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## THE SCHOOLS FORUM

**Monday, 11th April, 2016 at 5.30 pm in the Chace Community School, Churchbury Lane, Enfield, EN1 3HQ**

### Membership:

#### Schools Members:

Governors: Ms I Cranfield (Primary): Chair, Mr C Clark (Primary), Ms Ellerby (Primary), Mrs J Leach (Special), Mrs L Sless (Primary), Mr T McGee (Secondary), Mr G Stubberfield (Secondary),

Headteachers: Ms H Ballantine (Primary), Mr P De Rosa (Special), Ms M Hurst (Pupil Referral Unit), Mr B Goddard (Secondary), Ms H Knightley (Primary), Mr M Lavelle (Secondary), Ms A Nicou (Primary), Ms H Thomas (Primary), Ms L Whitaker (Primary)

Academies: Vacancy, Ms L Dawes

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#### Non-Schools Members:

Chair of Overview and Scrutiny Committee

16 - 19 Partnership

Teachers' Committee

Cuffaro

Education Professional

Head of Behaviour Support

Early Years Provider

Cllr D Levy

Mr K Hintz

Mr S McNamara / Mr T

Ms E Stickler

Mr J Carrick

Ms C Gopoulos

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#### Observers:

Cabinet Member

School Business Manager

Education Funding Agency

Cllr A Orhan

Ms A Homer

Mr Owen

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**MEMBERS ARE INVITED TO ARRIVE AT 17:15PM  
WHEN SANDWICHES WILL BE PROVIDED  
ENABLING A PROMPT START AT 17:30PM**

## 1. MEMBERSHIP AND APOLOGIES FOR ABSENCE

- a) Apologies from Cllr Levy;
- b) Reported that Ms Gaudencio had resigned from the Forum and Ms Whitaker had taken over the vacant position as primary representative.
- c) The Forum is advised that the pupil numbers from the January PLASC had been assessed and the table provides a summary of the current membership requirements.

	Pupil Nos	Required Membership		Membership		%	Comment
	Jan PLASC	Based on PLASC	Rounded	Current	Proposed		
<b>School members</b>	<b>Nos</b>	<b>Nos</b>	<b>Nos</b>	<b>Nos</b>	<b>Nos</b>		Proportionate to pupil nos
Maintained Primary	32,353	8.56	9	9	9	38%	No change
Maintained Secondary	13,039	3.45	3	4	3	13%	School represented by Mr Stubberfield & Mr Lavelle now converted to academy. So, need to seek another secondary representative vacancy
Academy	11,287	2.99	2	2	3	13%	Seek either confirmation of Mr Stubberfield & Mr Lavelle continuing on the Forum or seek other nominations
Special	639	-	2	2	2	8%	Pupil Nos not applicable
PRU	99	-	1	1	1	4%	Pupil Nos not applicable
<b>Subtotal</b>	<b>57,417</b>	<b>15</b>	<b>17</b>	<b>18</b>	<b>18</b>		
<b>Non School Members</b>				<b>6</b>	<b>6</b>	25%	Can only be maximum of up to a third of total membership
<b>Total</b>	<b>57,417</b>			<b>24</b>	<b>24</b>	<b>100%</b>	

## 2. DECLARATION OF INTEREST (Pages 1 - 2)

Members are invited to identify any personal or prejudicial interests relevant to items on the agenda. A definition of personal and prejudicial interests has been attached for members' information.

## 3. MINUTES AND MATTERS ARISING FROM THE MINUTES (Pages 3 - 8)

- a. School Forum meetings held on 2 March 2016 (attached)
- b. Matters arising from these minutes.

## 4. ITEM FOR DISCUSSION &/OR DECISION (Pages 9 - 40)

- a. Dfe Consultation Documents:
  - Schools National Funding Formula: Draft Response (attached)
  - High Needs Funding Formula: Draft Response (attached)
- b. Post 16 High Needs Funding – Briefing Paper (attached)

## 5. WORKPLAN (Pages 41 - 42)

## 6. ANY OTHER BUSINESS

## 7. FUTURE MEETINGS

(a) Dates suggested for the next meeting are either Wednesday 4 or the week beginning 16 May 2016 at 5.30pm, venue to be confirmed;

(a) Proposed dates for future meetings:

- 06 July 2016
- 12 October 2016
- 18 January 2017
- 01 March 2017
- 19 April 2017
- 05 July 2017

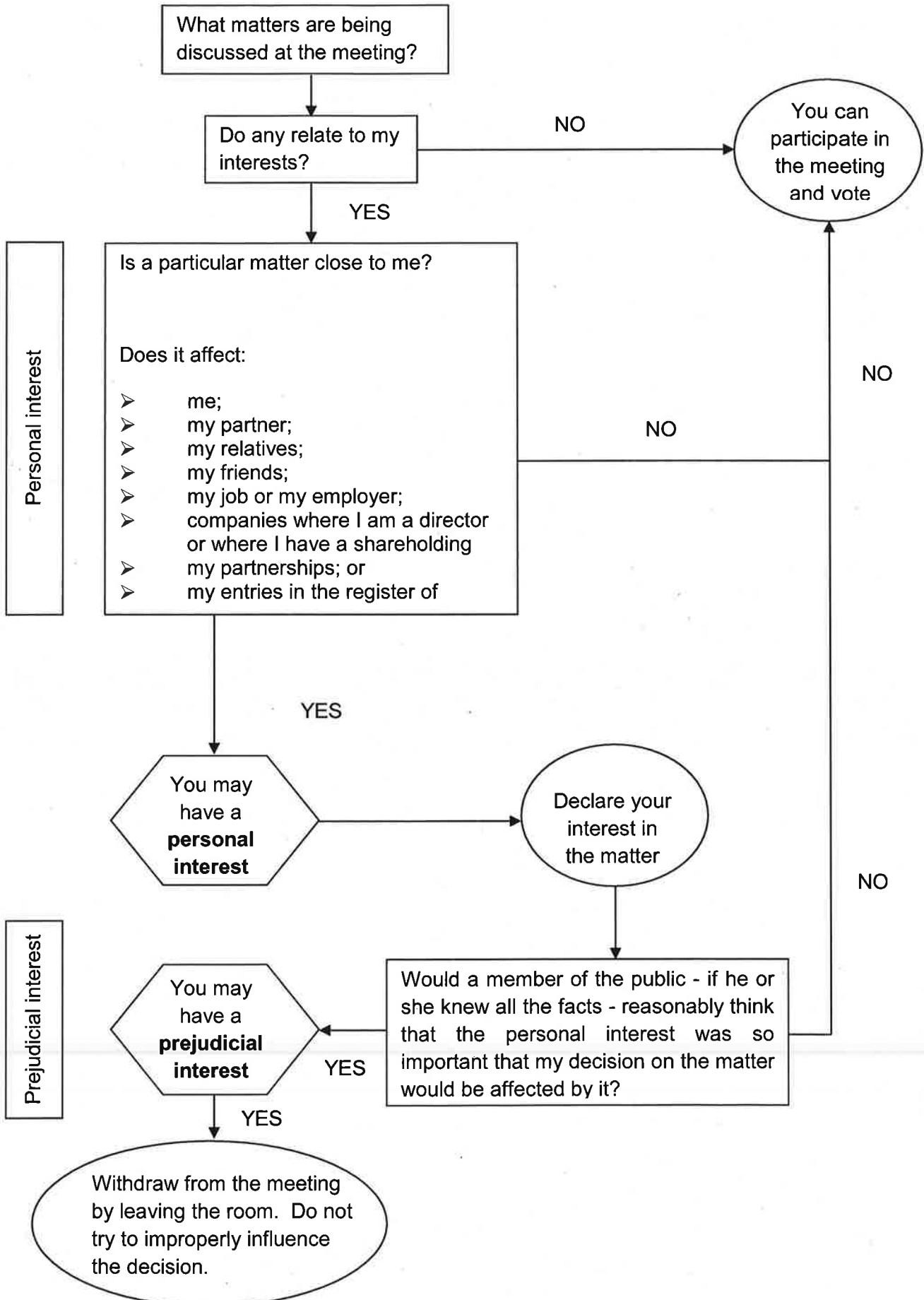
## **8. CONFIDENTIALITY**

To consider which items should be treated as confidential.

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# DECLARING INTERESTS FLOWCHART

## QUESTIONS TO ASK YOURSELF



### Schools Forum Membership List

Name			Organisation	Member / Sub Since	End of Term
Ms I Cranfield (Ch)	G	P	Eversley	Summer 2013	Spring 2017
Mr C Clark	G	P	Field Federation	Autumn 2014	Summer 2018
Ms Ellerby	G	P	Eldon	Autumn 2015	Summer 2019
Mrs J Leach	G	Sp	Waverley	Autumn 2015	Summer 2019
Mrs L Sless	G	P	Galliard	Autumn 2015	Summer 2019
Mr T McGee	G	S	Highlands	Spring 2013	Autumn 2016
Mr G Stubberfield	G	S	Southgate	Spring 2012	Autumn 2016
Ms H Ballantine	H	P	George Spicer	Autumn 2015	Summer 2019
Mr P De Rosa	H	Sp	Durants	Autumn 2013	Summer 2017
Ms M Hurst	H	PRU	Enfield Sec Tuition Centre	Req'd - July 2014	
Mr B Goddard	H	S	Highlands	Autumn 2015	Summer 2019
Ms H Knightley	H	P	St Johns & St James	Autumn 2015	Summer 2019
Mr M Lavelle	H	S	Southgate	Autumn 2015	Summer 2019
Ms A Nicou	H	P	Bowes Learning Alliance	Autumn 2015	Summer 2019
Ms H Thomas	H	P	Alma	Autumn 2015	Summer 2019
Ms L Whitaker	H	P	St Matthew's	Summer 2016	Spring 2020
Ms C Gopoulos		EY	Bright Stars Nursery	Spring 2016	Autumn 2020
Mr K Hintz		P16	CONEL	Autumn 2015	Summer 2019
Cllr D Levy		All	Chair of Overview & Scrutiny Committee	By Appointment	
Mr S McNamara / Mr T Cuffaro		All	NUT	Autumn 2013 Autumn 2015	Spring 2017
Ms E Stickler		All	Local Authority	By Appointment	
Mr J Carrick		All	Local Authority	By Appointment	
Cllr Orhan	O	All	Cabinet Member	By Appointment	
Ms A Homer	O	All	Prince of Wales	Summer 2015	Spring 2019
Mr O Jenkins	O	All	EFA	By Appointment	

