional savings proposals are set out below which will enable the Council to put money back into balances during 2016/17 and deliver the Medium Term Financial Strategy.

TRANSFORMATION BOARD – WORK PROGRAMME AND ADDITIONAL SAVINGS PROPOSALS

- 5.9 The Transformation Board began its work in late 2015. Initial activity concentrated on the development of a work programme comprising both strategic reviews and other projects. In tandem with this there was a focus on the identification of additional savings that could be implemented relatively quickly during 2016/17, contributing towards the £6.044m budget gap referred to in paragraph 5.2 above. The overall shape of the emerging work programme is set out in the following table:

Unrestricted

Strategic Reviews	Other Projects
Council wide support services	Major property reviews
Early intervention/prevention	One Public Estate
Library review	Devolution
Leisure services review	SEN transport policy
Arts review	School improvement
Citizen and customer contact	NHS integration
Generating additional income	

- 5.10 With regard to the identification of additional savings, a range of proposals have been developed for consultation which are summarised in the table below:

	2016/17	2017/18
	£000	£000
Adult social care commissioning	500	500
Welfare and housing	202	0
Public health	367	0
Highways and transport	1,114	142
Total	2,183	642

- 5.11 Public health is funded through a ring fenced grant. In addition to the funding reductions outlined earlier in this report, public health funding has been subject to reductions of £0.237m (6.2%) in the current financial year, with a further reduction of 2.3% in 2016/17 and beyond. As a consequence, the savings of £0.367m are likely to be needed to manage public health spending to within the overall ring fenced grant and, as such, cannot contribute towards the budget gap of £6.044m. However, this still leaves proposed savings of £1.816m that can contribute towards the budget gap.

ADDITIONAL SAVINGS PROPOSALS AS A CONSEQUENCE OF THE SETTLEMENT

- 5.12 As outlined above the 2016/17 budget and council tax is being set using an increased contribution from balances. Such an approach is unsustainable in the medium term and an additional range of savings proposals have been developed, which are capable of implementation during 2016/17. Once agreed, these will enable

the Council to return money to balances in 2016/17 and contribute towards the savings that will be required to balance the 2017/18 budget.

- 5.13 These additional savings proposals comprise both revenue and capital economies. Whilst economies arising from reductions in capital expenditure will have little impact on the 2016/17 budget position they are an important component of the overall package as they deliver savings through reduced financing costs in later years.

Additional Revenue Savings Proposals

- 5.14 The additional savings proposals relevant to CYPL are set out in Annex 3 with all new proposals summarised in the table below:

	2016/17	2017/18	2018/19
	£000	£000	£000
Adult social care commissioning	500	0	0
Children centres (CYPL)	75	15	0
Early help offer (CYPL)	217	43	0
Grants to voluntary sector organisations	28	10	0
Corporate Services/Chief Executive's Office	112	0	0
Economic development	100	0	0
Community safety	50	0	0
Highway maintenance	200	-110	-90
Book fund	100	0	0
South Hill Park grant	44	0	0
Parish council tax reduction support (Further £0.040m included in the Commitment Budget 2016/17)	175	0	0
Total	1,601	-42	-90

- 5.15 The proposed reduction in grant to South Hill Park will leave £394,281 available in 2016/17. The Transformation Board will undertake a finance driven review of arts provision in the Borough and the role of South Hill Park. This review will be given priority with a target date of the end of June for its conclusion. The Transformation Board will also be prioritising a finance led strategic review of the library service. Although no specific proposals have been developed there is an expectation and a need for both reviews to identify ways to provide the respective services at significantly less cost. In addition to these two finance driven reviews further work will

also be undertaken to establish whether the car parking charges at The Look Out are set at the optimum level

Additional Capital Savings Proposals

- 5.16 The overall council funded capital programme for 2016/17 is £59.983m. The most significant scheme within the overall programme is the construction of Binfield Learning Village, which is required to deliver statutory school places, meeting the needs of new housing and the provision of associated community facilities. In 2016/17 a budget of £23.3m has been allocated to this scheme. Similarly, a budget of £8.358m has been allocated for the replacement roof and flumes at Coral Reef. Tenders for the works to Coral Reef are due to be returned in early March. Given the magnitude of these schemes and their consequent impact on the revenue budget both will be reviewed in terms of their scale, timing and financing early in the next financial year, together with the proposed youth arts facility and housing development on the Coopers Hill site.
- 5.17 More immediately it would be possible, subject to consultation, to reduce expenditure on four schemes included within the current capital programme. These are summarised in the table below:

	£000
Harmanswater Community Centre	800
Buildings Planned Maintenance	800
IT Schemes	300
Dennis Pilcher House	800
Total	2,700

- 5.18 It is estimated that the removal of the above schemes from the capital programme, together with the review of the scope, timing and financing of the Binfield Learning Village and Coral Reef schemes will generate revenue savings in financing costs of more than £0.3m in 2017/18 and in each subsequent year.

CONSULTATION ARRANGEMENTS

- 5.19 In accordance with the Council's Constitution a six week consultation period is required on all budget proposals. However, a number of the proposals outlined above have the potential to impact upon groups with protected characteristics under Equalities legislation or involve the voluntary sector. In these cases a longer, twelve week consultation process will be undertaken to assess the impact of these proposals, concluding with the completion of a full Equalities Impact Assessment before any final decisions are taken. Those proposals requiring a longer consultation period are:
- Housing Related Support Service for Older People (already completed)
 - Children Centres

Unrestricted

- Early Help Offer (including youth service, Homestart grant and voluntary sector grant support)
- Voluntary Sector Grants (Chief Executive's Office budget)
- Community Safety
- Soth Hill Park grant

5.20 The timetable for those proposals not requiring a full Equality Impact Assessment is as follows:

Date	Action
23 February 2016	Executive agrees proposals as basis for consultation
24 February 2016 to 5 April 2016	Consultation period
10 March 2016	Overview and Scrutiny Commission reviews budget proposals
10 May 2016	Executive considers representations made and recommends proposals to Council
13 July 2016	Council considers Executive's recommended proposals

5.21 The timetable for those proposals requiring a full Equality Impact Assessment is as follows:

Date	Action
23 February 2016	Executive agrees proposals as basis for consultation
24 February 2016 to 17 May 2016	Consultation period
10 March 2016	Overview and Scrutiny Commission reviews budget proposals
14 June 2016	Executive considers representations made and recommends proposals to Council
13 July 2016	Council considers Executive's recommended proposals

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

6.1 The report identifies a number of proposals to assist the Council in meeting its savings requirements for 2016/17 and beyond. The process of lawfully managing service reductions is a challenge for many local authorities in the current financial landscape. It is important that each of the proposals as well as the procedures underpinning the delivery of each is consistent with Public law principle of fairness. This requires appropriate levels of consultation for each proposal and compliance with the following principles;

- Consultation must be undertaken at a time when proposals are at a formative stage
- Sufficient for the proposal must be given to allow intelligent consideration and response

- Adequate time must be given for a response

- The product of the consultation must be conscientiously taken into account in finalising the proposals

The consultation process set out above sensibly envisages a differentiated approach between those processes requiring an Equality Impact Assessment (12 weeks) and those which do not (6 weeks).

In addition to the Public consultation, where staffing reductions are proposed these will need to be undertaken in compliance with Employment law and internal HR procedures and will be set out in a separate report to the Employment Committee at the appropriate time.

Borough Treasurer

6.2 The financial implications of this report are included in the supporting information.

Equalities Impact Assessment

6.3 The further savings proposals included in this report impact on a wide range of services. In addition to a detailed budget consultation on all of the proposals, initial equalities screenings have been completed and full Equalities Impact Assessments will be undertaken on those proposals that have the potential to impact upon groups with protected characteristics, including those set out in paragraph 5.19. The completed documents can be found on the Council's website at <http://www.bracknell-forest.gov.uk/equalitiesassessmentandconsultation>

Strategic Risk Management Issues

6.4 The delivery of the savings proposals outlined in this report are crucial to the setting of a sustainable budget in 2016/17 and the achievement of the Council's Medium Term Financial Strategy.

7 CONSULTATION

Principal Groups Consulted

- 7.1 The Overview & Scrutiny Commission will be consulted on the budget proposals. Targeted consultation exercises will be undertaken with business rate payers, the Schools Forum, town and parish councils and voluntary organisations. Comments and views will be sought on both the overall budget package and on the detailed budget proposals. In addition, this report and all the supporting information are publicly available to any individual or group who wish to comment on any proposal included within it. To facilitate this, the full budget package will be placed on the Council's web site at <http://consult.bracknell-forest.gov.uk/portal>. There will also be a dedicated mailbox to collect comments.

Method of Consultation

- 7.2 here will be three specific methods of consultation:
- Through consideration of this report by the Overview & Scrutiny Commission
 - A web based consultation with residents, and
 - Through letters sent to targeted groups

Representations Received

- 7.3 None at this stage.

Background Papers

None.

Contact for further information

Contact for further information

David Watkins, Chief Officer: SR&EI (01344 354061)
David.watkins@bracknell-forest.gov.uk

Paul Clark, Head of Departmental Finance (01344 354054)
paul.clark@bracknell-forest.gov.uk

Doc. Ref G:\Executive\Schools Forum\76) 100316\2016-17 LA budget proposals - second consultation.doc

Revenue budget: ORIGINAL pressures for CYPL Department

Description	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Multi-agency Safeguarding Hub (MASH).</p> <p>A MASH is designed to improve sharing of information indicating risk between appropriate agencies. MASH's are being established both nationally and within the Thames Valley region and are showing good outcomes both for children and the LA's by ensuring all known concerns are highlighted at an early stage. The pressure relates to BF costs and a contribution to those being incurred by Thames Valley Police.</p>	50		
<p>Post 16 Education Transport</p> <p>New legislation under the Children and Families Act 2014, extended an individual's right for educational support from age 19 to 25. The new legislation does not however extend the duties placed on an Authority to provide transport for Post 16 learners. The net pressure seen is as a result of the discretionary transport policy being available to the extended number of older SEN learners who are continuing on educational courses. It is anticipated that a new Transport Policy for implementation in September 2016 shall need to consider charging for transport for new Post 16 learners.</p>	50		
<p>Special Educational Needs (SEN)</p> <p>Statutory guidance in the SEN Code of Practice 2014, requires all SEN Statements to be converted into Education Health Care Plans before April 2018. Grants have been available in the previous two financial years to support the necessary staffing increase but there is no indication that these will continue. 190 statements will be required to be converted within the next financial year, to a shorter, 20 week timeframe which it is estimated will require additional short term capacity of 4.5 FTE staff.</p>	146	-73	-73
CHILDREN, YOUNG PEOPLE AND LEARNING TOTAL	246	-73	-73

Revenue budget: ORIGINAL economies for CYPL Department

Description / Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Additional income A number of services are exceeding their income targets, or identifying new opportunities for income generation, either through improved trading, or additional external contributions, and where this is expected to continue, budgets will be increased accordingly. This relates to Community Learning (£50,000), Larchwood short break unit (£32,000) and aspects of support to the Schools Budget (£10,000).</p>	-92		
<p>Looked After Children The strategy put in place over the past three years to reduce costs continues to be successful. The number of children placed with in-house foster carers and therefore less expensive placements has increased from 61% in March 2012 to 64% at September 2015. There has also been an increase in the number of children being placed permanently outside the care system at minimal cost through either an Adoption or Special Guardianship Order. It has also been possible to de-escalate some young people from high cost residential placements to Independent Fostering. Savings are also continuing to be achieved through commissioning where a rigorous and challenging approach continues to result in savings.</p>	-275		
<p>Revised delivery of services and support As part of the on-going process to improve efficiency, a number of services have been reviewed to consider alternative ways for their delivery or opportunities for cost reductions through reduced take up or general efficiencies. The main reviews of service relate to the Early Help Offer where the Children's Centres management structure has been streamlined (£72,000) along with the youth offer (£58,000), and the Joint Legal Team that provides a Berkshire wide service, hosted by Reading Borough Council (£40,000). Other changes are proposed to Information, Advice and Guidance to young people where service provision can be reduced in response to evidence of low uptake (£70,000), Children's Social Care specialist contracts and externally commissioned assessments (£30,000), Youth Justice support to parenting services (£27,000), the share of cost from the Emergency Duty Team that provides an out of hours social work service (£25,000), the Finance Team (£20,000), and general Departmental resources used to respond to new initiatives (£5,000).</p>	-347		
CHILDREN, YOUNG PEOPLE AND LEARNING TOTAL	-714	0	0