#### Key

G – Governor  
H – Headteacher  
O - Observer  
P – Primary  
S – Secondary  
Sp – Special  
EY – Early Years  
P16 – Post 16

**MINUTES OF THE SCHOOLS FORUM MEETING****Held on Wednesday 2 March 2016 at Chace Community School****Schools Members:**

Governors: Ms I Cranfield (Primary) Chair, Mr Clark (Primary), *Mrs J Ellerby (Primary)*,  
Mrs J Leach (Special), Mrs L Sless (Primary), *Mr T McGee (Secondary)*,  
Mr G Stubberfield (Secondary)

Headteachers: Ms H Ballantine (Primary), Mr P De Rosa (Special), *Ms A Gaudencio (Primary)*,  
Ms M Hurst (Pupil Referral Unit), Ms H Knightley (Primary), *Mr M Lavelle (Secondary)*,  
*Ms A Nicou (Primary)*, Ms H Thomas (Primary),  
*Mr B Goddard (Secondary)* substituted by Ms S Tranter

Academies: *Ms L Dawes, Vacancy*

**Non-Schools Members:**

Chair of Overview and Scrutiny Committee	Cllr D Levy
16 - 19 Partnership	Mr K Hintz
Teachers' Committee	<i>Mr S McNamara</i> substituted by Mr T Cuffaro
Head of Behaviour Support	Mr J Carrick
Early Years Provider	<i>Ms C Gopoulos</i>
Education Professional	Ms E Stickler

**Observers:**

Cabinet Member	Cllr A Orhan
School Business Manager	Ms A Homer
Education Funding Agency	<i>Mr O Jenkins</i>

**Also attending:**

Chief Education Officer	Ms J Tosh
Head of Finance Business Partner	Mrs J Fitzgerald
Assistant Finance Business Partner	Mrs L McNamara
Resources Development Manager	Mrs S Brown
Resources Development Officer	Ms J Bedford

\* Italics denote absence

**1. MEMBERSHIP AND APOLOGIES FOR ABSENCE****a) Apologies for Absence**

Apologies for absence were received from Mrs Ellerby, Mr Goddard, Mr Lavelle, Ms Gopoulos and Mr McNamara.

Noted:

- Mr Goddard substituted by Ms Tranter and Mr McNamara by Mr Cuffaro;
- Ms A Gaudencio was absent from the meeting.

**b) Membership**

Reported a nomination for the vacancy for the academy representative would be sought following an evaluation of the current pupil numbers as reported on the January Pupil Census. The Forum were advised that this was to ensure the membership of the Forum reflected the different types of schools within the Authority.

**ACTION: Mrs Brown****2. DECLARATIONS OF INTEREST**

Members were given the opportunity of declaring an interest relating to any items on the agenda. No declarations were made.

Members were advised that any outstanding Register of Business Interests forms would be followed up.

### **3. MINUTES AND MATTERS ARISING FROM THE MINUTES**

(a) Schools Forum meeting held on 20 January 2016

**Received** and agreed the minutes of the meeting of the Schools Forum held on 20 January 2016, a copy of which is included in the Minute Book.

(b) Matters arising from these minutes

**Noted** the matters arising were covered by the items on the agenda.

### **4. ITEM FOR DISCUSSION AND/OR DECISION**

a) Schools Budget 2016/17: Update

**Received** a report providing an update on the Schools Budget 2016-17, a copy of which is in the Minute Book.

**Reported** the formula factors agreed at the January meeting were submitted to the DfE by the deadline of 21 January 2016.

**Noted:**

- (i) The DSG at present remained as reported at the previous meeting. The final position would be confirmed when the final adjustment to the Early Years block was made in June 2016. Officers were continuing to work and monitor the expenditure on Early Years provision to ensure it was in line with the agreed budget.

The Forum was advised that the budget proposals for the DSG for 2016/17 were presented and agreed by Council on 24 February 2016. Following this agreement, all Individual Schools Budgets had been distributed to all maintained schools.

- (ii) All maintained provision for pupils with high needs was funded on a similar basis. This included the funding allocated to the Enfield Secondary Tuition Centre, Pupil Referral Unit (PRU). As previously reported, the place funding provided to the PRU had not been reviewed for 2016/17 and it would not be reviewed until the Unit moved to its new site.
- (iii) The budget included an increase in funding for the provision at St Mary's as it proposed to expand the place numbers from 8 to 16 to address the need for additional specialist provision.
- (iv) The Autumn term pupil data had shown an increase in the number of pupils with high needs being supported by mainstream schools and this had added an additional pressure of £0.5m to the budget, which in consequence meant a reduced contingency. There appeared to be a marked increase in the number of Reception and Year 1 pupils with high needs requiring support.

It was questioned whether there was a reason for this increase. It was stated that a contributory factor was the SEND Reforms. The SEN Service had reported a 32% rise in referrals for under 5's requiring support. This level of increase was unprecedented. The Service was also seeing an increase from FE institutions seeking support for Post 16 students. This was also due to the changes introduced by the SEND Reforms for support being available up to the age of 25 years and this had resulted in a budget pressure of £400k.

It was corroborated that the Complex Issues Panel was considering a significant increase in referrals for younger children and older students.

- (v) The Home and Hospital Provision was being commissioned from West Lea Special School as part of an agreed Service Level Agreement. Due to the increase in demand for the service, the provision had spent the agreed budget and was forecasting an overspend for 2015/16. It was stated that this could be another pressure for 2016/17.
- (vi) The budget information provided to the Forum included all the savings and known pressures, which included a minimal contingency for supporting pupils with high needs.



It was stated that placing pupils with high needs whether in or out of the borough was one area that was likely to change and could create a budget pressure during the year. This was because of an expected increase as new children and young people came into the borough and the need to place pupils in out-borough provision.

It was questioned if work was being carried out to increase the provision available in the borough. It was stated that the Authority was exploring all opportunities to develop in-borough facilities for either one-off short term provision or long term placements.

- (vii) It was commented that secondary Headteachers were seeking further savings from central services to fund schools. It was stated that the information provided was based on the savings discussed and agreed with the Forum at the last meeting. Services were now reviewing how the savings would be met from April 2016 and carrying out an impact analysis. Reports would be presented to the Education Resources Group on how the work was progressing.

It was questioned what percentage of the DSG was now being retained to fund central services and whether this had decreased from 12%. It was confirmed, as in previous years, a full review of budget setting process would be carried out including an analysis of the funding provided for central services. The Forum would be provided with a report on the analysis at the Summer term Schools Forum meeting

**Resolved** to note the report and that the Budget Review report would include an analysis of Central Services.

**Action: Mrs Brown**

Louise and her team were thanked for all their hard work in the preparation and distribution of the budget to schools.

b) SEND and High Needs Places: Update

**Received** a report providing an update on the SEND and high needs places, a copy of which is in the Minute Book.

**Reported** for 2016/17, there had been no application process for seeking additional places; instead the Borough had received £662k additional funding to support the increase in pupils with high needs. The report provided information on the number of pupils currently on roll and places funded across the different settings to support pupils with high levels of need. The Forum was advised that some of the increase in places at individual institutions was due to known increases required for September but this did not include any other increase that may be required during the year.

**Noted**

- (i) The Authority was working with each of the special schools to ensure places allocated were being filled and consider opportunities to increase capacity and create additional places.
- (ii) It was commented that it was good to note that special schools were looking to increase the number of places, but a concern was raised regarding the Additionally Resourced Provisions (ARPs). It was observed that there was a real need for additional services to be provided through the ARPs in mainstream schools, but the information indicated a considerable number of vacancies that were being funded at £10k per place. There was a concern whether this offered value for money. It was stated that pupils attending the ARPs were assessed and supported to be reintegrated back into the mainstream. In some instances, the pupils were misplaced in the ARPs and needed to be in a more specialist provision. The impact in these cases meant the need to allocate additional staff and resources to meet the students' needs while they were assessed and an appropriate place became available.

It was observed that it was a difficult situation and the ARPs should continue to be monitored and reviewed to ensure use of each ARP was maximised and if required funding moved to match need.

- (iii) Discussions were taking place with Waverley School to increase the number of early years places provided by the School. Officers were aware a further 30 places would be required over the next two years and were working with the School to cost and implement this increase.
- (iv) For the past two years, West Lea School had 138 pupils and had asked their place number to be increased from 132 to 138 places. The Authority had considered their request and was recommending an increase in place numbers.
- (v) Officers had sought information from the Special Schools receiving outreach funding. When all the information had been received, officers would carry out a desktop review to ensure that the work being carried out addressed need and was in line with the criteria for the outreach service.
- (vi) As highlighted in the previous item, the ARP at St Mary's School was supporting pupils with a high level of need in SEMH and had seen an increase in demand, so it was a recommendation that the total number of places be increased from 8 to 16 from April 2016. The School managing the ARP had also asked that the ARP be treated as a split site school because it was an off-site unit. The Authority had considered this request and was recommending that the ARP at St Mary's be allocated the primary split site factor.
- (vii) Following the reduction in funding provided for the Early Years Social Inclusion (EYSI) Service, the service was now looking to provide a traded service from April 2016 to support schools with nurture groups and also enabling all schools to access the LASS and Tiger Team programmes.
- (viii) Advisory Service for Autism (ASA) was being commissioned to be provided at Russet House School. Officers had worked with the school to confirm the funding required for delivering the ASA. This had been calculated as being £365k. The Authority was recommending that £304k be funded from the outreach provision and the balance from the autism development contingency.