Revenue budget: ADDITIONAL economies for CYPL Department

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Children's Centres</p> <p>There will be a reduction in universal service provision within the Alders & Chestnuts Children's Centre area. The focus will be on targeted services. Health services will still be delivered from this site. 2.7 FTE posts will be deleted.</p>	-75	-15	
<p>Early Help Offer</p> <p>A number of savings are proposed within the Early Help Offer:</p> <ul style="list-style-type: none"> • Support to early years providers will end in respect of training and staff development, a reduction in resource support for the Every Child a Talker programme and in the support for providers with sustainability issues (£37,000). • Deletion of 2.2 FTE Development Officer posts that support childminders, after school clubs, play schemes and wrap around provision (£78,000). • Removal of resources budget at the Family Information Service that will develop a reactive service delivery (£10,000). • Deletion of 1.9 FTE youth worker posts which will lead to a reduction in universal services for young people (£57,000). • 50% reduction in grant allocated to Homestart for the provision of trained volunteers to support families requiring early help (£30,000) • Deleting voluntary sector grant support: <ul style="list-style-type: none"> ○ REDZ- provides performing arts sessions to young people at The Spot in Sandhurst] (£4,500) ○ South Hill Park - provides arts based sessions to young people (£13,200) ○ KIDS Young Carers – develops and delivers a service to young carers and their families within Bracknell Forest (£30,000) 	-217	-43	
CHILDREN, YOUNG PEOPLE AND LEARNING TOTAL	-292	-58	0

TO: SCHOOLS FORUM
DATE: 10 MARCH 2016

**PROPOSALS FOR THE 2016-17 EARLY YEARS AND
HIGH NEEDS BLOCK ELEMENTS OF THE SCHOOLS BUDGET**
Director of Children, Young People and Learning

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek comments from the Schools Forum on proposals from the Council for the 2016-17 Early Years and High Needs Block elements of the Schools Budget. There are also a small number of decisions for the Forum to consider in line with the statutory funding framework.
- 1.2 Recommendations agreed from this report will form the basis of proposals to be presented to the Executive Member for Children, Young People and Learning, who has responsibility for agreeing most aspects of the Schools Budget.

2 RECOMMENDATIONS

That the Forum AGREES:

2.1 That the Executive Member makes the following decisions:

For the Early Years Block funded budgets:

- 1. That funding rates for the free entitlement to early years education and childcare for 2, 3 and 4 year olds remain unchanged from those paid in the 2015-16 financial year (paragraph 5.14);
- 2. The total initial budget is set at £5.196m, it incorporates the changes set out in the supporting information, and relevant budgets are therefore updated to those set out in Annex 2.

For the High Needs Block funded budgets:

- 3. The total initial budget is set at £14.312m, it incorporates the changes set out in the supporting information and Annex 4, and relevant budgets are therefore updated to those summarised in Annex 5.

2.2 In its role of statutory decision maker, that there are appropriate arrangements in place for:

- 1. Early years provision (paragraph 5.15);
- 2. The education of pupils with SEN (paragraph 5.36), and
- 3. The use of pupil referral units and the education of children otherwise than at school (paragraph 5.36).

2.3 The terms of reference for the High Needs funding review (paragraph 5.37 and Annex 6).

3 REASONS FOR RECOMMENDATIONS

- 3.1 To ensure that the 2016-17 Schools Budget is set in accordance with the funding framework, the views of the Schools Forum and the anticipated level of resources.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 A range of options have been presented for consideration as part of the budget setting process.

5 SUPPORTING INFORMATION

Background

- 5.1 The last meeting of the Forum received a budget report that concentrated on the Schools Block element of Dedicated Schools Grant (DSG) which in essence funds delegated school budgets and the small number of services that the Department for Education (DfE) allows LAs to manage centrally on behalf of schools. Members will recall that this highlighted the financial difficulties being experienced in setting the 2016-17 Schools Budget with the need to draw down £0.213m from balances to fully finance all of the proposed budget changes.
- 5.2 This report presents proposals on the remaining elements of the Schools Budget; the Early Years Block that funds provisions and support for children up to 5, including those in maintained school nurseries; and the High Needs Block that supports pupils with additional needs above £10,000, which is the national funding threshold set by the DfE. This two staged approach to setting the budget reflects the different timescales that relevant budget information becomes available from the DfE.
- 5.3 The statutory regulatory framework also requires the Council to consult with the Schools Forum each year relating to the arrangements proposed to be put in place to meet various Schools Budget functions and where relevant, this is also included within the report.

Early Years Block

Coverage and outline of High Needs Funding

- 5.4 The Early Years Block comprises.
- funding for three and four year olds entitlement to 15 hours of free education
 - participation funding for disadvantaged two year olds
 - the early years pupil premium:

Provisional estimate of Early Years Block DSG income

- 5.5 The Early Years Block income for the universal entitlement to 15 hours a week free education and childcare for 3 and 4 year olds is calculated in the same way as that for the Schools Block; an amount per child multiplied by headcount numbers. The DfE has confirmed that per child funding rates for each LA will remain unchanged from 2015-16, meaning no allowance for inflation or other pressures. The BF per child Early Years

funding rate therefore stays at £3,928.30. Whilst the free entitlement is for 15 hours provision per week for 38 weeks (570 hours in a year), the DfE convert this to their standard full time education rate of 25 hours a week for 38 weeks a year (950 hours in a year). This means the £3,928.30 annual funding rate is equivalent to £4.13 per hour.

- 5.6 The initial DfE allocation of Early Years Block DSG for 2016-17 has been made based on the January 2015 Early Years Census and equates to £4.470m. This will be updated during 2016-17 for January 2016 and January 2017 pupil numbers which means that the final Early Years Block will be based on 5/12ths January 2016 numbers, to cover likely costs between April and August 2016, and 7/12ths January 2017 numbers, to cover likely costs between September 2016 and March 2017.
- 5.7 To ensure that the most accurate and up to date information is used in budget calculations, rather than using the initial DfE funding allocation for 3 and 4 year olds from January 2015 actual take up, it is proposed to use the LAs estimate of January 2016 participation. Therefore, the funding allocation for budget purposes is proposed to be based on 1,154.5 eligible pupils which will generate £4.535m. As set out above, this will be subject to change once relevant census data becomes available, which is expected to be confirmed by the DfE in June 2016 and June 2017 respectively. If a significant change in income is anticipated from that forecast in the initial budget, there is likely to be a need for an in-year review of budgets.
- 5.8 The Early Years Block also includes funding for the most deprived 2 year olds who are established from meeting at least one of the following criteria:
- Their family gets one of the following:
 - Income Support
 - Income-based Jobseeker's allowance
 - Income-related Employment and Support Allowance
 - Support under part VI of the Immigration and Asylum Act 1999
 - The guaranteed element of State Pension Credit
 - Child Tax Credit (provided they're not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190)
 - Working Tax Credit 4 week run on
 - Working Tax Credits and earn £16,190 a year or less
 - they have a current statement of SEN or an Education, Health and Care plan
 - they attract Disability Living Allowance
 - they are looked after by a local authority
 - they have been adopted from care in England or Wales
 - they have left care through special guardianship order, child arrangements order or adoption order.
- 5.9 Funding for 2 year olds is calculated by the DfE in exactly the same way as 3 and 4 year olds are funded, as set out above in paragraph 5.6, although a different funding rate of £5,215.50 will be used. Again, the DfE base this rate on 25 hours a week take up for 38 weeks a year (950 hours in a year), which is equivalent to £5.49 per hour.
- 5.10 Based on the LA estimate of 208 eligible 2 year olds taking up the provision at January 2016 (which the DfE converts to 114.4 funded children at 25 hours per week) remaining unchanged through to January 2017, £0.597m of funding will be received.

- 5.11 The scope of the Pupil Premium continues unchanged and will cover 3 and 4 year olds who aren't already receiving funding in a maintained school reception class. The DfE will require all LAs to pay providers a universal supplement of £0.53 per hour, equivalent to £302.10 a year for each eligible child who takes up the 570 free hours of entitlement. In the first instance, an allocation of £0.064m will again be received which is based on a DfE estimate of eligible numbers at January 2015. As with the other funding allocations, this will be subject to update once actual take-up data becomes available. The LA has a duty to pay the supplement for all eligible children, irrespective of the amount of funds allocated by the DfE.
- 5.12 Taking account of the initial DSG funding estimate for 3 and 4 year olds of £4.535m and £0.597m for 2 year olds, together with Pupil Premium income of £0.064m, the initial Early Years Block DSG income is forecast to be £5.196m, and the budget is recommended to be set at this level.

Proposed use of Early Years DSG income

- 5.13 There are three main areas that BF use Early Years Block DSG income to fund:
1. The local Early Years Single Funding Formula (EYSFF), which must be used to fund providers delivering the free entitlement of 15 hours a week of childcare and early years education for 3 and 4 year olds. The EYSFF is a sub-Formula to the main BF Funding Formula for Schools. Funds are allocated each term on actual participation levels, on an hourly funding rate basis, consisting of a base rate paid to providers (£3.17 for maintained schools, £3.71 for private, voluntary and independent (PVI) sector providers), supplemented by hourly rates where qualifying criteria is met for High Deprivation (ranging from 0p - 32p) and High Quality (ranging from 0p - 48p). As reported at the last Forum meeting, the DfE has updated the data used to calculate the Income Deprivation Affecting Children Index which measures the probability of a child living in an area of deprivation. This has resulted in some changes in amounts of deprivation supplements paid to providers, with some receiving higher funding allocations, and others lower. Funding rates are set out in full at Annex 1, with an average provider funding rate of £3.89.
 2. Provision of free childcare and early education for eligible 2 year olds (see paragraph 5.8 above for relevant criteria). Providers are funded for eligible 2 year olds in a similar way to 3 and 4 year olds, with termly funding allocations based on actual participation levels, at a universal funding rate of £5.10.
 3. Children with Special Educational Needs (SEN). In addition to main hourly funding rates, further supplements are paid for children with SEN at an additional rate of £7.20 and a second, higher additional hourly rate of £9.00 for those with severe or complex needs.
 4. Central support services for 2, 3 and 4 year olds. Subject to agreement of the local Schools Forum, LAs are permitted to retain funds centrally to support early years providers. The current year budget includes agreement from the BF Forum to centrally retain funds for a contingency, designed to meet in-year cost increases from rising participation rates, SEN etc, a multi-professional assessment centre, specialist SEN support, the cost of providing free milk to children and supporting the development of provisions for 2 year olds through funding outreach support.

5.14 Taking account of the significant financial difficulties being experienced within the Schools Budget and the cash flat funding settlement from the DfE, all funding rates as set out above in paragraph 5.13 and Annex 1 are proposed to continue into 2016-17 unchanged, including retaining base funding rates and supplements at 2015-16 levels. However, some changes to budget amounts are proposed, and these are set out below:

1. Updated budget provision for payments to providers to reflect:
 - a. Estimated actual participation rates for 3 and 4 year olds by provider using May 2015, October 2015 and January 2016 data as a proxy for 2016-17, using current funding rates. Note: this is the most up to date data available to forecast the likely budget requirement next year, but payments will be adjusted in-year to reflect actual participation together with revised hourly rates should provider supplement payments for deprivation and quality change. Any differences in actual payments to the estimates will be funded through the contingency. This equates to an increase of £0.049m.
 - b. Actual participation rates for 2 year olds by provider, based on January 2016 data only. This reflects the current take-up. Again, payments will be adjusted in-year to reflect actual participation and be funded through the contingency as necessary. This equates to a cost reduction of £0.036m.
2. To reflect the Council's restructure within the Early Help service, a small number of changes are proposed to aspects of the service that are funded from the Schools Budget. The main area of change relates to bringing the service delivered at The Margaret Wells Furby Children's Resource Centre in-house. This Centre was historically run by a third sector provider and was brought in-house with effect from April 2015. Provision had deteriorated reflecting restructuring of services across the South East by the third sector provider, leading to managerial and capacity changes which had a detrimental impact on the service. An in-depth review of this service and the in-house Early Help inclusion team prompted a restructure. Third sector staff were transferred into the BFC Early Help Inclusion Team and subsequently realigned to BFC terms and conditions of employment. The restructure has led to improved service delivery and outcomes for referred families and children. The centre has been renamed The Child Development Centre to more appropriately reflect the services delivered. These changes equate to a net nil budget adjustment.

5.15 The Forum is recommended to agree this approach to setting the Early Years Block related budgets to the Executive Member and also confirm that as a consequence, appropriate arrangements are in place for Early Years provisions, which the LA is required to consult with the Forum on each year. Annex 2 identifies the resultant breakdown of the Early Years budget if the proposals in this report are agreed.

Outcomes from the Spending Review 2015

5.16 On 25 November, the government published initial financial information in respect of the Spending Review 2015 which set out spending plans up to and including 2019-20. In respect of Early Years services, the key headlines are:

1. Free childcare entitlement will double from 15 hours to 30 hours a week for eligible working families with three and four year olds from September 2017,

with 15 hours entitlement remaining universal and the additional 15 hours being based on working parent(s) income criteria.

2. From 2017-18 an investment of £300m will be made available to increase the average hourly rate childcare providers receive, and at least £50m of capital funding to create additional early years places.

Further details on the practical implementation of these developments are awaited from the DfE.

The High Needs Block

Coverage and outline of High Needs Funding

- 5.17 In line with the special educational needs and disabilities (SEND) reforms that were introduced from September 2014, the High Needs Block is intended to fund a continuum of provision for pupils and students with SEN, learning difficulties and disabilities from 0-24.
- 5.18 The DfE has determined that where the cost of provision is above £10,000 it will be classified as high needs. In such circumstances, a “place-plus” approach to funding will be used which can be applied consistently across all providers that support high needs pupils and students as follows:
 - a. **Element 1, or “core education funding”**: equivalent to the age-weighted pupil unit (AWPU) in mainstream schools, which the DfE has stated the national average is around £4,000.
 - b. **Element 2, or “additional support funding”**: a budget for providers to deliver additional support for high needs pupils or students with additional needs of up to £6,000.
Specialist and Alternative Providers (AP), such as special schools and Pupil Referral Units (PRUs) only cater for high needs pupils and therefore receive a minimum £10,000 (Element 1 funding plus Element 2) per agreed place.
 - c. **Element 3, or “top-up funding”**: funding above elements 1 and 2 to meet the total cost of the education provision required by an individual high needs pupil or student, as based on the pupil’s or student’s assessed needs. This element is paid to all provider types, for pupils with assessed needs above the £10,000 threshold.
- 5.19 Additionally, High Needs Block DSG is also intended to be used where high needs provisions are not arranged in the form of places e.g. specialist support for pupils with sensory impairments, or tuition for pupils not able to attend schools.

Provisional estimate of High Needs Block DSG income

- 5.20 The allocation of High Needs Block DSG income is the most complex part of the DSG. A separate calculation is made for each LA, initially set at the level of budget individual LAs planned to spend on high needs pupils in 2012-13, the year prior to the most recent funding reforms. The Education Funding Agency (EFA) then deduct £10,000 per place from each individual LAs total amount to pay direct to purchase places in academies and maintained and non-maintained special schools (NMSS). Each LA then funds all the places required in its own maintained schools for use by any LA, places for their own students in Independent School as these establishments are not funded by the EFA, and any element 3 “top up” payments due for BF resident students to all providers from its remaining DSG.

- 5.21 At the point of the funding reforms, the EFA was already financing post-16 institutions direct, such as school sixth forms and FE colleges, and retained these funds to continue to purchased places for LAs. However, a funding transfer was made to LAs to fund element 3 “top ups” which LAs would now pay to post 16 providers, based on individual assessed needs above the £10,000 threshold.
- 5.22 As previously reported, this post 16 funding adjustment was significantly below the actual costs needing to be incurred by LAs. The resultant funding shortfall, and extension in funding responsibility from age 19 to 24 is the most significant contributory factor to requiring the £2.093m funding transfer from the Schools Block DSG to High Needs.
- 5.23 Once the EFA has determined the number of pre-16 places it will fund, which is based on actual placements in the previous academic year, adjusted in exceptional circumstances following bids from LAs, the relevant amount of funding deduction is set for the academic year irrespective of whether the places are actually taken up. If an LA experiences an increase in places, then their High Needs Block DSG is reduced accordingly. Similarly, if less places are taken up, there is an increase in High Needs Block DSG. The EFA has full funding responsibility for post-16 places, so the financial impact of more or less places being purchased remains within the EFA. It does not directly impact on individual LA funding.
- 5.24 This approach to funding, whilst providing a degree at funding stability for providers can result in poor value for money for LAs if the actual number of places required in each institution is lower than the number being funded by the EFA.
- 5.25 As well as element 3 “top ups”, the DSG can also be used to purchase additional places at providers, above the number purchased by the EFA. To reduce the potential of the EFA purchasing more pre-16 external places than required through the deduction to our High Needs Block DSG, the strategy of the LA is to minimise the deduction to DSG for EFA funded places and use the resultant higher level of DSG to purchase extra places, but only when they are actually needed. Therefore, the LA accepts the place funding deduction at the level of actual places at the commencement of the previous academic year and manages any changes through direct purchases with providers. This approach maximises funding flexibility for the LA.
- 5.26 There is one main change to the funding process for 2016-17. Place funding in NMSS will continue to be funded directly by the EFA. However, to bring NMSS in line with place funding in FE institutions, and specialist post 16 institutions (SPI), place funding in NMSS will not be included in the high needs block baseline for the 2016-17 financial year. As a result the 2016-17 DSG allocation does not include these places. Previously, the EFA has calculated the full DSG allocation and then deducted the directly funded NMSS places. This change has been implemented by making an adjustment to each relevant local authority’s high needs baseline on the basis of the 2015-16 academic year place numbers in NMSS. Moving forward it is expected that there will no longer be any adjustment to an LAs High Needs Block DSG to reflect changes in externally purchased places, with the funding implications being managed by the EFA.
- 5.27 This change in funding policy has a significant impact on the funding model for the Rise@GHC, the new 56 place Autistic Spectrum Disorder (ASD) pupil facility at, Eastern Road. More information on this is set out below in paragraphs 5.31 to 5.33.

- 5.28 On the basis of this information, together with the confirmed additional £92m funding added by the DfE into the national High Needs Block funding for distribution to LAs based on population aged 2 -19, the EFA has calculated an initial 2016-17 High Needs Block allocation for BF of £11.902m, an increase of £0.183m on the current budget amount, as set out in Table 1 below. The 2015-16 allocation is also shown for context:

Table 1: High Needs Block DSG calculation

Item	2015-16 Actual £m	2016-17 Initial £m
Base funding	12.851	12.598
Full year effect of 2014-15 places funding deduction	-0.033	0
Effect of place funding external institutions on basis of location rather than residency of students. (Introduced September 2015).	-0.329	-0.165
Share of budget growth (£47m 2015-16, £92m 2016-17)	0.109	0.215
Initial HN Block DSG	12.598	12.648
Deduction for EFA direct funded places	-0.911	-0.746
HN Block DSG after places deduction	11.687	11.902
Current on-going NH Block budget		11.719
Change (+) increase / (-) decrease		0.183

- 5.29 As the final High Needs Block DSG will not be confirmed until the end of March, there is the possibility of adjustment to the places deduction and it is therefore proposed to retain the increase in DSG as an initial provision against a higher deduction than currently anticipated or actual costs incurred exceeding budget estimates. Should the final funding allocation be significantly different from the £11.719m current on-going High Needs budget amount, revised proposals can be considered in-year.
- 5.30 To the £11.719m estimated High Needs Block DSG can be added the £2.093m transfer from the Schools Block DSG and the £0.500m post-16 places grant paid by the EFA for Kennel Lane Special School, an increase of £0.088m on the current year, making a total gross budget for the High Needs Block of £14.312m. The one-off £0.017m funding allocated to Kennel Lane Special Schools from the Job Evaluation Reserve in 2015-16 has been removed as the Reserve is now exhausted.

Update on budget requirement for Autistic Spectrum Disorder Unit: Rise@GHC

- 5.31 The Forum has previously supported funding for the development of a 56 place Autistic Spectrum Disorder (ASD) pupil facility by converting the vacant building on Eastern Road through use of DfE capital grants with phased opening planned from September 2015. The facility – Rise@GHC – is being managed by Garth Hill College with the original funding model anticipating annual savings when fully open of around £0.72m

on placement fees from 35 BF resident students, with additional placements being made, and paid for, by other LAs. The savings were estimated at around £20,000 per pupil, £10,000 from the lower cost in-house provision and £10,000 from additional place funding from the DfE as less externally purchased NMSS places would be needed, with a consequential lower deduction to the LAs High Needs Block DSG.

- 5.32 However, as set out above in paragraph 5.26, the DfE are changing the way that NMSS are to be funded for places, with there no longer being an increase to an LAs High Needs Block DSG if less external places are required. This change therefore reduces the anticipated savings when Rise@GHC is full by half to around £0.36m. Whilst still a significant saving, this will make a lower contribution to planned cost reductions than previously anticipated.
- 5.33 The LA has been in close contact with Garth Hill College in respect of the changing financial model with the latest projections shown at Annex 3. Through sound financial management by the school and reflecting on actual experience to date, the original budget plan has again been amended with a number of cost reductions and areas of increased income being identified that now indicates when fully open a saving of £0.468m can be achieved (line 35 of Annex 3). This is the first part of a budget review that will conclude before the end of the summer term. Taking account of changes made to date, the Forum is requested to agree the revised long term funding model and budget allocation for 2016-17, including the draw down of £0.180m (line 31 of Annex 3) from the SEN Resource Units Reserve. A further revision to the plan may be necessary once the budget review is complete and actual numbers on roll at September 2016 are confirmed.

Update on current year budget performance

- 5.34 Budget monitoring information as at the end of December indicates good progress continues to be made in managing down expenditure on high needs budgets, with a forecast saving of £0.447m. Other centrally managed budgets in the Schools Budget are anticipated to under spend by £0.048m, making an aggregate forecast under spending of £0.495m. Adding the £0.208m brought forward surplus and deducting the £0.213m planned draw down in 2016-17 indicates a net surplus of £0.490m which is £0.020m below the minimum level ordinarily require by the Borough Treasurer, but which has been waived for next year.

Proposed use of funding

- 5.35 In calculating and planning the required level of budget for next year, the SEN Team, supported by Finance, has reviewed all High Needs budgets. As expected from services that are volatile and high cost in nature, a number of changes are proposed to ensure budgets are set at the level of future expenditure needs, thereby aiding effective monitoring. Annex 4 sets out the proposed changes that the Forum is recommended to agree, of which the key aspects are:
- 1 the majority of savings being experienced in the current year on external placements are expected to continue into 2016-17, with a full year effect saving of £0.483m; £0.707m basic savings, with £0.224m arising from reduced numbers of ASD placements following the opening of Rise@GHC, where the resultant budget saving needs to be transferred.(See lines 4, 10 (part) and 11 of Annex 4);
 - 2 to reflect the additional number of post 16 places expected as the age of funding responsibility has been extended, provision for 15 additional element

3 top up payments and 25 new places at £6,000 each (EFA will pay the first £4,000). (Line 10 (part)). Estimated cost of £0.264m.

- 3 an increase in average support needs in 2015-16 at Kennel Lane Special school is expected to create a pressure of £0.295m. (Lines 1 and 2).
- 4 Income from the EFA for post 16 places at Kennel Lane Special school will be above the current income target by £0.088m (Line 19).

- 5.36 The Forum is therefore recommended to agree this approach to setting the High Needs Block related budgets to the Executive Member and also confirm that as a consequence, appropriate arrangements are in place for the education of pupils with SEN and use of pupil referral units and the education of children otherwise than at school. Annex 5 identifies the resultant breakdown of the High Needs Block budget if the proposals in this report are agreed.

Proposed review of High Needs Budgets

- 5.37 Whilst significant progress has been achieved in reducing the cost of supporting High Needs Pupils, further medium term pressures are anticipated from demographic and legislative changes. In order to help identify further opportunities for the efficient use of resources and also to maximise the benefits for high needs pupils, the Council proposes an independent review of High Needs funding. This is proposed to comprise an experienced head teacher with senior leadership experience in both mainstream and special schools and a senior officer level post with experience of managing SEN services in at least two LAs. The proposed terms of reference are set out in Annex 6 which the Forum is recommended to approve. The budget proposals at Annex 4 (line 15) include a provision of £0.034m to finance the anticipated review cost.

Next steps

- 5.38 The views of, and decisions taken by the Schools Forum at this meeting are expected to be adopted by the Executive Member in making final decisions for the 2016-17 Schools Budget on 22 March 2016.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The relevant legal issues are addressed within the main body of the report.

Borough Treasurer

- 6.2 The financial implications arising from this report are set out in the supporting information. At this stage the amount of Early Years and High Needs Block DSG allocations have yet to be confirmed. If a funding shortfall does materialise, it will need to be dealt with through the introduction of a programme of in-year savings.

Equalities Impact Assessment

- 6.3 The budget proposals ensure funding is targeted towards vulnerable groups and an EIA is not required.

Strategic Risk Management Issues

- 6.4 The funding reforms, tight financial settlement and the demographic growth and legislative pressures present a number of strategic risks, most significantly:
1. Insufficient funding to cover increases in the required number of high needs places.
 2. Price increases by providers.
 3. The ability to absorb an increasing number of high needs pupils.
- 6.5 Based on current information, the budget proposals are considered appropriate, however, if cost increases are experienced, savings will be sought in year across the whole Schools Budget.