It was questioned whether the commissioned services would be for three years as stated and whether this was appropriate. It was stated that the reason for this was to give the schools concerned some stability of funding; however the annual allocation would be subject to an annual report from each school.

- (ix) Over the last two years, there had been an increase of 43 pre-16 pupils and 58 post-16 students placed in independent and out-borough provision. It was stated that the place costs, associated transport and wraparound support costs made these very expensive placements and created a significant pressure on the budget. The changes within the last year had shown a significant increase in Special Education Needs, with expensive placement and transport costs, and the expectations of pupils and parents.

It was stated that the Authority was working with schools and external agencies and partners to consider how additional places could be created within the borough. The recent annual report on the Pupil Expansion Programme (PEP) included a review of specialist provision and the Government were indicating that local authorities would be provided with a basic allocation for funding specialist provision.

The Forum was provided with a brief update on some of the individual building projects currently being considered. In addition, it was stated that work was being done to ensure consistent, clear and identifiable data was available and that it was measured and reasonable.

It was remarked that Joan Ryan MP had visited Enfield schools and was aware of the issues affecting Enfield, including the low settlement Enfield had traditionally received.

**Resolved** to provide the Forum with an update on pupil places for both mainstream and special schools.

**Action: Mr Rowley**

## **5. ITEM FOR INFORMATION**

### (a) DfE Consultation: Schools Funding Reforms – 2017/2018: Update

**Reported** following on from the meeting with the Enfield MPs, a letter addressed to David Burrowes MP had been forwarded to the Chair and the contents of this letter related to infant school places and not the issues raised by the Forum.

An email update had also been received from Joan Ryan MP: this provided an update on the issues raised and also confirmed that Ms Ryan had been involved in a motion concerning Free School Meals. In addition, she had extended an invitation to a couple of members of the Schools Forum to attend a meeting of the All Party Parliamentary Group for London to receive a briefing on school funding.

#### **Noted**

- (i) Due to the short notice, Mrs Brown attended the Briefing on behalf of the Forum. (A copy of the paper provided to MPs at the meeting is attached to these minutes.)
- (ii) The Forum was advised that the briefing was chaired jointly by Bob Neill MP and Steve Reed MP. The Panel members included a headteacher from an academy in Wandsworth, Director of Children's Services for Barking and Dagenham and also a member of the London Enterprise Panel.

The APPG advised and updated MPs on schools funding and the issues facing schools. This included:

- Real term reduction in funding for schools;
- The financial impact on school funding to meet the cost of the pay award and national insurance changes;
- The recruitment crisis in London and the difficulties faced by schools in recruiting good teachers to vacant posts;
- The increased level of deprivation and a failure to recognise this in funding arrangements;

Ms Ryan MP in her comments provided a feedback from her visits to schools and also the briefing and discussion provided by the Schools Forum.

It was generally commented that London needed to work together to ensure that there was a fairness in the new system for all schools in the country and also that it recognised the challenges faced by London.

The member of the London Enterprise Panel advised that FE colleges were in a similar position a few years ago and schools should use the colleges' experience in supporting and building their case.

Mr Hintz explained that, since 2009 and following a merger CONEL's turnover had reduced from £42m to £32m, representing a 30% cut, and this appeared to be a continuing theme with further savings anticipated. The College had undertaken drastic actions, which included stopping use of agency staff and moving to funding staff on an hourly basis. The College had also moved to automating as many processes as possible to gain efficiencies. Mr Hintz gave an example of student enrolment. He explained the college now had an automated system for enrolling over 23,000 students and that there was no human contact until interview stage.

It was questioned if this had had an impact on the recruitment of students. Mr Hintz stated that there had been an increase in the number of students attending the interviews for a college place.

- (iii) The All Party Parliamentary Group had agreed to await the publication of the Government's consultation document and would seek information from London Councils and GLA to formulate a response from the Group. The Group and local MPs had asked for data and evidence of impact on London to support their response.

The Forum was advised that the key issue was when the consultation document was published because of the impending start of the purdah period for local elections and also the national referendum period. The purdah would restrict the Authority's and also schools ability to engage with MPs and the Press.

- (iv) The Forum was advised information would be circulated as soon as the consultation document had been published. The publication of the document would determine the next meeting.

(b) Scheme for Financing: 2016/2017

**Received and accepted** a copy of the revised Scheme for Financing Schools for 2016/17, a copy of which is in the Minute Book.

**6. WORKPLAN**

Any additional items arising from the meeting would be added to the workplan.

**ACTION: Mrs Brown**

**7. ANY OTHER BUSINESS**

No other business

**8. FUTURE MEETINGS**

(a) NOTE: since the meeting and publication of the consultation documents, the next meeting would be held on Monday 11 April at Chace Community School.

(b) Dates of future meetings were as follows:

- 18 May 2016 – Forum to confirm if they would like to have this meeting.
- 06 July 2016
- 12 October 2016
- 18 January 2017
- 01 March 2017
- 19 April 2017
- 05 July 2017

**9. CONFIDENTIALITY**

No items were considered to be confidential.

**MUNICIPAL YEAR 2016/2017 REPORT NO. 1****MEETING TITLE AND DATE:**

Schools Forum – 11 April 2016

**REPORT OF:**

Interim Director of Children's Services &amp; Interim Chief Education Officer

Contact officer: Sangeeta Brown

E-mail: [sangeeta.brown@enfield.gov.uk](mailto:sangeeta.brown@enfield.gov.uk)

Item: 4b

**Subject:****Schools National Funding Formula:  
Draft Response****1. EXECUTIVE SUMMARY**

This report provides information and an update on the two consultation documents published by the DfE on the implementation of the national funding formulae (NFF) for the Schools and High Needs blocks. These documents are described as being 'the first stage' and are seeking views on general principles and indicators which should be used for the allocation of funding and do not include any exemplifications to enable assessment information on of the financial impact for any of the proposals. The DfE have stated that responses to these documents will inform a second consultation to be published later this year and this will include information relating to financial impact.

This report is in three parts and these are:

1. A brief initial assessment of the impact of these proposals for Enfield and generally.
2. Attached and previously circulated is a summary of the key proposals contained in the two consultation documents.
3. Attached is an initial draft response and following comments from the Forum will be finalised for submission. The purpose of the paper is to provide background information in relation to the escalating costs that are being incurred by the local authority to maintain the expectations set out in Education, Health and Care Plans (EHCPs) for those learners aged 16 and above in 'further education'. The paper also provides information on the range of education settings that currently provide these supported places, the learner volumes and the associated cost to the High Needs budget. Further to this the report provides a range of actions for the Schools Forum to consider to attempt to control the overall financial pressure on the High Needs budget

**2. RECOMMENDATIONS**

The Schools Forum is asked to:

- consider the draft response to the proposals contained in the two consultation documents;
- provide comment for either consideration or inclusion;
- confirm if the response should be a joint response of the Schools Forum and the Council.

**3. Funding****(a) Schools Block**

The documents include proposals to fund schools directly from 2019/20 with the Government setting the budget for every school and bypassing local authorities. For the

next two years, the DSG will continue to be allocated by local authorities with the possibility of using local funding formulas. The allocation to local authorities will be calculated using the NFF, calculated at a per school level and aggregated up for each local authority.

The documents state there will be transitional arrangements to minimise any losses and these will be calculated by applying a minimum funding guarantee. The level of the minimum funding guarantee is not included in the consultation documents but views are being sought on whether for the next two years, local authorities should be able to set a local minimum funding guarantee over and above the national minimum funding guarantee used to provide the overall DSG.

London Councils have carried out a preliminary analysis to indicate the possible impact on London of a NFF. This analysis was carried out in the absence of the data source that will be used in the final NFF and any weighting that may be applied on each indicator. This analysis indicates that London authorities would see a real term reduction in funding and Enfield could potentially have a reduction in the region of minus 1.9%. If this were to be realised, then it would equate to between £4-5m overall. It should be noted that this is based for the overall Schools block and at a school-level there could be considerable volatility. It is important to note that this is highly provisional and subject to a significant number of assumptions. It is not based on complete proposals and dataset from the DfE.

(b) High Needs and Early Years Blocks

- There is insufficient information available on these blocks.
- From other information available, it is likely that there may be further reductions for the Early Years Block. Again, this is uncorroborated and needs to be viewed with caution.
- High Needs block will continue to have the real terms cut due to the pressures relating to pay awards and NI increases, but the consultation document states that 'local authorities will need to manage with less'.
- There is a proposed formula for the High Needs Block but, the impact of the proposed formula cannot be assessed as no detail or exemplifications of the financial impact have been provided.

(c) Other Comments

- It is important when the proposals are finalised that the rates and weightings used for the formula factors acknowledge and allow for the challenges faced by Enfield and other London authorities.;
- For next two years, there will be some role for local authorities and Schools Forum. From 2019/20, this will be diminishing considerably. Key issues include minimal local accountability and flexibility. This will reduce our ability to target funding to areas of greater need;
- Proposal to fund non-pupil lead funding on historical basis and also to ring fence the Schools Block will add further pressure on schools and also on the management of the growth fund. There is a concern this will be during a period when the pupil projections for Enfield indicate further increases in pupil numbers;
- With the requirement for schools to become academies, there is no information on how the change will be supported and what happens to in-year and actual deficits both for the DSG and individual schools.
- Cutting the total ESG grant of £600m provided to local authorities and academies to meet national savings. For local authorities, this currently funds school improvement, central support, education welfare and regulatory duties. There is recognition a few services will need to continue and the proposal is that the residual ESG will form part of a 4th "statutory services" block in the DSG which would be funded on a per pupil formula. There is a concern that these will not fully meet the statutory duties that local authorities are currently required to deliver;

- Withdrawal of de-delegation for FMS Eligibility Assessments, Growth, repair and maintenance and Behaviour Support will require some of these services to be provided and funded in a different way.