7 CONSULTATION

Principal Groups Consulted

- 7.1 None.

Background Papers

None.

Contact for further information

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Doc. Ref

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**Provider funding rates for 3 and 4 year olds
(including eligibility criteria for supplements)**

<u>Funding rates - breakdown of hourly rate</u>	<u>Maintained Schools</u>	<u>PVI providers</u>
Hourly base rate (minimum amount, no eligibility criteria)	£3.17	£3.71
Deprivation Supplement (where eligibility criteria met)		
Band 3 Deprivation ranking within the 10% most deprived settings. Top up at 3 times the basic rate.	£0.32	£0.32
Band 2 Deprivation ranking below the 10% most deprived settings but still within the 35% of most deprived settings. Top up at 2 times the basic rate.	£0.21	£0.21
Band 1 Deprivation ranking below the 35% most deprived settings but still within the 60% of most deprived settings. Top up at basic rate.	£0.11	£0.11
Band 0 Deprivation ranking outside the 60% most deprived settings. No top up.	£0.00	£0.00
Quality Supplement - as measured by workforce qualifications (where eligibility criteria met)		
Band D Qualified Teachers on Upper Pay Scale 2 or higher cost with 75% of staff at level 3 or above.	£0.48	£0.48
Band C Graduate (level 5 or 6) leading the EYFS Practice and 60% of staff at level 3 or above.	£0.27	£0.27
Band B Level 4 or above leading the Early Years Foundation Stage (EYFS) and 35% of staff with a level 3 or above	£0.21	£0.21
Band A Other, lower qualification levels. No top up.	£0.00	£0.00
Maximum hourly rate	£3.97	£4.24
Minimum hourly rate	£3.44	£3.71
Average hourly rate	£3.59	£4.00

A Pupil Premium supplement will be paid at £0.53 per hour to eligible children.

Note DfE has updated the core data in the deprivation measure (IDACI) resulting in changes in supplement payments to providers.

Early Years Block Budgets

Budget Item	2015-16 Budget £	2016-17 Changes £	2016-17 Budget £
Free entitlement to early years education and childcare:			
Maintained school nurseries: 3 and 4 year olds	£1,392,450	£75,150	£1,467,600
PVI provider settings: 3 and 4 year olds	£2,593,230	-£26,530	£2,566,700
2 year olds	£640,160	-£35,620	£604,540
Provider Contingency – for in-year increases in take-up and other support to providers e.g. SEN children, providers in financial difficulty	£115,000	-	£115,000
Multi professional assessment centre – based at Margaret Wells Furby Children’s Centre in Great Hollands	£156,850	£9,110	£165,960
Free milk – net cost of free milk to eligible children.	£11,210	-	£11,210
Special Educational Needs and other support e.g. Special Educational Needs Co-ordinators.	£147,390	-	£147,390
Early Years Development Officer funding for 1 fte development officer supporting early years providers in tracking and monitoring children’s early years progress to ensure school readiness.	£35,000	£1,290	£36,290
Out reach: To support delivery of sufficient places.	£28,000	-£10,400	£17,600
Early Years Pupil Premium	£63,710	-	£63,710
Total Early Years Block Budget	£5,183,000	£13,000	£5,196,000

Funding Model for Rise@GHC as at March 2016

Ref	January to	Sept 2015 to	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 (Full year)	
	August 2015	March 2016							Estimate
	Final	Final							
Places and staffing - academic year data:									
1	Projected Maximum No. of Learners	0	8	16	24	32	40	48	56
2	BFC resident	0	6	11	16	21	26	31	36
3	Other LA resident	0	2	4	5	7	9	10	11
4	Vacancy	0	0	1	3	4	5	7	9
5	Number occupied places in costing model	0	8	15	21	28	35	41	47
6	Occupancy rate	0%	100%	94%	88%	88%	88%	85%	84%
7	Total No. of Teaching Staff (fte) (headcount)	1.00	3.00	4.00	6.00	8.00	10.00	10.00	10.00
8	Total No. of Learning Support Staff (fte) (headcount)	0.00	3.00	5.00	7.00	9.00	9.00	9.00	9.00
9	Total No. of Ancillary Support Staff (headcount)	0.00	3.00	4.00	5.00	5.00	5.00	5.00	5.00
10	Total all staff (fte) (headcount)	1.00	9.00	13.00	18.00	22.00	24.00	24.00	24.00
Financials - financial year data:									
11	Staffing	£36,400	£190,700	£391,800	£531,350	£680,360	£799,600	£841,425	£841,460
12	Premises	£0	£83,800	£144,700	£141,500	£138,500	£138,500	£138,500	£138,500
13	Supplies & Services	£10,900	£36,200	£74,300	£84,700	£100,600	£123,040	£137,500	£147,660
14	Transport	£250	£7,100	£12,250	£12,250	£12,250	£12,250	£12,250	£12,250
15	Contingency at underlying 2.5%	£1,500	£22,500	£0	£40,500	£23,300	£26,900	£28,300	£28,500
16	Total Income	£0	£700	£1,800	£2,750	£3,850	£4,800	£5,750	£6,650
17	EXPENDITURE AT SCHOOL	£49,050	£339,600	£621,250	£807,550	£951,160	£1,095,490	£1,152,225	£1,161,720
18	Income from other LA pupils @ £26,750	£0	-£35,000	-£87,500	-£122,600	-£165,000	-£218,500	-£256,400	-£283,000
19	NET EXPENDITURE AT SCHOOL	£49,050	£304,600	£533,750	£684,950	£786,160	£876,990	£895,825	£878,720
20	CENTRALLY FUNDED SPECIALIST THERAPIES (BF STUDENTS ONLY)	£20,100	£20,100	£22,100	£28,700	£38,900	£49,400	£59,600	£70,000
21	Fee premium from Other LAs of £3,000 per place for 6 years	£0	£0	-£7,000	-£13,800	-£18,500	-£24,500	-£28,700	-£12,500
22	NET TOTAL COST TO BFC	£49,050	£324,700	£548,850	£699,850	£806,560	£901,890	£926,725	£936,220
Income and charging									
23	DfE place funding @ £10k per place annually in arrears	£0	£0	£0	£0	£0	£0	£0	£0
24	Cost of provision (financial year) (lines 17 and 20)	£408,750	£408,750	£643,350	£836,250	£990,060	£1,144,890	£1,211,825	£1,231,720
25	Net cost per place for LAs to fund (place plus therapies)	£88,000	£88,000	£54,000	£46,000	£40,000	£36,000	£32,000	£28,000
26	Estimated impact of around 6 BFC non-LEA leavers @ £41,400	-£144,900	-£144,900	-£369,200	-£576,200	-£783,200	-£990,200	-£1,197,200	-£1,404,200
27	Estimated income from OLAs: (lines 18 and 21)	-£35,000	-£35,000	-£94,500	-£136,400	-£183,500	-£243,000	-£285,100	-£295,500
28	Estimated saving / income from OLA (lines 26 and 27)	-£179,900	-£179,900	-£463,700	-£712,600	-£966,700	-£1,233,200	-£1,482,300	-£1,699,700
29	Net additional cost(+) / saving(-) (lines 24 and 28)	£228,850	£228,850	£179,650	£123,650	£23,360	-£88,310	-£270,475	-£467,980
30	Cummulative change	£228,850	£228,850	£405,000	£522,550	£538,210	£439,700	£157,225	-£323,955
31	Estimated draw down from SEN Resource Unit Reserve (line 29)	£228,850	£228,850	£179,650	£123,650	£23,360	£0	£0	£555,510
32	Total available in SEN Resource Unit Reserve	-£489,784	-£55,000	-£55,000					-£599,784
33	Estimated remaining balance in SEN Resource Unit Reserve								-£44,274
34	Estimated on-going saving - annual						-£88,000	-£182,000	-£198,000
35	Estimated on-going saving - cumulative						-£88,000	-£270,000	-£468,000
Note:									
36	Income due from other LAs for specialist therapies	£0	£0	-£3,500	-£5,700	-£7,700	-£10,200	-£12,000	-£13,200

2016-17 Proposals for changes to the High Needs Budgets

Line Ref	Description	Proposed Budget Change £	Summary Comment
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SCHOOLS BUDGET - HIGH NEEDS BLOCK

1	Kennel Lane Special School - Element 3 top ups (original budget)	207,000	Current estimate is for initial budget requirement of £3.682m. Includes 185 purchased places and funding for anticipated BFC resident pupils. The pupil profile is changing with more higher cost admissions that increases costs.
2	Kennel Lane Special School - Element 3 top ups (in-year changes)	88,000	Further placements are expected during the course of the year. £0.189m is expected to be added to KLS during 2015-16.
3	BF Primary Resource Units - Element 3 top up funding	-15,000	Based on the current pupil profile, a saving is anticipated.
4	Rise@ GHC	222,000	Budget adjustment from NMSS (line 10) to reflect full year effect savings from September 2015 placements and part year effect of September 2016 placements. With line 11 below, reconciles to change at line 26 of Annex 3.
5	BF schools - element 3 short term interventions	5,000	To prevent exclusions. Generally high cost. No current base budget for this spend.
6	BF schools - element 3 top up funding	-10,000	Reflects current spend, which is anticipated to remain fairly stable.
7	NON BF schools - element 3 top up funding	25,000	Reflects current spend, which is anticipated to remain fairly stable.
8	Equipment for SEN Pupils pre 16	-3,000	Reflects current spend, which is anticipated to remain fairly stable.
9	Medical support to pupils pre 16	-5,000	Reflects current spend, which is anticipated to remain fairly stable.
10	Non Maintained Special Schools (NMSS)	-707,000 264,000	Forecast on-going costs £5.415m, inflation at 2% £0.12m 2016-17 proposed growth on post 16: 15 new places at part year cost of £7,600 each and £150k for additional element 2 place costs not being funded by the EFA.
11	Speech and Language	2,000	Pressure from Rise@GHC. Transferred from saving in NMSS (line 10).
12	TASS - Sensory Consortium	-10,000	Reflects current spend, which is anticipated to remain fairly stable.
13	SEN Tribunals post 16	-5,000	Reflects current spend, which is anticipated to remain fairly stable.
14	Add back in-year deduction to DSG	-34,000	Reverses one-off 2015-16 in-year adjustment to High Needs Block DSG by EFA.
15	HN Block funding review	34,000	See Annex 6.

Total SEN Provisions and Support Services 58,000

Education out of School

16	College Hall PRU - in-year income from exclusions	-10,000	Income from managed moves and permanent exclusions that is used to part fund College Hall PRU exceeds the budget target.
17	Home Tuition	20,000	Additional costs from external placements not suitable for College Hall.
18	Other externally purchased Alternative Provision	20,000	Cost of placements in externally commissioned providers.

Total Education out of School 30,000

TOTAL HIGH NEEDS BLOCK 88,000

19	Financed by EFA post-16 places grant	-88,000	EFA grant funded. Actual receipts of circa £0.5m exceed current budget of £0.412m.
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High Needs Block Budgets

Budget Item	Final 2015-16 Budget	Remove Reserve funding	Proposed Changes	Initial 2016-17 Budget
Element 3 top up payments				
BFC maintained schools and academy	£765,050	£0	£202,000	£967,050
Non-BFC maintained schools	£842,000	£0	£25,000	£867,000
Kennel Lane Special School	£1,213,650	£0	£207,000	£1,420,650
Other specialist providers e.g. NMSS	£6,383,670	£0	£-443,000	£5,940,670
Specialist places			£0	
Kennel Lane Special School	£1,850,000	£0	£0	£1,850,000
BFC maintained schools	£292,000	£0	£0	£292,000
Education out of school	£0	£0	£0	£0
College Hall Pupil Referral Unit	£711,490	£0	£-10,000	£701,490
Home Tuition	£260,160	£0	£40,000	£300,160
Family Outreach Work	£94,130	£0	£0	£94,130
Other support to high needs pupils			£0	
Teaching and support services	£648,750	£0	£-10,000	£638,750
Sensory Impairment services	£226,470	£0	£2,000	£228,470
Autism support service	£84,000	£0	£0	£84,000
Traveller education	£75,140	£0	£0	£75,140
Medical support, specialist equip etc.	£210,610	£0	£-13,000	£197,610
SEN high needs contingency	£100,000	£0	£0	£100,000
SEN Resource Unit	£55,000	£0	£0	£55,000
Total DSG funded (1)	£13,812,120	£0	£0	£13,812,120
Reserve funding for KLS	£17,000	£-17,000	£0	£0
EFA sixth form grant for KLS	£412,170	£0	£88,000	£500,170
Total gross funding	£14,241,290	£-17,000	£88,000	£14,312,290
	£14,224,290			

(1) comprises current budget for HNB DSG of £11.719m plus £2.093m transfer from Schools Block.