### **3. Budget 2016**

The Chancellor in his budget announcement on 16 March 2016 stated:

- £500 million of additional funding is to be provided to accelerate the transition to a National Funding Formula for schools, with the Government aiming for 90% of schools who gain from the new formula to receive the full amount they are due by 2020. It is unlikely that this will benefit Enfield as we have been considered to be one of the higher funded authorities and have not received any of the additional funding distributed in 2014/15 and 2015/16 to the authorities considered to be the least fairly funded.
- Intention for all schools to become academies by 2022. The London Councils view is that if this is the intention then the changes being introduced for the NFF should align with this timetable. If this does not happen then there is a disparity of funding and policy decisions.
- For Enfield the total academisation programme would result in around 74 schools moving from Enfield's control to Academy status, with the resultant loss of Education Support Grant (ESG) funding and a loss of flexibility in the application of the schools budget. The most significant risk within the DSG element of the schools budget is that the Council may be left with limited resources available to support an increasing number of pupils with high needs, which will continue to be a LA responsibility. This may result from the Government's proposals to ring-fence the funding blocks within the DSG, whereas currently LAs have the freedom to apply the DSG across the blocks to address need.
- If these proposals go ahead the loss of ESG would be around £3.5m based on 2016/17 funding rates and pupil numbers. This would result in a reduced grant of approximately £1m, assuming that we would still receive the same general funding rate for pupils in Special Schools and Pupil Referral Units as well as the retained duties rate of £15 per pupil for all pupils in the borough.

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## Details of Formula

### 1. Schools NFF

Group	Factors	Methodology	Data
Per Pupil funding	basic entitlement	Primary, KS3 and KS4	October Census
Additional needs	Deprivation	Primary local measure: Ever6 FSM Meals: current FSM data Area Level Deprivation: IDACI  FSM: Considering the level of household earned income at which children in households in receipt of Universal Credit will become entitled to FSM  IDACI: to recognise the impact of 'double deprivation' but that the updated dataset will require an updated banding methodology – e.g. revising the cut-off points for each band or changing the number of bands which trigger funding	FSM6 January FMS October Census IDACI October
	Low prior attainment,	Primary: pupils' prior level of development. Considering - using the reception baseline assessment Secondary - not attain level 4 in English / maths @ key stage 2 Considering - new expected standard	October Census
	EAL	Use EAL3	October Census
School costs	lump sum, Sparsity,	Use lump sum and sparsity	School Year group
	Rates, Premises: PFI, split site other exceptional circumstance  Growth	historic spend in 2017-18 & 2018-19, then consider formulaic	Historical Historical Historical Historical  Previous year
Geographical costs	Area cost adjustments	Hybrid or General Labour Market	
Factors Removed	LAC Mobility	Pupil Premium plus Not pupil characteristics but school characteristic	

### 2. High Needs

Factors: Considered and tested against simplicity and transparency

- Per Pupil – Basic Unit of funding: £4k per pupil in special schools, Post 16 institution;
- Health & Disability:
  - Disability Living Allowance;
  - children not in good health;
- Low Attainment
  - KS2 low attainment: not achieving level 2 in reading at the end of KS2
  - KS4 low attainment: not achieving 5 A\* - G GSEs or equivalent;
- FSM and IDACI:
- Population Factor – CYP 2 to 18 age range
- 2016-17 Spending levels – for at least 5 years to smooth transition
- Adjustments – for net importers/exporters
- Area cost adjustments: General labour market or Hybrid

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## School Funding Consultation - First Stage

### 1. Introduction

The DfE published two consultation documents detailing:

- the principles for underpinning the new national funding formula (NFF) for mainstream schools, High Needs and ESG,
- the formula factors to inform the funding arrangements,
- Early years not included and will be part of a separate consultation.

DfE have stated that this is 'stage one' of the consultation process which will seek views on the general principles and the factors to be used in a formula. It does not provide an indication of the financial impact at school or local authority level until the second stage later in the year.

The deadline for responses for both is the 17th April 2016

2. Both these documents have been published during 'Purdah' and therefore there is limited capacity to have any open discussion and engagement and general advice would be that it should not involve MPs or press.
3. Proposed principles: Look to have a system that seeks to provide: fairness, efficiency, transparency, simple, predictability and ensure funding gets direct to schools

### Schools Block - Mainstream Schools

#### 4. Structure of the Funding System

Subject to changes to School Standards and Framework Act 1998, the proposals include:

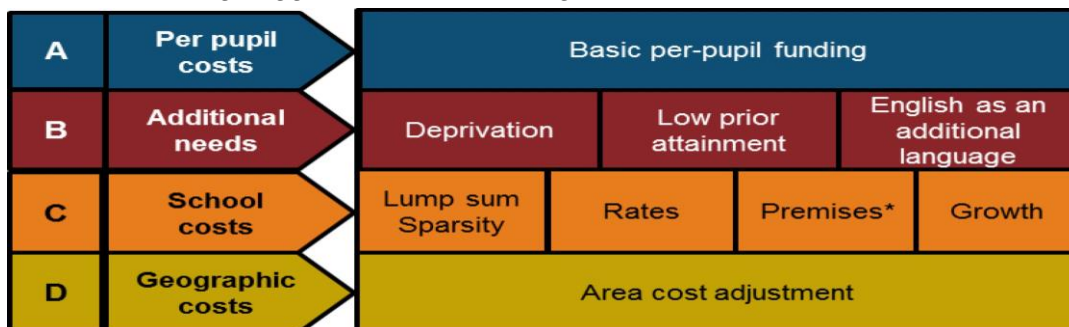
- Move to a school-level "hard" NFF from 2019-20;
- For 2017-18 and 2018-19:
  - Re-baseline local authorities DSG to reflect current practice;
  - Ring-fencing the Schools block to ensure funding passed to schools;
  - the "hard" NFF would be used to determine Schools block allocations for LAs
  - introduce a new 'central services block'
  - Pupil premium to remain as a separate grant
  - UIFSM to remain as a separate grant

#### 5. Funding Factors

The aims identified are that factors should:

- key drivers – areas with significant costs in schools
- make a significant difference to the distribution of funding between schools
- be based on data which is accurate & up to date at school-level, and appropriately quality-assured.
- be clearly tied to pupil characteristics & not create perverse incentives for increasing funding.

The factors being suggested for the funding formula are as follows:



\* Premises includes: split sites, PFI and exceptional circumstances.

Consulting also on factors to be removed from existing formula includes:

- LAC: instead suggesting increasing targeted support through pupil premium plus

- Mobility
- Post 16

## 6. Implementation

Transitional Arrangements to consider three aspects:

- Role of local authorities
- Approach for managing losses and gains
- Support efficiencies in schools by: providing an efficiency tool, benchmarking and an 'Invest to Save' grant to support restructuring of costs

Schools block will be allocated as follows:

- Calculate each schools allocation using per pupil funding, additional needs, lump sum, sparsity and ACA
- Apply minimum funding guarantee to each school
- Add the individual schools allocation to give to local authority
- Add premises and growth factors based on historic spend.
- MFG – losers funded from gainers: amount not defined
- For 2017/18 and 2018/19: "Soft" NFF so:
  - The NFF & aggregate the budgets used to allocate Schools Block and allow local authorities flexibility to set a local formula: defined as 'soft' NFF
  - Local Authorities can apply a locally determined formula
  - Still required to delegated all of the School Block funding but consulting on flexibility on the application of MFG to reflect local circumstance

## 7. Baseline Exercise – deadline for returns also 17 April 2016

Local Authorities required to provide a breakdown of planned spend in 2016/17 for the total DSG.

To quantify the Schools, High Needs and Early Years block  
Schools block to be ring fenced

## 8. New Central Services Block for Centrally retained DSG and Retained duties ESG

- Introducing a 4<sup>th</sup> block to the DSG to include:
- Distribute using a per pupil formula
- Historical commitments: contribution to combined budgets: costs of providing combined education and children's services, prudential borrowing costs: for repayment of some authority loans, Exceptions agreed by the Secretary of State:  
Seeking Local Authorities to submit evidence about historical commitments to confirm continuation of spend
- Remove de-delegation and seek trading for:
  - behaviour support services,
  - insurance
  - licences and subscriptions

## 9. Education Services Grant – General funding rate:

- Seeking £600m savings nationally from this grant by removing all funding from LAs and academies from partway through 2017/18, i.e. to provide 5 months funding and academies some protection arrangements, i.e. loss limited between 1-3%. Already planned £72m for 2016/17 with school improvement stopping at the year-end & considering a strategy for future funding.
- Previously funding from ESG: EWS, Asset Management, Statutory & Regulatory
- Local Authority focus: sufficient school places, SEND and acting as champion for all parents and families. Removal of music services, visual and performing arts, pupil support, and outdoor education
- Statutory duties for maintained schools – seek Schools Forum approval to retain. Seeking views on suggestions for additional duties that could be removed or reformed to support the move to a school-led system

## High Needs Funding Formula

### 1. Context

SEND Reforms:

- The Children & Families Act 2014 & SEND Code of Practice
- Local authorities implementation of SEND reforms

Alternative Provision

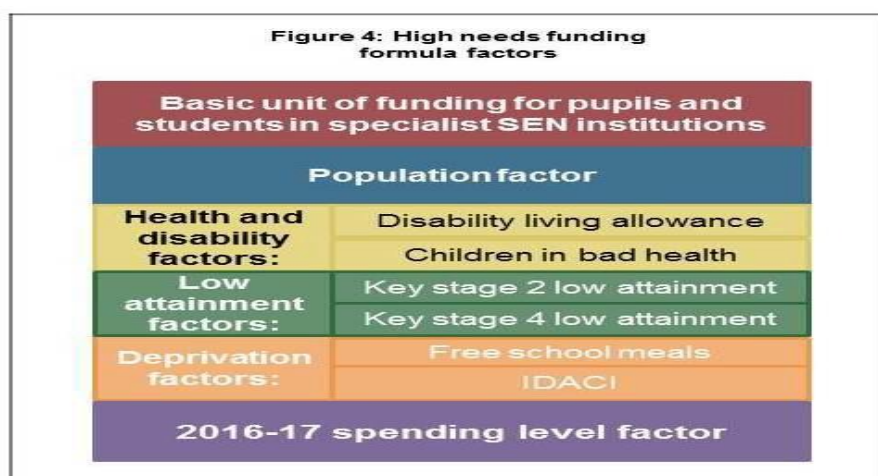
- Mixed landscape of provision
- Options for future changes

### 2. Rationale for change

- ISOS review:
- Funding distribution to be more formula driven to:
  - prevent perverse incentive
  - based on need not EHC Plans
  - using proxy indicators of need, rather than only using historic spending patterns
- changes to the way funding is distributed to various types of institution
- Considering other improvements as part of the change

### 3. High Needs Formula

Factors for informing the formula:



### 4. Alternative Provision

Factors being considered but defined: Population and Deprivation

### 5. Hospital Education

- Current Spending but reviewing future arrangements

### 6. Transition

- Include 2016-17 planned spending levels for both HN and AP for NFF for at least 5 years
- MFG: LAs funding not reduced more than a specified %
- No transfer between SB and HNs Block

### 7. Help for LAs and institutions

- Capital funding through the free school programme for new special schools
- Capital funding to support expansions of existing SEN provision - £200m
- Collaborative working between LAs
- Encourage mainstream schools and colleges to include pupils with SEN
- Efficiency tools

8. Mainstream Schools:

- Meet from their budget first £6k
- Work with SENCOs to decide how much spent on SEN support and so remove the notional SEN budget

9. SEN Units & ARPs

- Per Pupil amount based on AWPU
- Plus additional £6k place funding
- LAs agree the number of places required.

10. Encourage mainstream inclusion

- Leave LAs to decide
- Support a high proportion of need not covered by the formula

11. Independent Special Schools

- Independent special schools on the section 41 approved list to receive £10k place funding

12. Early Years Providers

- LAs to work with sector to support need
- Will consult separately on this during 2016.

13. Support for Post 16 Providers

- Specialist provision developed by FE colleges should be referenced to number or proportion of students at the college;
- Explore role of local authorities;
- Consider and consult on the post 16 funding formula for mainstream providers with small number of high needs students
- Special post 16 institution to receive a flat rate of £10k per place.

14. Seeking Views on:

- National guidance on what schools should provide
- How local authorities support inclusion
- Use of collaboration and partnerships to support local authorities
- National guidance to CCGs on what health budgets should pay for

**Draft Response to Consultations****Schools Block**

<b>Questions</b>	<b>Response</b>
<p><b>QUESTION 1:</b> Do we agree with the proposed principles for the funding system?</p> <p>Para 1.3</p>	<p>Whilst agreeing with the intention of the reforms in terms of increased fairness and transparency we are concerned that a national formula should not result in reduced schools funding for some areas like Enfield who are considered by the DfE to be relatively well funded. This would be the consequence if the national formula is introduced as a re-distribution of existing resources which will result in winners and losers.</p> <p>Despite cash protection for school funding many of our schools are already suffering serious challenges in managing budgets due to real terms cost pressures, including increases in pay and NI contributions. We have estimated that schools in Enfield will face real term cuts of between 7.5 to 10% between now and 2020. We would be very concerned about the impact of further cuts that would inevitably impact on performance and put education performance at risk.</p> <p>For this reason we call on the government to provide additional resources in order to level up funding and ensure that no local authority loses funding as a consequence of the introduction of a NFF</p> <p>Our schools also face additional costs associated with being London schools and in common with other London authorities are seeing an increasing and changing pupil population. This change has meant the Borough is facing significant challenges with increasing levels of deprivation and needs. We believe that it is important that any school funding system reflects this.</p> <p>We would comment, since the introduction of Fair Funding these principles have been the aspiration and, it is disappointed there is no recognition of the fact that needs are best assessed at the local level. The principles which have guided Fair Funding have included accountability in the use and also the performance achieved by the spending of public funds. It is unclear how the current proposals for the NFF would address the concerns and issues raised by parents and members of local communities.</p> <p>Enfield Council and the School Forums have played a key role in targeting education funding, via local formulae, to improve standards and raise attainment in local schools.</p> <p>The attainment gap between pupils receiving free school meals and other pupils at GCSE level is smaller in Enfield than England as a whole (in 2014/15 the gap for 5 A*-C at KS4 was 22% in Enfield compared to 19% in London and 28% nationally). This reflects the consistent targeting of funding to support at deprivation and low educational attainment via their local funding formulae and the expertise and support provided by the Authority to schools in tackling deprivation and improving performance.</p>

	<p>Schools Forum's view</p> <p>We support the need to further improve and move to an even fairer system, but would comment that it is important there are sufficient resources to implement the changes. We do not think it is appropriate to redistribute the existing resources, in order to increase funding for less funded areas. We would ask that it would be fairer for the resources for a new improved funding system to be levelled up rather than down. Thereby ensuring schools in Enfield and other areas continue to carry on their work to improve attainment and achievement within existing albeit diminishing resources, due to cost pressures.</p> <p>We ask for greater clarity on who would be accountable for the outcomes of any NFF. Currently, there is a democratic process by which local authorities and their Schools Forum are held to account by local communities, parents and schools for their local funding formulae to support raising of standards. Under a NFF, we would ask would the Secretary of State for Education be accountable for all schools and parents and families of pupils for the results of the formula.</p> <p>We are unable to comment further until further information with financial modelling is available using the proposed rates and weightings that will be applied as part of the new system.</p>
<p><b>QUESTION 2:</b> Agree with the proposal to move to a school-level national funding formula in 2019-20, removing the requirement for local authorities to set a local formula?</p> <p>Para 1.8</p> <p><b>West – East – dirrent area in Enfield. The overall masks need – housing data and houses with multiple occupancy, rental, trend. Victim of our success – ahceived achievement so have not have that input. Large families – size of families. Three children or more likely to improvised. Health reduce with more chidren</b></p>	<p>No, we do not consider a national system will support the constant and evolving changes we are experiencing in Enfield due to the movement of the population. We believe there needs to be local flexibility to consider and address these challenges and also to be able to respond and deal with the inevitable turbulence that a new funding system will involve..</p> <p>It is disappointed there is no recognition of the fact that needs are best assessed at the local level, informed by more detailed local knowledge. It is also unclear how the current proposals for the NFF would address the concerns and issues raised by parents and members of local communities.</p> <p>Enfield Council and the School Forums have played a key role in targeting education funding, via local formulae, to improve standards and raise attainment in local schools.</p> <p>The attainment gap between pupils receiving free school meals and other pupils at GCSE level is smaller in Enfield than England as a whole (in 2014/15 the gap for 5 A*-C at KS4 was 22% in Enfield compared to 19% in London and 28% nationally). This reflects the consistent targeting of funding to support at deprivation and low educational attainment via their local funding formulae and the expertise and support provided by the Authority to schools in tackling deprivation and improving performance.</p> <p>The deprivation data currently used for funding schools masks the overall need in the population. Enfield has traditionally seen an East / West split with very high level so deprivation in the East and less</p>



	<p>so in the Western part of the Borough. When the funding currently provided for the national arrangement was distributed, this issue was not recognised and Enfield continues to be underfunded and appears will continue to do so under the new arrangements.</p> <p>The Council, the Enfield Schools Forum and schools work together to ensure that the limited resources are allocated in the best way to meet the needs of our pupils. We feel the removal of the role of the Schools Forum and local authorities for considering and then allocating funding will be detrimental and weaken the inclusive and corroborative system which currently exists. We are also concerned this will reduce overall accountability for the use of public funds.</p>
<p><b>S Question 3:</b> Do we agree that the basic amount should be different at primary, key stage 3 and key stage 4?</p> <p>Para 2.6</p>	<p>We support the differential between KS3 and 4, but we do have concerns regarding the robustness of the data being suggested would be used.</p> <p>We would comment that the proposal for a single rate for KS1 and 2 may not fully address the cost of meeting the needs of pupils moving into Year 1 from Reception. Our schools experience indicates that:</p> <ul style="list-style-type: none"> <li>• Pupils starting in Reception and moving into Year1 require greater support and therefore funding is usually subsidised by the funding provided for KS2 pupils. This does raise the question of fairness and equity;</li> <li>• This will create a funding issue for Infant schools as they cannot redistribute the funding as primary schools who are able to use funding provided for KS2;</li> <li>• If a school has a stable pupil population then funding across KS1 and KS2 is manageable as described above. However, any flux in the pupil population at individual school level will create sustainability issues for individual schools.</li> </ul> <p>We would suggest similar to the current arrangements, a per pupil rate is provided to local authorities. The local authorities with their Schools Forum determine how the rates are applied at KS1 through to KS4 and ensure the appropriate ratio between the different key stages for their local area.</p>
<p><b>Question 4:</b></p> <p>a) Do you agree that we should include a deprivation factor?</p> <p>b) Which measures for the deprivation factor do you support?</p> <ul style="list-style-type: none"> <li>• Pupil-level only (current FSM and Ever6 FSM)</li> <li>• Area-level only (IDACI)</li> <li>• Pupil- and area-level</li> </ul> <p>Para 2.23</p>	<p>Yes, we support the inclusion of a deprivation indicator. Closing the deprivation attainment gap continues to be a government priority as seen through protecting the pupil premium funding over this parliament. It is vital therefore that, a NFF does not redistribute funding away from the most deprived pupils and reduce their chances of achieving as well as their peers. The key issue in Enfield is now low income households. Our local knowledge of measuring those in receipt of housing benefit and council tax support shows that the level of poor households with children in poverty hasn't reduced as being suggested by the current data published for Free School Meals eligibility (FSM). We would suggest that the claimants have simply changed from one benefit for another and this has impacted on FSM.</p> <p>From our information, we would suggest that FSM appears to be</p>