Commissioning an independent review of the use of the High Needs Funding Block including SEND provision in Bracknell Forest.

Bracknell Forest has 39 schools, of which

- six are secondary (one with a newly opened Autistic Spectrum Disorder resource base and the Academy hosts an integrated Specific Learning Difficulties unit),
- 31 are primary phase schools (one with an Early Years ASD unit, one with a resource base run by the special school, one with a Speech and Language Therapy resource and six running nurture groups),
- one is a special school EY to KS5 and
- one is a secondary Pupil Referral Unit.

Pupils with special needs are placed in a variety of educational provision outside of the borough and this pattern continues with post-16 provision resulting in a significant cost pressure.

Benchmarking against other SE region LAs shows Bracknell Forest has a higher than average percentage of pupils with statements/EHCP for the region and substantial difference to some other unitary authorities although the trend is downward.

A number of pupils of all ages attend specialist provision out of borough as this currently cannot be provided by schools in Bracknell Forest.

Key Stage / Age	Resource Placements	Maintained Special Placements	Independent Specialist Provision	Cost £m (excluding transport)	Average Cost £m
1	2	4	4	£0.221m	£0.022m
2	1	3	14	£0.550m	£0.031m
3	2	16	21	£1.024m	£0.026m
4	3	11	34	£1.583m	£0.033m
Age 16-19	0	11	19	£1.186m	£0.040m
Age 20+	0	0	10	£0.405m	£0.041m
Total	8	45	102	£4.970m	£0.032m

Total all places	155
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***Resource bases** are units that are attached to mainstream schools, and are usually created to offer focused specialist support in one particular area of need. Students who are placed in Resource units are often able to access mainstream classes and curriculum, but spend time or have direct access to the higher levels of specialist support that they require for their primary need, and is available only within the resourced unit.*

***Maintained Special Schools** are schools that have specialist provision integrated throughout their school day, to support certain identified special educational need groups. Learners who are placed at such schools have been identified with needs that cannot be met by provision that is reasonably available within mainstream schools. Maintained Special Schools are maintained by the Local Authority.*

***Independent Special Provision** refers to special schools that are run by independent companies or charity groups. Like Maintained Special Schools, independent schools specialise in meeting special educational needs by offering support packages that cannot be reasonably implemented within mainstream schools. Some independent special provision offer more focussed and specialised support than what is available at maintained special schools, where needs are high and complex. Costs for such provision can be high due to both the nature of the specialist provision required, and also due to the limited access to such placements.*

Changing needs

Data shows an acute pressure in relation to ASD needs (as evidenced by CAMHS waiting list for diagnosis and feedback from headteachers about the paucity of specialist commissioned services to support pupils both pre and post- diagnosis), there is a cohort of PMLD children currently attending the local special school who will require specialist post-18 provision in the next two years which presently would require costly out of borough provision.

Unrestricted

There is clear evidence through increased use of fixed period exclusion locally and nationally that for a small cohort of pupils, behaviour needs are not being met by the education provision..

In primary schools, the Behaviour Support Team and in secondary schools the PRU Outreach Team have worked to build capacity and model effective behaviour management strategies. However, there is still a small number of pupils whose behaviour results in them making little or no progress and in some cases, disturbing the learning of others and for whom the LA needs to identify appropriate alternative provision.

The secondary PRU is currently the main alternative provision for the borough. On occasion it is not appropriate to use the PRU for a placement, but current budget allocation allows little flexibility to commission other provision, resulting in financial pressures.

Legislative changes have too had an impact. The financial implications of the implementation of The Children and Families Act 2014 which extended the LA's responsibility to support access to educational provision for young up to the age of 25 who have a disability and those with Special Educational Needs has increased financial pressures significantly as young people who are eligible tend to have complex needs and access expensive placements. The legislation has also added volatility in areas which is already difficult to predict overall costs until half way through the financial year.

In summary, the local needs and demands are changing and this is within a context of reducing budgets. All of the provision described above, plus some additional provision, is commissioned by the Local Authority using the High Needs Block. Moving forward, there is a need to ensure that the LA, in partnership with school leaders, is utilising these funds in the most effective and efficient way of to gain the best possible outcomes for vulnerable children and young people.

Funding

This provision is funded from the Dedicated Schools Grant High Needs Funding Block, which also makes a contribution (with headteachers' agreement) to a range of targeted service teams that were previously considered to contribute to 'preventative work' with pupils with a range of needs including specific learning difficulties. In essence in the current expenditure level requires £2m of funding allocated for schools being diverted to high needs pupils.

Currently there is no scope or flexibility to meet emerging needs as there is no unallocated budget for alternative provision in any phase. Up until this year, demands for alternative provision have been met within other budget areas and the low demand meant that this was manageable. However, this position cannot be sustained going forward.

Interim arrangements are being put in place to support primary schools with the inclusion of children with challenging behaviour. The intention is to establish two behaviour resource bases in primary schools from April 2016 which will be staffed by the Behaviour Support Team and will provide daily Alternative Provision for a small cohort of children that meet the appropriate criteria. A project plan is currently being drafted for this provision and will be consulted on with headteachers.

With regard to better understanding and meeting the needs arising from ASD, innovation funding from the CCG has enabled the development of a multi-agency ASD strategy, a draft of which will be available at the end of March 2016. The strategy development process and resultant document will identify the LA's principles, ambitions, existing provision and gaps in support, providing a road map to inform investment of resources to better meet needs in the future. Also through this funding, one secondary school and one primary school are being sponsored to gain accreditation as an autism-friendly institution through the National Autistic Society and these schools will be used as beacons of good practice, supporting other schools to improve their practice.

These are all steps in the right direction, however in planning for the longer term, structural changes in budget allocation and the configuration of services needs to take place to better align the resources and processes to meet pupil, student and school needs. The intention is to identify options for

Unrestricted

- making savings for re-investment including into mainstream schools and to make funding available for a wider range of Alternative Provision options in the primary and secondary phase
- to better manage needs and dampen demand for out of borough specialist provision
- developing more local specialist provision in KS1 and 2 ASD, behaviour and PMLD to both improve services and reduce costs over all.

Purpose of the review

An independent review is being commissioned to assess and make recommendations on

- current effective SEND, Targeted Services and externally commissioned service provision which should continue
- emerging and future pupil and student demands
- improving the alignment of current service provision (including commissioned services) to current demand, identifying the potential for savings
- the development of new ways of working and service provision to meet emerging and future needs funded from savings

and to reflect recommendations in the development of a draft Bracknell Forest SEND strategy.

Areas for consideration

- 1/ To assess if the current SEND funding system in the range of maintained education provision, meets needs, delivers effective outcomes and value for money
- 2/ Identify existing good practice and make recommendations on improvements in SEND processes and funding allocation specifically the SEN panel process which considers whether or not pupils should be given a Education, Health and Care Plan and the current base funding and bandings used to agree top up funding
- 3/ Analyse the use of funding in
 - a 20% sample of mainstream schools,
 - the local special school and one other comparable special school where BF places pupils
 - two post-18 providers
 - the secondary PRU

and benchmark against schools and providers that the review team consider have good practice; collect and analyse the views of a focus group of key stakeholders including parents about the provision

- 4/ Analyse the evidence base for the model used in some LAs of devolving a higher level of funding to schools (sometimes to geographic school clusters) to meet SEND needs prior to the formal EHCP processes and comment on the desirability of this approach in BF.
- 5/ Analyse the existing LA wide provision against current and projected needs and make recommendations about
 - how mainstream provision could be developed to better meet needs
 - the best use of existing specialist provision
 - the scope for re-directing resources into additional specialist provision locally

in the medium and long term.

Methodology

A team comprising of an experienced headteacher with senior leadership experience in both mainstream and special schools and a senior officer level post with experience of managing SEN services in at least two LAs will be commissioned to conduct the review working in close partnership with Bracknell Forest Finance Team.

The intention is to conduct the review during the summer term 2016, with a final report available at the end of September 2016 so that the findings and recommendations can inform budget planning for the 2017-18 financial year.

Governance

Governance will be through three interim reports to the Director's Management Team

- April - project plans, intentions, timelines
- June - update on progress, emerging findings
- August - draft report for comment
- September – final report.

A monthly Project Board will meet with the team to monitor progress, guide, advise and support the work and consider the findings. The Project Board will include representation from SEN, targeted services and finance.

Updates on progress will be reported to Schools Forum through the Head of Finance report and to the Director's meeting with Headteachers.

Following consideration of the recommendations arising from the review, the LA will formulate proposals for consultation with key stakeholders to agree on future use of the High Needs Block.

Day to day management of the project will be through the Head of Targeted Services.

Outputs

- A report which describes the process, the evidence base and makes recommendations on points 1-5 above
- A draft SEND strategy reflecting the recommendations made.

For more information

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TO: SCHOOLS FORUM
DATE: 10 MARCH 2016

**2015-16 FUNDING ALLOCATIONS TO SCHOOLS FROM BUDGETS
CENTRALLY MANAGED BY THE LA
Director of Children, Young People and Learning**

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to present information to the Schools Forum on the in-year allocation of funds to schools through School Specific Contingencies and other centrally managed budgets that are funded from the Dedicated Schools Grant (DSG) and in the first instance centrally managed by the council. It also presents the opportunity to amend existing funding policies.

2 RECOMMENDATIONS

The Forum:

- 2.1 **NOTES the following funding allocations to schools, made in accordance with approved policies, in respect of;**

1. **significant in-year increases in pupil numbers (paragraph 5.8);**
2. **schools required to meet the Key Stage 1 Class Size regulations (paragraph 5.12);**
3. **new and expanding schools (paragraph 5.13);**
4. **those with a disproportionate number of SEN pupils (paragraph 5.17);**
5. **support to schools in financial difficulties (paragraphs 5.22 to 5.33).**

- 2.2 **AGREES:**

- 1 **an exceptional funding allocation of up to £10,000 for The Pines Primary School (paragraph 5.20);**
- 2 **the amendments to existing policy text on funds used to distribute centrally managed funds to schools (Annexes 1, 3, 5 and 7 and paragraph 5.16).**

3 REASONS FOR RECOMMENDATIONS

- 3.1 To ensure that the Schools Forum supports how contingency funds have been allocated to schools and is aware of the total amount involved.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 These were considered as part of the budget setting process, including not setting aside contingency funds.

5 SUPPORTING INFORMATION

Background

- 5.1 Members of the Forum will be aware that the funding framework for schools is regulated by the Department for Education (DfE) and that this governs the conditions attached to how funds can be allocated to schools. It also sets out the circumstances in which funds can be centrally managed by LAs and how in-year allocations can be determined.
- 5.2 As part of the budget setting process, the Forum agreed that the following six budgets should initially be managed by the LA, for in-year allocation to schools, once approved qualifying criteria is met:
1. significant in-year increases in pupil numbers;
 2. schools required to meet the Key Stage 1 Class Size regulations;
 3. new and expanding schools;
 4. SEN specific contingency;
 5. exceptional and unforeseen costs in primary schools;
 6. support to schools in financial difficulties.

In accordance with the funding framework, items 1 – 4 above are held as centrally managed budgets, available to support both community and academy schools. Items 5 and 6 are de-delegated budgets, included in the Funding Formula for Schools, but returned from community schools for central management, following agreement of the Schools Forum, for which academy schools can retain a relevant share of funds to manage locally.

- 5.3 This annual report is presented to confirm individual funding allocations and to provide an opportunity to review the relevant funding policies.

Contingency allocations - £319,040 total budget. NB applies equally to both community and academy schools when eligibility criteria met and in accordance with DfE requirements will now be called the Growth Fund

Significant in-year increases in pupil numbers - £182,648 budget

- 5.4 To provide in-year financial support to schools experiencing significant increases in pupil numbers, LAs are permitted to retain funding in a Growth Fund for allocation once qualifying criteria is met. This reflects the requirement of the DfE to calculate school budgets on actual pupil numbers which means there is no recognition of future increases which in some cases will have a significant impact on costs.
- 5.5 To provide additional resources to schools facing in-year increases, the Schools Forum has agreed that funding allocations should be made where there is a significant increase in pupils between the census point used for funding school budgets and the actual intake at the start of the next academic year. The relevant thresholds and funding rates are:
- less than 2 FE schools = increase of 10 pupils, at half the core funding rate
 - 2 FE schools = increase of 20 pupils, at the core funding rate
 - 3 FE and above schools = increase of 25, at the core funding rate
- 5.6 Admitting additional pupils at these levels is considered the point at which relevant schools would most likely experience significant cost increases. The general

expectation is that schools can absorb additional pupils up to these numbers without having to incur any significant cost increases.