	<p>affected if the parent is in receipt Working Tax Credit. We would ask that there is a review of thresholds applied for FSM to ensure some of our most vulnerable children and young people living in poverty are not being penalised due to an imperfect system.</p> <p>In addition, the recent change in IDACI indicated an overall reduction in income deprivation affecting children in Enfield as a whole since 2010. We would suggest that this doesn't allow for the number of families living either / and private rented household and overcrowded condition. So in consequence, we also ask that the bandings used for IDACI are reviewed to reflect true levels of poverty. The last set of HMRC statistics on children in low-income families showed that, as of 31 August 2013, 25.5% of under 16s in Enfield were in a 'low-income' family ('low income' defined as less than 60% of median income) with Enfield being 10th highest out of all 33 London boroughs. The average across all London boroughs is 21.4%. This level of poverty is not borne out with the funding provided.</p> <p>We would suggest that consideration be given for a gradual linear approach to be introduced so that as the percentage of FMS at individual school level increases so does the per pupil rate applied. This was a tried and tested method in Enfield and it supported schools by ensuring levels of deprivation were recognised as part of a local funding formula. If the gradual linear approach cannot be introduced nationally, then we ask that there is flexibility for local areas to consider this.</p> <p>In the absence of any exemplifications or details of proposed rates we cannot comment any further on the financial impact.</p>
<p><b>Question 5:</b> Do you agree we should include a low prior attainment factor?</p> <p>Para 2.28</p>	<p>We support the use of prior attainment as a factor. We would comment:</p> <ul style="list-style-type: none"> <li>• With the changes to KS2 testing as to how secure the data used for funding purpose would be;</li> <li>• The Early Years Foundation Stage is based on teacher assessment</li> </ul> <p>We would suggest that any indicator includes differentiation between levels of low attainments, rather than the use of one cut-off point.</p> <p>In the absence of any exemplifications or details of proposed rates we cannot comment any further on the financial impact.</p>
<p><b>Question 6: Do you agree that</b></p> <p>a) to include a factor for English as an additional language?</p> <p>b) use the EAL3 indicator (pupils registered at any point during the previous 3 years as having English as an additional language)?</p> <p>Para 2.33</p>	<p>If no alternative is available then we would support the use of EAL3, but we are concerned that this does not fully address the needs of these pupils.</p> <p>If EAL3 becomes the preferred indicator, we urge that the weighting in the final formula reflects the resources required to meet the high level of need in Enfield. There is significant costs relating to induction and ongoing literacy support.</p> <p>Research shows that it can take up to seven years to acquire</p>

	<p>academic English or full fluency, and even longer where a pupil has not had any schooling in their first language. We are concerned that only funding EAL pupils for three may not adequately reflect the needs of all EAL pupils.</p> <p>Any measure also needs to recognise the extra challenges and costs facing areas with EAL pupils that speak a range of different languages. Over 300 languages are currently spoken in London schools.</p>
<p><b>Do you agree</b>  <b>Question 7:</b> lump sum factor? Para 2.39</p> <p><b>Question 8:</b> sparsity factor? Para 2.42</p> <p><b>Question 9:</b> rates factor? Para 2.50</p> <p><b>Question 10:</b> PFI factor? Para 2.51</p> <p><b>Question 11:</b> spit site factor? Para 2.52</p> <p><b>Question 12:</b> exceptional circumstances factor? Para 2.54</p> <p><b>Question 13:</b> should this be based on historical spend?</p>	<p><u>Lump Sum</u> – Yes, we would support the inclusion of a Lump sum factor but in line with our current rates. In the absence of any exemplifications or details of proposed rates we cannot comment any further.</p> <p><u>Sparsity</u> – we recognise that this is required in some areas, but would question why this is of greater value than then need to fund mobility. Research carried out by the London Councils indicates that £24.3m was distributed through the mobility factor by 65 local authorities under their local formula, compared to £14.5m of funding distributed through the sparsity indicator by just 20 local authorities.</p> <p>As has been highlighted above, Enfield has seen an acute increase in the number of families and their children living in temporary housing and this has resulted in children and young people either travelling across the borough to attend their school or having to move schools as their families move to another accommodation.</p> <p>In addition, Enfield is continuing to see an increase in the pupil population with Enfield schools facing challenges both in terms of recruiting staff and managing the issues associated with very large schools and in-year admissions. The current 10% cap for mobility is neither helpful nor appropriate for large schools and areas with transient population.</p> <p>We would suggest that if consideration is being given to a sparsity factor then this should also be extended to including mobility as a factor but without the 10% cap.</p> <p><u>Rates Factor</u> – yes we support this factor, but to allow for changes due to revaluations, it should be based on actual costs and not historic spend.</p> <p><u>PFI Factor</u> – yes we would support the inclusion of this factor to meet the costs associated with the contract but in line with local requirements.</p> <p><u>Split Site – Lump Sum</u> – Yes, we would support this factor but in line with our current rates.</p> <p><u>Exceptional Circumstances</u> – yes we support this factor but require further information on how this will be applied and agreed. In the absence of any exemplifications or details of proposed rates we cannot comment any further.</p> <p><u>Based on historical spend</u> – Whilst we would support this proposal for the Lump Sum and Split Site factors in principle, we are unsure</p>

<p><b>Question 14:</b> growth factor? Para 2.56</p> <p><b>Question 15:</b> on historical spend?</p>	<p>how this would need managed without periodic adjustments in funding for changes in pupil numbers or school context.</p> <p>We do not support this for the PFI, Rates and Exceptional Circumstance factor. As these factors are subject to external changes either as part of a rate revaluation, benchmarking reviews as required by the PFI contract or the need to include an exceptional circumstance for particular local circumstances.</p> <p>It is unclear how these factors would be applied as part of the whole formula for the next two years of the ‘Soft period’ and then and future years for the ‘Hard period’.</p> <p><u>Growth</u> – Yes, we would support a growth factor but this must be designed to fully address the funding shortfall schools face during periods of pupil growth. The current proposals fall short of this.</p> <p>DSG allocations are currently based on the most recent census, which means data is taken from the October of the immediately preceding financial year. This creates a lag between the pupil count used to calculate the schools block element of DSG and the actual number of pupils educated from September-April of the financial year. London Councils have estimated that London faces a £49 million shortfall in revenue funding every year as a result of this lag and we echo their call for a sustainable solution which would require additional DSG funding to meet the system’s currently unfunded pupils.</p> <p>We do not agree that funding for growth should be allocated based on historic spend.</p> <p>Enfield in common with other London authorities has faced such a large increase in demand for places over the past 7 years, that basing the formula on the previous year’s pupil numbers would not be accurate and would leave a great many places unfunded.</p> <p>Currently, the growth requirement is assessed and calculated each year and the appropriate funding earmarked from the DSG. It is unclear from the document how this annual process will managed in the future.</p> <p>Also, there is a concern to how in-year changes in the pupil population would be addressed. In Enfield, we have experienced in-year increases in the pupil population. We would ask there is sufficient flexibility for these in-year changes to be reflected in the funding arrangements and for the overall funding available be adjusted in line with pupil growth, new schools opening and changing need.</p>
<p><b>Question 16:</b> Do you agree: Area cost adjustments? Para 2.61</p>	<p>There is a clear need for Area Cost Adjustments. We consider that this is essential for Enfield and other London authorities.</p> <p>Enfield Schools have reported that they are facing extreme difficulties in recruiting appropriately qualified staff to fill vacancies in</p>

<p>Methodology: General labour market or hybrid?</p>	<p>their schools. The current Workforce Census data shows that the number of teacher vacancies over the last two years have nearly doubled from 0.7% in 2015 to 1.3% in 2016.</p> <p>Schools have reported that existing staff and potential applicants are finding it difficult to manage the higher cost of living in London, so those remaining in teaching are seeking employment in other less costly areas, where there is a lower level of pupil deprivation and mobility, nor all the other challenges faced by London schools. All these factors are creating a crisis in recruitment and retention, especially as Enfield has to compete with neighbouring London authorities who provide inner London weighting and neighbouring local authorities outside London with lower cost of living and also lower levels of deprivation and challenges.</p> <p>Added to this, as a Local Authority, we are concerned with a significant number of Headteachers in Enfield are over 50 and approaching retirement. Where Governing Bodies have had to appoint a new Headteacher, they have reported that they have had difficulties and most have been unable to secure an appointment from the first round of recruitment and have spent considerable amount of additional resources to try and recruit a second or third time.</p> <p>We cannot comment on the use of the either the hybrid or General Labour market model for the Area Cost Adjustment without further information of the weightings and rates to be applied.</p> <p>However, London Council have indicated with the high level of costs associated with living London that General Labour market would be the most appropriate for London. We would still ask that information is provided with rates and weightings to be applied to enable us to consider this further.</p>
<p><b>Do you agree to remove:</b>  <b>Question 17:</b> LAC provide additional through PP plus rather than NFF</p> <p>Para 2.69</p> <p><b>Question 18:</b> mobility</p> <p>Para 2.76</p>	<p><u>LAC</u> – Yes, we would support the consolidation of this factor with Pupil premium to provide <u>one transparent funding stream</u> this factor but this should not be achieved through a transfer of resources from the DSG .</p> <p><u>Mobility</u> – No, we would propose the mobility factor is retained and the 10% CAP is removed.</p> <p>Schools with pupil mobility are facing significant cost pressures for inducting and providing additional resources, as well as managing the disruption caused by a pupil joining the school outside the normal admission period. This could be due to one child or many children being admitted. We believe it is important that this factor is available and there is flexibility within the system as to how it is used by local authorities.</p> <p>We do not believe there should be a CAP of 10% on the use of this factor as it masks the size of school. The current year’s pupil data shows that there has been a 6% increase in pupil mobility from last year.</p>

<p><b>Question 19:</b> post 16 – from 2017/18 Para 2.79</p>	<p><u>Post 16</u> - Yes, we would support this if protection for this change is included in the minimum funding guarantee.</p>
<p><b>Question 20:</b> Do you agree with proposal to require local authorities to distribute all of their schools block allocation to schools from 2017-18? Para 3.9</p>	<p>No, we do not support this proposal as it removes local flexibility for schools, the Schools Forum and the Enfield Council to use funding to meet local needs and pressures.</p> <p>The needs of each area are likely to differ to some extent and therefore there is a clear need for local flexibility across all the resources provided through the DSG. The current flexibility between blocks has enabled us to manage growth in pupil numbers and increased demand in the High Needs block. Managing a ring-fenced stand alone High Needs block would be very problematic unless considerable additional resources were identified nationally to address the significant pressures.</p> <p>It is unclear from the documentation of how this requirement will be imposed on Multi Academy Trusts. It is important that there is a level playing field and all schools are treated in the same way and receive similar level of funding based on need and not adjusted because they are part of Multi Academy Trusts or maintained.</p>
<p><b>Question 21:</b> Do you believe that it would be helpful for local areas to have flexibility to set a local minimum funding guarantee? Para 3.16</p>	<p>There is an element of unfairness to consider local flexibility when the funding itself provided has restriction in movement. The concern is the impact in 2019/20 of managing an unfair NFF by applying a local minimum funding guarantee for 2017/18 and 2018/19.</p> <p>We feel we are not in a position to comment until we have further information on the financial impact of the national proposals.</p>
<p><b>Question 22:</b> Do you agree to fund local authorities' ongoing responsibilities as set out in the consultation according to a per-pupil formula  Para 4.9  Exclusions?</p>	<p>We believe that we should be funded for our ongoing statutory responsibilities. The proposals include admissions, asset management, EWS, national licenses, Schools Forum &amp; fees to independent schools with SEN.</p> <p>We are concerned that there is a simplistic approach to the services included and those omitted because of:</p> <ul style="list-style-type: none"> <li>• The impact on pupil attainment and will diminish local authorities' ability to support schools in need. This will consequently impact on standards and affect the life chances of children and young people.</li> <li>• The conflict with proposal for a local minimum funding guarantee during the 'soft' National Funding Formula and as to how this will be carried out as these duties would have been removed.</li> </ul> <p>In additional, our view is that the move to a per pupil rate nationally could create further turbulence if the amounts are not weighted to local areas and reflect current funding levels plus an uplift for changes in the circumstances in these areas.</p>
<p><b>Question 23:</b> Do you agree to fund local authorities' ongoing historic commitments based on case-specific information to be collected from local authorities</p>	<p>We support the proposal for the funding for combined services budgets such as early intervention and some of the costs related to SEN transport are transferred to the High Needs block. We consider this meets our strategy to support and provide early help and a wraparound service for our children and young people.</p> <p>We would ask that the amount transferred is based on current</p>

<p>Para 4.9</p>	<p>funding levels and outside the arrangements being proposed for the High needs block.</p> <p>We do not support the removal and cessation of non-contractual or those created after 2013 historic commitments as some of these decisions were as result of the Standards Fund grant being transferred into the DSG and outside the control of local authorities. This funding has continued to support improvement in standards.</p> <p>In addition, as part of the national requirement for schools to convert to become academies by 2022 and with the cuts being faced by local authorities, we would comment:</p> <ul style="list-style-type: none"> <li>• There is no capacity locally to manage the impact of nationally driven change. This will include the ongoing effect of any redundancies and any deficits accumulated by schools;</li> <li>• local authorities will not have the resources to support the conversion process;</li> <li>• there needs to remove the disparity in the timing for the NFF and the requirement for academy conversion.</li> </ul>
<p><b>Question 24: Are there other duties funded from the education services grant that could be removed from the system</b></p> <p>Para 5.20</p>	<p>We are concerned about managing the impact of some of the central support services that will not funded during the ‘soft’ years and then also on an ongoing basis. This is further complicated by the publication of the White Paper seeking all school to be converted by 2022. Any proposals need to be aligned with the various Government policies and drivers and ensure we have clarity and sufficient funding to deliver our statutory responsibilities over the next five year. This should include support provided to maintained schools for supporting schools in need and also school improvement to raise standards.</p> <p>We would require further information but would comment that any proposals take into consideration the need to include the appropriate weightings and area cost adjustments to reflect the higher costs in London.</p>
<p><b>Question 25: Do you agree to allow local authorities to retain some of their maintained schools’ DSG centrally – in agreement with the maintained schools in the schools forum – to fund the duties they carry out for maintained schools</b></p> <p>Para 5.20</p>	<p>We do not support the cuts to the Education Support Grant and have concerns about whether we will be able to fulfil our statutory duties and if this proposal is suggested to address any issue arising from this then we cannot see how this will be feasible as part of the consultation document indicates the removal of facility for de-delegation. Also, there is lack of transparency of what guidance will be provided to Multi Academy Trust on this issue.</p> <p>We believe the funding arrangements should provide clarity and transparency in the funding provided to local authorities to meet its statutory duties for all schools and also for maintained schools. This funding should be provided based on the same principles used for school funding and not be used as a balancing figure either nationally or locally.</p> <p>The funding should be calculated and the appropriate weightings and area cost adjustments included to reflect the higher costs in London.</p>

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**HIGH NEEDS BLOCK**

<b>Questions</b>	<b>Response</b>
<p><b>QUESTION 1:</b> Do we agree with the proposed principles for the funding system?</p> <p>Para 2.10</p>	<p>Whilst agreeing with the intention of the reforms in terms of increased fairness and transparency we are concerned that a national formula should not result in reduced schools funding for some areas like Enfield who are considered by the DfE to be relatively well funded. This would be the consequence if the national formula is introduced as a re-distribution of existing resources which will result in winners and losers.</p> <p>Despite cash protection for school funding many of our schools are already suffering serious challenges in managing budgets due to real terms cost pressures, including increases in pay and NI contributions. We have estimated that schools in Enfield will face real term cuts of between 7.5 to 10% between now and 2020. We would be very concerned about the impact of further cuts that would inevitably impact on performance and put education performance at risk.</p> <p>For this reason we call on the government to provide additional resources in order to level up funding and ensure that no local authority loses funding as a consequence of the introduction of a NFF</p> <p>Our schools also face additional costs associated with being London schools and in common with other London authorities are seeing an increasing and changing pupil population. This change has meant the Borough is facing significant challenges with increasing levels of deprivation and needs. We believe that it is important that any school funding system reflects this.</p> <p>We would comment, since the introduction of Fair Funding these principles have been the aspiration and, it is disappointed there is no recognition of the fact that needs are best assessed at the local level.</p> <p>The principles which have guided Fair Funding have included accountability in the use and also the performance achieved by the spending of public funds. It is unclear how the current proposals for the NFF would address the concerns and issues raised by parents and members of local communities.</p> <p>Enfield Council and the School Forums have played a key role in targeting education funding, via local formulae, to improve standards and raise attainment in local schools.</p> <p>We are concerned that the proposed high needs national funding formula, based on proxies rather than assessed needs of pupils will not correlate with the true need and actual costs for children and young people in Enfield. As stated in the response to the School funding consultation, Enfield, as is the whole of London, is seeing an increasing and changing pupil population. This change has meant the Borough is facing significant challenges with increasing levels of deprivation and needs. We believe that it is important that any school funding system reflects this.</p>

	<p>At the same time, Enfield schools are trying to cope and manage with general costs pressures associated with being London schools, as well as the additional pressure created, due to the changes in the National Insurance contributions and the pay awards. We have estimated that schools in Enfield will face real term cuts of between 7.5 to 10% between now and 2020, due to protecting Schools Budget in cash terms. This information has also been corroborated by the Institute for Fiscal Studies.</p> <p><b>Schools Forum's view</b></p> <p>We support the need to further improve and move to an even fairer system, but would comment that it is important there are sufficient resources to implement the changes. We do not think it is appropriate to redistribute the existing resources, in order to increase funding for less funded areas. We would ask that it would be fairer for the resources for a new improved funding system to be levelled up rather than down. Thereby ensuring schools in Enfield and other areas continue to carry on their work to improve attainment and achievement within existing albeit diminishing resources, due to cost pressures.</p> <p>As the current system for funding high needs pupils has not, since 2010, been based on need and, until recently, was based on historical levels, it is difficult to comment or agree on the principles per se. Enfield, and probably like most other local authorities, has managed overspend in high needs by using the funding within the three blocks to balance the overall DSG. With the proposal for mainstream school funding to ring fence the Schools block, we are concerned that there won't be sufficient resources to manage and maintain the resources required for the high needs block.</p> <p>Enfield has seen an increase in the number of pupils with high level of need but this has not been reflected in a consistent way in the funding provided so far through the high needs block. As reported to the Schools Forum, there has been a significant increase in pupils requiring specialist provision due to the increases in the population and also the implementation of the SEND Reforms and there is a real concern how this will managed with a proposal for an inflexible lagged system.</p>
<p><b>QUESTION 2:</b> Agree that majority of high needs funding should be distributed to Local Authorities rather than direct to schools and local institutes?</p> <p>Para 3.1</p>	<p>Yes, we would support this proposal. It seems appropriate for the funding to be distributed to local authorities as local authorities are responsible for both assessing individuals' SEND and for commissioning provision for to meet those needs.</p> <p>The Code of Practice January 2015 sets out a clear set of principles including that Local Authorities should ensure collaboration between education, health and social care to ensure funding is allocated equitably across the whole of the SEND population. This proposal supports the Local Authority's ability to distribute available funding equitably and transparently having a holistic overview of local needs and an ability to commission cost</p>