- 5.7 The core funding allocation is based on the cost of employing a Teacher at Main Scale Point 6 for the autumn and spring terms only. This is a short term funding measure as on-going funding beyond this point would be included in the next year's budget as relevant pupils would be on the October census used for funding purposes and therefore taken into account in the initial budget calculation. The relevant qualifying criteria used to calculate additional funding is set out in Annex 1, with minor clarifications now proposed.
- 5.8 Based on actual changes in pupil numbers, 8 schools received additional funding, which aggregated to £195,050. Annex 2 sets out individual school allocations and other relevant data.

Schools required to meet the Key Stage 1 Class Size regulations - £86,392 budget
NB applies equally to both community and academy schools when eligibility criteria met

- 5.9 In a similar way to which funds can be retained for allocation in year to schools experiencing significant increases in pupil numbers, LAs are also permitted to create a contingency to allocate funds to support schools facing additional costs to ensure Key Stage 1 class size regulations to limit classes to no more than 30 pupils per teacher are not breached. Again, this allows the targeting of funds to schools facing real cost pressures that the Funding Formula is not permitted to deal with.
- 5.10 The Forum has agreed that where the aggregate number of Key Stage 1 pupils does not equate to a multiple of 30, additional resources will be added at the amount required to cover the cost of appointing a Teacher on Main Scale Point 6 for the relevant period, after taking account of the funding delivered through the Funding Formula. Top up funding is provided on a "missing pupil" basis and is calculated at the amount required to meet teacher costs only. Based on the current values in the Funding Formula, 15 pupils deliver sufficient resources to employ a teacher. Therefore, the maximum top-up funding a school can receive is for 15 'missing' pupils.
- 5.11 To avoid double funding, if the same pupils result in schools receiving funding through the *significant in-year increase in pupil numbers* category then any Key Stage 1 specific funding is disallowed. The relevant qualifying criteria is set out in Annex 3, with minor clarifications now proposed.
- 5.12 Based on actual changes in pupil numbers for the 2015 summer and autumn terms, and the spring term 2016, 4 schools are entitled to additional funding, which aggregates to £42,479. Annex 4 sets out individual school allocations and other relevant data.

New and expanding schools - £50,000 budget. NB applies equally to both community and academy schools when eligibility criteria met

- 5.13 A specific budget has previously been agreed to support new and expanding schools, which specifically relates to Jennett's Park Primary School. Top up funding has been set aside to reflect the special circumstances arising from a rapid increase in roll from a 1 form of entry school to 2 forms of entry, opening a new class each academic year. Based on the assessed additional costs that the school would face,

the Forum has agreed that £50,000 should be allocated each year a new class is required to be opened.

- 5.14 As part of the 2016-17 budget setting process, the Forum agreed a one year budget allocation for the expanded Warfield Primary school of £286,900 and the new Amen Corner North Primary school of £20,100. Annex 5 sets out the policy wording associated with this that the Forum is now recommended to approve. These allocations were agreed for 2016-17 only, and the policy will need to be reviewed and updated for 2017-18.

SEN specific contingency - £100,000 budget NB applies equally to both community and academy schools when eligibility criteria met

- 5.15 The DfE encourages LAs to allocate additional resources to schools that admit a disproportionate number of pupils with SEN with a clear expectation that this will affect only a minority of schools. The rationale of the contingency is that the normal operation of the simplified Funding Formula does not adequately resource schools for all costs when there is a large concentration of high needs pupils.
- 5.16 There is no prescribed methodology on how such a fund should work and the scheme agreed by the Forum following consultation schools requires schools to meet both of the following criteria:
1. Where the proportion of pupils on roll classified as high need exceeds 4% of total pupil numbers in a primary school and 2% in a secondary school, and
 2. Where the proportion that top up funding paid to support High Needs pupils compared to the total budget allocated via the BF Funding Formula exceeds 2% in a primary school and 1% in a secondary school.
- 5.17 This resulted in 2 Primary and 2 Secondary schools receiving additional funding allocations that totals £68,842 with Annex 6 setting out individual school allocations and other relevant data.

Exceptional and unforeseen items - £10,000 budget NB this is a de-delegated budget and applies only to community schools when eligibility criteria met

- 5.18 Where a primary school faces exceptional, unexpected costs in-year that were not known when the budget was set and it would be unreasonable to expect the school to meet the costs, bids for additional funding can be sought. The Forum has previously agreed that claims are considered on a case by case basis by the Heads of Service covering Finance, Human Resources and Property before formal consideration by the Forum.
- 5.19 The Forum agreed last year that the Pines Primary School should receive on-going additional financial support. This relates to the additional site costs associated with the expansion of the Pines Primary School where the Primary Professional Centre has been returned to school use to accommodate current and future increases in pupil numbers. The school is occupying the refurbished accommodation on a phased basis, meaning in the early years premises related costs being incurred for the building are significantly larger than required.
- 5.20 The basis of calculating the funding top up was agreed to be equivalent to the additional costs after taking account of an appropriate share of the per pupil funding (Age Weighted Pupil Unit, deprivation funding etc) received for children in the new

accommodation. The initial calculation indicates top up funding of £10,000. This amount will be subject to update in light of final account actual expenditure for the newly refurbished buildings and any further comments from the school or new matters that come to light during the costing process.

- 5.21 Claims from secondary schools are not ordinarily considered as there is an expectation that in-year changes can be managed from their higher level of resources, although bids can still be submitted for consideration on a case by case basis.

Support to schools in financial difficulties - £271,760 budget NB this is a de-delegated budget and applies only to community schools when eligibility criteria met

- 5.22 School Funding Regulations allow for additional funds outside the normal operation of the Funding Formula to be provided to schools considered to be in financial difficulty. In agreement with the Schools Forum, this de-delegated budget has been returned to the Council for central management. The agreed criteria to be used to allocate this funding is if, in the opinion of the Director of Children, Young People and Learning and the Borough Treasurer, a school:

1. was unable to set a balanced budget and were in need of a loan arrangement at the start of the relevant financial year, and/or
2. was likely to fall into one of the categories of causing concern, including requires improvement and special measures without additional financial support.

- 5.23 In order to allow funds to be allocated within an appropriate time scale, the Forum has agreed to delegate a set of powers to the Director of Children, Young People and Learning to allocate funds up to but not exceeding £150,000 in any financial year, dependent on the Ofsted category of the school, or where there is considered a risk of being placed in a category. Any such allocations would subsequently be reported to the Schools Forum for information

- 5.24 The level of allocation of funds would be:

- a. schools judged to be requiring improvement (up to £20k per year)
- b. schools at risk of being judged to be inadequate and in need of Special Measures (up to £30k per year)
- c. schools deemed to be inadequate and in need of Special Measures (up to £50k per year)

- 5.25 Where schools enter an Ofsted category of concern, the LA establishes a Management Intervention Board (MIB). The Board has an independent chair and senior officers of the LA as members. The headteacher and Chair of Governors of the school also attend the MIB to report on progress. A support plan outlines the actions to be taken by the school and the LA in order to effect rapid improvement. Where the school is unable to fund these actions from its own delegated budget the MIB can request that additional resources be sought. Any such requests are approved by the Director of Children, Young People and Learning.

- 5.26 For schools that are not in an Ofsted category but where additional LA support is deemed to be necessary a Standards Monitoring Board (SMB) can be established of which the headteacher and Chair of Governors attend. The boards meet regularly to discuss progress and determine with the school where additional resources might be required. Requests for additional resources are subject to the approval of the Director

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of Children, Young People and Learning. Schools operating Standards Monitoring Boards remain confidential, due to the sensitive nature of the activity.

Allocations agreed under powers delegated to the Director

- 5.27 Under these delegated powers, the Director has agreed additional financial support to 4 schools, totalling £46,277.

Easthampstead Park Secondary School - £23,206

- 5.28 The school was awarded an Ofsted judgment of Requires Improvement in June 2014 and the LA is supporting the school in making the required improvements. To support the requirements of the Ofsted action plan, additional funding has been approved to access support from a local Teaching School, the development of middle managers and support to primary / secondary transition and 14-19 development.

St Michael's (Sandhurst) Primary School - £2,500

- 5.29 The school was awarded an Ofsted judgment of Requires Improvement in July 2013 and the LA is supporting the school in making the required improvements. At the most recent inspection at June 2015, the school was awarded an Ofsted judgment of good. However, to ensure continued improvement in particular at Years 5 and 6 funding for writing intervention work has been agreed.

Jennett's Park Primary - £2,000

- 5.30 The school was awarded an Ofsted judgment of Inadequate in December 2014 and the LA is supporting the school in making the required improvements. Funding was agreed for support from a Head Teacher of an outstanding school.

Kennel Lane Special Schools - £18,571

- 5.31 The school was awarded an Ofsted judgment of Inadequate in February 2014 and with LA support received a good judgement in December 2015. However, in order to maintain the improvement, additional funding was agreed for leadership development and support to literacy, numeracy and the sixth form. This allocation is subject to the school demonstrating that there are insufficient funds in the school budget to finance the expenditure.

Allocations agreed by the Schools Forum - £223,300

- 5.32 The following three allocations to schools were approved by the Forum in July 2015 and are reported again for completeness.
- *Brakenhale - £93,300.* A statement of actual costs incurred from the school to support use of this ring-fenced allocation is currently under review, the outcomes of which may result in the return of some funding as the new head teacher was appointed earlier than anticipated which accelerated the withdrawal of the support from the Executive and Interim heads
 - *Winkfields St Marys - £30,000*
 - *Easthampstead Park - £55,000*
- 5.33 In addition to these school allocations, the Forum has also agreed that up to £60,000 of School Adviser and other professional staff support time, such as HR and Finance can be funded from this budget.

Annex 7 sets out the approved policy text.

Qualifying criteria used to make funding allocations

- 5.34 To ensure that a consistent and transparent approach is adopted to the allocation of contingency funding to schools, the Forum has agreed a set of eligibility criteria to be applied, and these are attached as annexes to the report. Relevant policies are included in annexes 1, 3, 5 and 7 and paragraph 5.16.
- 5.35 As part of their budget scrutiny process, the DfE has requested that clarifications be made to certain policies to make clear that relevant funds are part of a Growth Fund, as defined in Funding Regulations. It also needs to be made clear that community and academy schools must be treated equally in the allocation of the Growth Fund. Proposed changes to the policy wording to accommodate this are clearly set out in the attached annexes and there are no changes to their practical implementation.
- 5.36 The Forum is recommended to agree all of the relevant policies.

Conclusion

- 5.37 The funds approved by the Forum to be held by the LA allow for appropriate in-year targeting of resources that is not possible through the simplified Funding Formula for Schools. Current arrangements are considered appropriate and ensure that financial support is provided when needed and that clear and consistently criteria is applied in the allocation of resources. Based on current estimates, a total of £0.651m will be allocated to schools, which is £0.050m below budget and mainly arises from an under allocation of the budgets to support Key Stage 1 class size regulations and the SEN contingency. The anticipated unspent budget will revert to the Schools Budget Unallocated Reserve and will be available to support expenditure in a future year.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The relevant legal issues are addressed within the main body of the report.

Borough Treasurer

- 6.2 The financial implications arising from this report are set out in the supporting information. The allocations meet the requirements of the appropriate funding regulations, the agreed policies and have been taken into account in the financial monitoring arrangements for the Schools Budget.

Equalities Impact Assessment

- 6.3 None identified.

Strategic Risk Management Issues

- 6.4 None identified.

7 CONSULTATION

Principal Groups Consulted

- 7.1 Schools and the Schools Forum have previously been consulted on the wording of eligibility criteria to be used on these contingency funds.

Method of Consultation

- 7.2 Written consultation.

Representations Received

- 7.3 Included in relevant reports

Background Papers

None

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Doc. Ref

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Criteria for in-year budget allocations to schools experiencing significant growth in pupil numbers

New text is shaded and in italics

Deleted text is bold and struck through

This element of the Growth Fund is ring fenced so that it is only used for the purpose of supporting growth in pre-16 pupil numbers to meet basic need. The fund will be for the benefit of both maintained and Academy schools. For Academy Schools, the funding is for an academic year.

It is proposed that funding allocations should comprise a fixed amount for start-up costs, and for the period when the school is building up numbers after opening a lump sum allocation to cover most of the unavoidable fixed costs, such as head teacher salary, business rates and a lump sum amount for each agreed class that needs to be opened should be made.

The ~~School-Specific Contingency~~ *Growth Fund* shall include funding for an allocation to those schools that experience exceptional increases in pupil numbers between the October census used for funding original budgets and actual pupil numbers on roll on the following October census

To assist schools in meeting the additional costs arising in such circumstances, an in-year budget addition will be made where the whole school number on roll from Reception up to Year 11 increases up to the point that significant additional costs are expected to be incurred.

The relevant thresholds for additional funding are:

- less than 2 FE schools = 10
- 2 FE schools = 20
- 3 FE and above schools = 25

With the exception of less than 2 FE schools, the amount of additional funding is calculated from the cost of appointing a teacher on Mainscale Point 6 – salary and employer on-costs - for the period September to March.

Less than 2 FE schools will be funded at half the value of other schools sizes, to reflect the lower additional costs expected to be incurred i.e. it is not expected that such schools would ever need to open a new class and recruit a new teacher.

There is one further exception to this general rule. This relates to schools that agree with the LA to open a 'surge' class – i.e. one additional class to accommodate up to 30 additional pupils – where additional funding will be allocated irrespective of the actual number of pupils admitted, if the pupils in the 'surge' class are admitted after the census used for funding purposes. The funding allocation will be calculated in the same way as for general in-year growth, applied from the beginning of the term that the 'surge' class is open, [i.e. rather than against the number of months the 'surge' class is open].

Where a 'surge' class opens after the census point used for calculating the school's budget for the next financial year, a further funding top up will be made to cover the full year cost of a teacher on Mainscale Point 6 and a Learning Support Assistant on Bracknell Forest pay point 12 for the relevant financial year. This funding will be made available for one year only at the commencement of the relevant financial year.

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The allocated funding may need to be scaled if demand significantly exceeds the budget allocation, with final decisions to be determined each year by the Schools Forum.

Approved by the Schools Forum on 12 March, 2015.

2015-16 Funding allocations to schools experiencing significant growth in pupil numbers

Threshold 10 for schools < 2 Forms of entry									
Threshold 20 for schools 2 Forms of entry, less than 3 FE									
Threshold 25 for schools with 3 and more Forms of entry									
School	No. of Forms of entry as at Sept 2014	Total places available	Statutory NOR Oct 2014	Change to NOR because of Managed Moves	NOR Oct 14 plus adjustments for Managed Moves	NOR Oct 2015 from Census	Change in NOR	Revised threshold	Estimated allocation
Ascot Heath Infant	2	210	202		202	202	0	0	£0
Ascot Heath CE Junior	2	240	241		241	240	-1	0	£0
Binfield CE Aided Primary	2	420	419		419	418	-1	0	£0
Birch Hill Primary	2	420	403		403	406	3	0	£0
College Town Infant & Nursery	3	270	226		226	222	-4	0	£0
College Town Junior	3	360	261		261	249	-12	0	£0
Cranbourne Primary	1	210	205		205	205	0	0	£0
Crown Wood Primary	3	540	467		467	495	28	1	£24,380
Crowthorne CE Primary	1	210	209		209	209	0	0	£0
Fox Hill Primary	1	210	196		196	205	9	0	£0
Great Hollands Primary	2	420	379		379	404	25	1	£24,380
Harmans Water Primary	3	630	649		649	629	-20	0	£0
Holly Spring Infant & Nursery	3	300	281		281	286	5	0	£0
Holly Spring Junior	3	330	277		277	314	37	1	£24,380
Jennetts Park Primary	2	330	294		294	321	27	1	£24,380
Meadow Vale Primary	3	570	537	-1	536	569	33	1	£24,380
New Scotland Hill Primary	1	210	210		210	208	-2	0	£0
Owlsmoor Primary	3	630	536	-1	535	535	0	0	£0
The Pines Primary and Nursery	2	300	231		231	244	13	0	£0
Sandy Lane Primary	3	660	628		628	622	-6	0	£0
St Joseph's Catholic Primary	1	210	209		209	210	1	0	£0
St Margaret Clitherow Catholic Pry	1	210	207		207	202	-5	0	£0
St Michael's Easthampstead CE	1	245	241		241	245	4	0	£0
St Michael's CE Aided Pry (Sand't)	1	210	195	1	196	191	-5	0	£0
Uplands Primary	1	210	210		210	210	0	0	£0
Warfield CE Primary	1	210	210		210	210	0	0	£0
Whitegrove Primary	2	420	445	1	446	450	4	0	£0
Wildmoor Heath	1	210	190		190	199	9	0	£0
Wildridings Primary	2	420	402		402	396	-6	0	£0
Winkfield St Mary's CE Primary	1	210	208		208	209	1	0	£0
Wooden Hill Primary & Nursery	1.66	350	335		335	341	6	0	£0
The Brakenhale	7	1050	816	-9	807	830	23	0	£0
Easthampstead Park Community School	8	1200	692	-5	687	728	41	1	£24,380
Edgbarrow	7	1050	1,046	-1	1,045	1,053	8	0	£0
Garth Hill College	9	1402	1,344	-4	1,340	1,390	50	2	£48,770
Ranelagh CE	5	750	773	1	774	790	16	0	£0
Sandhurst	7	1050	836	-2	834	870	36	1	£24,380
Total Primary	59	10,375	9,703	0	9,703	9,846	143	4	£97,520
Total Secondary	43	6,502	5,507	-20	5,487	5,661	174	4	£97,530
Total All Schools	82	13,787	15,210	-20	15,190	15,507	317	8	£195,050

Criteria for in-year budget allocations to schools to meet unavoidable costs arising from the Key Stage 1 class size regulations that limit classes to no more than 30 pupils per teacher

New text is shaded and in italics

Deleted text is bold and struck through

This element of the Growth Fund is ring fenced so that it is only used for the purpose of supporting schools meet the requirements arising from the Key Stage 1 class size regulations. The fund will be for the benefit of both maintained and Academy schools. For Academy Schools, the funding is for an academic year.

The ~~School Specific Contingency~~ **Growth Fund** shall include funding for an allocation to those schools that experience unavoidable costs arising from the Key Stage 1 class size regulations that are not resourced through the Funding Formula.

Numbers in reception, Year 1 and Year 2 will be collected termly from the relevant school census to determine the total number of pupils in each school affected by the relevant Regulations. Where the aggregate number of pupils does not equate to a multiple of 30, additional resources will be added at the amount required to cover the cost of appointing a teacher on Mainscale Point 6 – salary and employer on-costs - for the relevant period, after taking account of the funding delivered through the Funding Formula. Funding will be added on a “missing pupil” basis.

The allocated funding may need to be scaled if demand significantly exceeds the budget allocation, with final decisions to be determined each year by the Schools Forum.

An illustration of the funding calculation is as follows which would need to be updated each year to reflect budget decisions and the cost of employing a teacher (all units of resource are therefore illustrative and subject to change):

- a. The per pupil funding rate is assumed to be £2,780 (A)
- b. The cost of a teacher on Mainscale Point 6 – salary and employer on-costs - is £41,700 (B)
- c. To have sufficient income from the Funding Formula to employ a teacher, a school needs $\frac{£41,700 (B)}{£2,780 (A)} = 15$ pupils (C)
- d. The Funding Formula therefore provides sufficient funding to appoint a teacher provided there are 15 pupils. The maximum top-up funding a school can receive is for 15 ‘missing’ pupils (C)
- e. Therefore where the actual number on roll exceeds a multiple of 30 compared to the number on roll funded in the original budget the school would be entitled to top-up funding
- f. Funding will be added, pro rata per term, for each missing pupil
The attached Annex sets out funding top-up rates, based on the cost of employing a teacher at £41,700 and the BF Funding Formula delivers sufficient funding to appoint a teacher provided there are 15 pupils. These factors and amounts are subject to annual re-calculation.

Children admitted **in-year** as an “excepted pupil” in accordance with The School Admissions (Infant Class Sizes) (England) Regulations 2012, or other relevant legislative requirement will not be included in the calculation for top up funding as they will not impact on the need to recruit

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a teacher. The exclusion will apply for the full period the child is on roll at the school to the end of Key Stage 1.

“Excepted pupils” currently include those that are admitted to the school outside a normal admission round:

- as a result of the local authority specifying the school in the child’s statement;
- are looked after;
- were in error initially refused admission;
- are from a service family.

“Excepted pupils” on the roll of a school at the October census will generate per pupil funding for a school in the next budget. These funds will be taken into account in any top up funding calculations.

Separate calculations will be made each term, based on data obtained from the relevant census.

Exceptions:

There are two exceptions to the general rule set out above:

1. In order to avoid double funding, a school will not be eligible for Key Stage 1 class size funding in the autumn and spring terms where the school has qualified of an in-year growth allowance for these pupils.
2. When a school is funded on the basis of estimated actual costs, which is ordinarily a new school or one that opens additional forms of entry during a financial year, it will not be entitled to any top up funding from the Key Stage 1 class size contingency, provided funds for the additional costs that will arise are allocated from an alternative source.

Approved by the Schools Forum on 12 March, 2015.

**2015-16 Funding allocations to support schools needing to meet the
Key Stage 1 Class Size Funding regulations**

School	Total KS1 pupils funded October 2014	K.S 1 Allocation summer term 2015	K.S 1 Allocation autumn term 2015	K.S 1 Allocation spring term 2016	Total
Ascot Heath Infant	202	£0	£0	£0	£0
Binfield CE Primary	180	£0	£0	£0	£0
Birch Hill Primary	179	£0	£0	£0	£0
College Town Infant & Nursery	226	£0	£0	£0	£0
College Town Junior	87	£0	£0	£0	£0
Cranbourne Primary	243	£0	£0	£0	£0
Crown Wood Primary	89	£0	£0	£0	£0
Crowthorne CE Primary	88	£0	£0	£0	£0
Fox Hill Primary	165	£0	£0	£0	£0
Great Hollands Primary	297	£0	£0	£0	£0
Harmans Water Primary	281	£3,966	£3,707	£2,780	£10,453
Holly Spring Infant & Nursery	180	£0	£0	£0	£0
Holly Spring Junior	268	£0	£0	£0	£0
Jennetts Park CE Primary	90	£0	£0	£0	£0
Meadow Vale Primary	248	£7,441	£0	£0	£7,441
New Scotland Hill Primary	123	£0	£11,121	£8,341	£19,462
Owlsmoor Primary	280	£5,124	£0	£0	£5,124
Pines (The)	90	£0	£0	£0	£0
Sandy Lane Primary	90	£0	£0	£0	£0
St. Joseph's Catholic Primary	105	£0	£0	£0	£0
St. Margaret Clitherow Catholic Primary	89	£0	£0	£0	£0
St. Michael's CE Primary, Easthampstead	90	£0	£0	£0	£0
St. Michael's Sandhurst	90	£0	£0	£0	£0
Uplands Primary	180	£0	£0	£0	£0
Warfield CE Primary	81	£0	£0	£0	£0
Whitegrove Primary	174	£0	£0	£0	£0
Wildmoor Heath	89	£0	£0	£0	£0
Wildridings Primary School	150	£0	£0	£0	£0
Winkfield St. Mary's CE Primary	89	£0	£0	£0	£0
Wooden Hill Primary & Nursery	147	£0	£0	£0	£0
TOTAL Primary	4,690	£16,531	£14,828	£11,121	£42,479

N.B Schools that qualify for an in-year Growth allocation do not qualify for K.S 1 Class size allocation.

2015-16 termly allocation detail for Key Stage 1 Class Size Funding

Ref	School	Data used for original budget			Summer Term data					Autumn Term data					Spring budget data					Ref
		KS1 pupils as at October 2014	Number of classes that can be funded	Number of pupils above multiple of 30	KS1 pupils as at May 2015	Number of classes needed	Additional classes needed	Number of 'missing pupils' needed to fund extra class	KS1 Allocation summer term	KS1 pupils as at October 2015	Number of classes needed	Additional classes needed	Number of 'missing pupils' needed to fund extra class	KS1 Allocation autumn term	KS1 pupils as at January 2016	Number of classes needed	Additional classes needed	Number of 'missing pupils' needed to fund extra class	KS1 Allocation spring term	
1	Ascot Heath Infant	202	7	22	203	7	0	0	£0	202	7	0	0	£0	202	7	0	0	£0	1
2	Binfield CE Primary	180	6	0	180	6	0	0	£0	178	6	0	0	£0	179	6	0	0	£0	2
3	Birch Hill Primary	179	6	29	178	6	0	0	£0	178	6	0	0	£0	175	6	0	0	£0	3
4	College Town Infant & Nursery	226	8	16	227	8	0	0	£0	222	8	0	0	£0	219	8	0	0	£0	4
5	Cranbourne Primary	87	3	27	90	3	0	0	£0	90	3	0	0	£0	89	3	0	0	£0	5
6	Crown Wood Primary *	243	8	3	240	8	0	0	£0	246	9	1	12	£0	252	9	1	12	£0	6
7	Crowthorne CE Primary	89	3	29	90	3	0	0	£0	89	3	0	0	£0	90	3	0	0	£0	7
8	Fox Hill Primary	88	3	28	89	3	0	0	£0	90	3	0	0	£0	90	3	0	0	£0	8
9	Great Hollands Primary *	165	6	15	169	6	0	0	£0	169	6	0	0	£0	175	6	0	0	£0	9
10	Harmans Water Primary	297	10	27	296	10	0	0	£0	292	10	0	0	£0	294	10	0	0	£0	10
11	Holly Spring Infant & Nursery *	281	9	11	285	10	1	3	£3,966	286	10	1	4	£3,707	290	10	1	4	£2,780	11
12	Jennetts Park CE Primary **	180	6	0	180	6	0	0	£0	176	6	0	0	£0	178	6	0	0	£0	12
13	Meadow Vale Primary *	268	9	8	258	9	0	0	£0	260	9	0	0	£0	260	9	0	0	£0	13
14	New Scotland Hill Primary	90	3	0	90	3	0	0	£0	90	3	0	0	£0	90	3	0	0	£0	14
15	Owlsmoor Primary	248	8	8	250	9	1	6	£7,441	233	8	0	0	£0	233	8	0	0	£0	15
16	Pines (The) *	123	4	3	120	4	0	0	£0	130	5	1	12	£11,121	134	5	1	12	£8,341	16
17	Sandy Lane Primary	280	9	10	289	10	1	4	£5,124	257	9	0	0	£0	264	9	0	0	£0	17
18	St. Joseph's Catholic Primary	90	3	0	90	3	0	0	£0	90	3	0	0	£0	90	3	0	0	£0	18
19	St. Margaret Clitherow Catholic Pry	90	3	0	89	3	0	0	£0	87	3	0	0	£0	89	3	0	0	£0	19
20	St. Michael's E'stead CE Aided Pry	105	4	15	105	4	0	0	£0	105	4	0	0	£0	105	4	0	0	£0	20
21	St. Michael's CE Primary, Sandhurst	89	3	29	90	3	0	0	£0	80	3	0	0	£0	83	3	0	0	£0	21
22	Uplands Primary	90	3	0	90	3	0	0	£0	90	3	0	0	£0	90	3	0	0	£0	22
23	Warfield CE Primary	90	3	0	90	3	0	0	£0	90	3	0	0	£0	90	3	0	0	£0	23
24	Whitegrove Primary	180	6	0	180	6	0	0	£0	179	6	0	0	£0	179	6	0	0	£0	24
25	Wildmoor Heath	81	3	21	83	3	0	0	£0	88	3	0	0	£0	88	3	0	0	£0	25
26	Wildridings Primary School *	174	6	24	176	6	0	0	£0	166	6	0	0	£0	170	6	0	0	£0	26
27	Winkfield St. Mary's CE Primary	89	3	29	90	3	0	0	£0	89	3	0	0	£0	88	3	0	0	£0	27
28	Wooden Hill Primary & Nursery	150	5	0	150	5	0	0	£0	147	5	0	0	£0	143	5	0	0	£0	28
	TOTAL Primary	4,454	150	354	4,467	153	3	14	£16,531	4,399	153	3	28	£14,828	4,429	153	3	28	£11,121	

* Relevant schools also receive funding from significant increases in pupil numbers so to avoid double funding, autumn and spring term KS1 funding entitlement disallowed.

** Relevant school is funded for in-year cost increase from rising pupil numbers from new and expanding school contingency, so to avoid double funding, KS1 funding entitlement disallowed.

Proposed criteria for the allocation of additional funds to support new and expanding schools for 2016-17 only

All new text

This element of the Growth Fund is ring fenced so that it is only used for the purpose of supporting new and expanding schools meeting basic need requirements. The fund will be for the benefit of both maintained and Academy schools. For Academy Schools, the funding is for an academic year.

The school expansion / building programme required to meet basic needs creates a revenue funding pressure to cover initial start-up costs and the diseconomies of scale that will be experienced until sufficient numbers of pupils are on roll. Funding allocations will be made based on the following factors:

- 1) An allocation for pre-opening / start-up costs. New schools will incur start-up costs associated with planning and preparation, including staff recruitment. These apply to the period between the capital work being completed and the school opening, and will characteristically cover salary costs of headteacher, caretaker and administration prior to opening and the purchase of any resources not covered by the capital element of the project. A relevant lump sum payment will be made.
- 2) An allocation for fixed operational expenses. This relates to the need to incur a disproportionate amount of fixed management and premises costs as new schools build up their numbers that the normal operation of the Funding Formula for Schools does not adequately fund when pupil numbers are relatively low. A relevant lump sum payment will be made
- 3) An allocation for diseconomies of scale. This will be based on an amount per agreed class that needs to be open to cover all direct costs associated with each class, e.g. teacher (including PPA), classroom support, learning resources and a contribution to general school costs.
- 4) An allocation for rates. To operate in the same way as the BF Funding Formula. A full budget allocation at the estimated cost of rates.
- 5) Discretion for the relevant Director to consider making adjustments to the funds allocated to new / expanding schools in exceptional circumstances. Any changes would be subject to subsequent agreement of the Schools Forum.

Relevant amounts for each factor will be calculated in accordance with the assessed costs likely to be incurred. They will vary between different types of school, e.g. primary, secondary and whether the school is expanding or brand new.

This is a one year funding policy to be reviewed and updated before April 2017.

2015-16 allocations from the SEN Specific Contingency

SCHOOL	No. top-up pupils by school Jan 2015	NOR As at Oct 14	Top-up pupils % (1)	Value of top-up for full year	Budget 15-16 excl de-delegation	Top-up as % of school budget (2)	Qualify under both criteria?	2015-16 funding on proposed criteria	Notes:
Ascot Heath Inf	0.0	202	0.00%	£0	£745,651	0.00%	No	£0	(1) relevant thresholds:
Ascot Heath Jun	5.0	241	2.07%	£15,582	£857,773	1.82%	No	£0	Primary > 4%
Binfield	1.0	419	0.24%	£5,321	£1,367,156	0.39%	No	£0	Secondary >2%
Birch Hill	5.4	403	1.34%	£24,355	£1,376,571	1.77%	No	£0	(1) relevant thresholds:
College Town Inf	1.0	226	0.44%	£1,520	£822,548	0.18%	No	£0	Primary > 2%
College Town Jnr	3.0	261	1.15%	£8,360	£930,781	0.90%	No	£0	Secondary >1%
Cranbourne	1.0	205	0.49%	£1,520	£753,968	0.20%	No	£0	
Crown Wood	11.0	467	2.36%	£42,185	£1,600,759	2.64%	No	£0	
Crowthorne CE Primary	4.0	209	1.91%	£22,043	£775,978	2.84%	No	£0	
Fox Hill Primary	0.0	196	0.00%	£0	£809,464	0.00%	No	£0	
Great Hollands Primary	6.0	379	1.58%	£23,942	£1,443,869	1.66%	No	£0	
Harmans Water Primary	9.0	649	1.39%	£30,213	£2,189,448	1.38%	No	£0	
Holly Spring Infant and Nursery	2.0	281	0.71%	£9,121	£1,009,993	0.90%	No	£0	
Holly Spring Junior	10.0	244	4.10%	£28,000	£859,400	3.26%	Yes	£7,700	
Jennetts Park Primary	2.0	294	0.68%	£5,701	£1,115,458	0.51%	No	£0	
Meadow Vale Primary	3.5	537	0.65%	£10,451	£1,816,602	0.58%	No	£0	
New Scotland Hill Primary	9.0	210	4.29%	£24,950	£770,467	3.24%	Yes	£9,900	
Owlsmoor Primary	4.0	536	0.75%	£19,630	£1,733,625	1.13%	No	£0	
The Pines Primary and Nursery	3.0	231	1.30%	£16,343	£907,039	1.80%	No	£0	
Sandy Lane Primary	10.0	628	1.59%	£32,929	£2,110,973	1.56%	No	£0	
St Joseph's Catholic Primary	4.0	209	1.91%	£21,911	£776,681	2.82%	No	£0	
St Margaret Clitherow Catholic Primary	2.4	207	1.17%	£3,673	£781,386	0.47%	No	£0	
St Michael's Easthampstead CE Aided Primary	3.0	241	1.24%	£10,641	£862,234	1.23%	No	£0	
St Michael's CE Aided Primary (Sandhurst)	1.0	195	0.51%	£1,900	£711,769	0.27%	No	£0	
Uplands Primary	2.0	210	0.95%	£5,320	£767,539	0.69%	No	£0	
Warfield CE Primary	3.0	210	1.43%	£15,202	£790,644	1.92%	No	£0	
Whitegrove Primary	3.0	445	0.67%	£9,881	£1,467,385	0.67%	No	£0	
Wildmoor Heath	1.0	190	0.53%	£1,520	£729,172	0.21%	No	£0	
Wildridings Primary	8.0	402	1.99%	£27,362	£1,434,810	1.91%	No	£0	
Winkfield St Mary's CE Primary	0.0	208	0.00%	£0	£765,082	0.00%	No	£0	
Wooden Hill Primary and Nursery	5.0	335	1.49%	£24,951	£1,229,547	2.03%	No	£0	
Brakenhale	11.0	816	1.35%	£42,621	£4,086,696	1.04%	No	£0	
Easthampstead Park	18.0	692	2.60%	£33,396	£3,797,571	0.88%	No	£0	
Edgbarrow	25.0	1,046	2.39%	£104,395	£4,704,709	2.22%	Yes	£27,500	
Garth	30.0	1,344	2.23%	£59,851	£6,556,059	0.91%	No	£0	
Ranelagh Church of England School	21.6	773	2.79%	£49,939	£3,435,355	1.45%	Yes	£23,742	
Sandhurst School	10.0	836	1.20%	£24,131	£3,919,934	0.62%	No	£0	
Primary total	122	9,670	1.27%	£444,527	£34,313,775	1.30%	0	£17,600	
Secondary total	116	5,507	2.10%	£314,333	£26,500,324	1.19%	3	£51,242	
Total ALL	238	15,177	1.57%	£758,860	£60,814,099	1.25%	3	£68,842	

Criteria for the allocation of additional funds to support schools facing financial difficulties

Outline of the scheme

School Funding Regulations allow for additional funds outside the normal operation of the Funding Formula to be provided to schools considered to be in financial difficulty. In agreement with the Schools Forum, funding of £0.304m has been set aside in the School's Budget for this purpose. The criteria to be used to allocate this funding has also previously been agreed, and a school would qualify for additional financial support if, in the opinion of the Director of Children, Young People and Learning and the Borough Treasurer, they:

1. were unable to set a balanced budget and were in need of a licensed deficit arrangement at the start of the relevant financial year, and/or
2. were likely to fall into one of the categories of causing concern, including notice to improve and special measures without additional financial support

Where additional funding is agreed, it is on condition that the senior managers and relevant governors of each school attend regular monitoring meetings with officers of the Council, provide such financial and other information that is requested, and do not make any significant deviations in spending, either in magnitude or by type without the approval of the Director of Children, Young People and Learning.

Before any proposed allocation of such funds is passed on to relevant schools, they are reported to and agreed by the Schools Forum. However, this can cause uncertainty and result in a delay in releasing resources to meet an immediate need.

Powers delegated to the Director of Children, Young People and Learning

In order to allow funds to be allocated within an appropriate time scale it is recommended that a set of principles be agreed by the School Forum which allows the Director of Children, Young People and Learning discretion to allocate funds up to but not exceeding a set level dependent on the Ofsted category of the school. Any such allocations would subsequently be reported to the Schools Forum.

The level of allocation of funds would be:

1. schools issued with a Notice to Improve (up to £20k per year)
2. schools deemed to be in need of special measures (up to £50k per year)
3. schools at risk of either being issued with a Notice to Improve or entering special measures (up to £30k per year)

With a maximum value of aggregate allocations of £150k in any one financial year without the express approval of the Schools Forum.

Where schools enter an Ofsted category of concern (Issued with a Notice to Improve or placed in Special Measures) the LA establishes a Management Intervention Board (MIB). The Board has an independent chair and senior officers of the LA as members. The headteacher and Chair of Governors of the school also attend the MIB to report on progress. A support plan outlines the actions to be taken by the school and the LA in order to effect rapid improvement. Where the school is unable to fund these actions from its own delegated budget the MIB can request that additional resources be sought. Any such requests are approved by the Director of Children, Young People and Learning. Funds would be allocated to the school from those held for schools in financial difficulty.

Approved by the Schools Forum on 12 March, 2015.