	<p>effectively for low incidence/high needs.</p> <p>As a Borough, we have been faced with the challenge of continuous increase in the pupil population. Due to the introduction of the Welfare Benefit Reforms and the changes around the private rented housing sector. Since 2012/13, Enfield has seen significant rise in the number of households in temporary accommodation; in 2012/13 there were 2,143 and this had increased to 2,764 in 2014/15: An increase of 29% with Enfield being 5<sup>th</sup> highest London borough with temporary households. Many of the families moving into to the borough as well as living in overcrowded conditions have children with SEND or present social, educational and mental health problems at school.</p> <p>As a local authority, our key priority has been to place pupils in borough and the Council with the support of the Schools Forum has been working with Special and mainstream schools to develop provision to address the differing needs of our pupils. This has included expanding our Special Schools, increasing the specialist units in mainstream schools and also developing a dedicated Autism Advisory Service.</p> <p>As part of this proposal, we ask that the arrangements for place funding provided to individual institutes not maintained by the EFA are reviewed. We are not sure this is an appropriate and effective use of public funds.</p>
<p><b>Question 3:</b> Do we agree that the high needs formula should be based on proxy measures of need, not on the assessed needs of the children and young people?</p>	<p>Yes, in principle we recognise the need for using proxy indicators to inform a NFF. We are concerned that information available to date from the ISOS report indicates a partial fit between the five indicators and the series of measures of high needs.</p> <p>With this level of uncertainty, we would want further information on the implementation and be reassured that the proposed arrangements do reflect the true costs for meeting the needs of our children and young people.</p>
<p><b>Question 4:</b> Do you agree with the basic factors proposed for a new high needs formula to distribute funding to local authorities?</p> <p>Para 3.27</p>	<p>Yes, we would, in principle, support the proposed factors, but would need more information on how there are applied, especially the use and timeliness of some of the proposed indicators. For example:</p> <ul style="list-style-type: none"> <li>the use of free school meals eligibility (FSM) and IDACI. There is a correlation between FSM and pupils with SEN.</li> </ul> <p>It is vital therefore that, a NFF does not redistribute funding away from the most deprived pupils and reduce their chances of achieving as well as their peers. The key issue in Enfield is now low income households. Our local knowledge of measuring those in receipt of housing benefit and council tax support shows that the level of poor households with children in poverty hasn't reduced as being suggested by the current data published for Free School Meals eligibility (FSM). We would suggest that the claimants have simply changed from one benefit for another and this has impacted on FSM.</p>

	<p>From our information, we would suggest that FSM appears to be affected if the parent is in receipt Working Tax Credit. We would ask that there is a review of thresholds applied for FSM to ensure some of our most vulnerable children and young people living in poverty are not being penalised due to an imperfect system.</p> <p>In addition, the recent change in IDACI indicated an overall reduction in income deprivation affecting children in Enfield as a whole since 2010. We would suggest that this doesn't allow for the number of families living either / and private rented household and overcrowded condition. So in consequence, we also ask that the bandings used for IDACI are reviewed to reflect true levels of poverty. The last set of HMRC statistics on children in low-income families showed that, as of 31 August 2013, 25.5% of under 16s in Enfield were in a 'low-income' family ('low income' defined as less than 60% of median income) with Enfield being 10th highest out of all 33 London boroughs. The average across all London boroughs is 21.4%. This level of poverty is not borne out with the funding provided.</p> <ul style="list-style-type: none"> <li>• some of the other proxy suggested, similar to IDACI, are only updated at long intervals, i.e. the Health Factor and may not reflect an up to date and changing needs of the pupil population.</li> <li>• We do not believe that the needs of post 16 high needs pupils have been fully addressed under the proposed arrangements. The data sets being proposed do not include information on those aged between 19 to 25 years of age requiring support.</li> </ul> <p>We would welcome further information before we are able to fully comment.</p>
<p><b>Question 5:</b> We are not proposing to make any changes to the distribution of funding for hospital education, but welcome views as we continue working with representatives of this sector on the way forward ?</p>	<p>We support the proposal for no change but would ask that the changes in the population are considered and uplift provided for increases in the pupils supported by this service.</p>
<p><b>Question 6:</b> Which methodology for the area cost adjustment do you support?</p> <p>Para 3.29</p>	<p>It is difficult to comment without further information how this proposal will be applied and the financial impact.</p> <p>Similar to our response to the school funding consultation, there is a clear need for Area Cost Adjustments. Enfield Schools have reported that they are facing extreme difficulties in recruiting appropriately qualified staff to fill vacancies in their schools. The current Workforce Census data shows that the number of teacher vacancies over the last two years have nearly doubled from 0.7% in 2015 to 1.3% in 2016.</p> <p>Schools have reported that existing staff and potential applicants are finding it difficult to manage the higher cost of living in London, so those remaining in teaching are seeking employment</p>

	<p>in other less costly areas, where there is a lower level of pupil deprivation and mobility, nor all the other challenges faced by London schools. All these factors are creating a crisis in recruitment and retention, especially as Enfield has to compete with neighbouring London authorities who provide inner London weighting and neighbouring local authorities outside London with lower cost of living and also lower levels of deprivation and challenges.</p> <p>Added to this, as a Local Authority, we are concerned with a significant number of Headteachers in Enfield are over 50 and approaching retirement. Where Governing Bodies have had to appoint a new Headteacher, they have reported that they have had difficulties and most have been unable to secure an appointment from the first round of recruitment and have spent considerable amount of additional resources to try and recruit a second or third time.</p> <p>We cannot comment on the use of the either the hybrid or General Labour market model for the Area Cost Adjustment without further information of the weightings and rates to be applied.</p> <p>However, London Council have indicated with the high level of costs associated with living London that General Labour market would be the most appropriate for London. We would still ask that information is provided with rates and weightings to be applied to enable us to consider this further.</p>
<p><b>Do you agree</b>  <b>Question 7:</b> Do you agree that we should include a proportion of 2016-17 spending in the formula allocations of funding for high needs?   Para 3.30</p>	<p>This proposal seems reasonable but is difficult to comment without further information how this proposal will be applied and the financial impact as a relatively low funded authority for High Needs. Enfield as an authority has high level of mobility into the Borough, it is important that there are sufficient resources to meet these additional needs.</p> <p>We are concerned that the current baseline exercise will not reflect the actual costs and not sure how then proposal will support this pressure within the context of no flexibility of moving resources between the blocks.</p>
<p><b>Question 8:</b> Do you agree with our proposal to protect local authorities' high needs funding through an overall minimum funding guarantee?</p>	<p>This proposal seems reasonable but is difficult to comment without further information how this proposal will be applied but it is important to have a smooth transition and recognition that there may be some contractual arrangements in place which may require further protection. .</p>
<p><b>Question 9:</b> Given the importance of schools' decisions about what kind of support is most appropriate for their pupils with SEN, working in partnership with parents, we welcome views on what should be covered in any national guidelines on what schools offer for their pupils with SEN and disabilities  Para 4.8</p>	<p>It is important that there is clarity and transparency of how pupils with SEN are supported and how these are supported by the School's offer via their SEN Information Report. This sets out how individual schools support their pupils with SEND and should ensure LAs are aware of and able to utilize the provision and expertise in each school to meet the needs of the local SEND population. The school's information should be linked to the LA's Local Offer demonstrating a joined-up approach.</p>

<p><b>Question 10:</b> We are proposing that mainstream schools with special units receive per pupil amounts based on a pupil count that includes pupils in the units, plus funding of £6,000 for each of the places in the unit; rather than £10,000 per place. Do you agree with the proposed change to the funding of special units in mainstream schools?</p>	<p>Whilst this appears to be a reasonable way forward and would continue to support the need for inclusive strategy for pupils accessing these specialist provision. We are concerned without information on the rates and weightings used for the school funding arrangements that schools may see some reduction in funding. It is important if there is any change in funding that it remains within the local authorities high needs block.</p>
<p><b>Question 11:</b> We therefore welcome, in response to this consultation, examples of local authorities that are using centrally retained funding in a strategic way to overcome barriers to integration and inclusion. We would be particularly interested in examples of where this funding has been allocated on an "invest-to-save" basis, achieving reductions in high needs spending over the longer term. We would like to publish any good examples received? Para 4.13</p>	<p><b>Wraparound care???</b></p> <p><b>Examples from London councils</b> For example, in Croydon, maintained special schools can draw upon a centrally managed therapies budget. This gains economies of scale, but also to afford a level of provision that allows us to compete with independent provision when taken to tribunals.</p> <p>Many local authorities retain specialists to provide guidance to schools when they admit children with needs that have not been experienced for. This central expert knowledge allows funding to be used more effectively and efficiently.</p>
<p><b>Question 12:</b> We welcome examples of where centrally retained funding is used to support schools that are particularly inclusive and have a high proportion of pupils with particular types of SEN, or a disproportionate number of pupils with high needs</p>	<p><b>Outreach provision???</b></p> <p><b>Examples from London councils</b> In Barking and Dagenham, the local authority pays an additional lump sum to all mainstream schools where higher than 1.5% of their roll have statements/EHC plans. This ensures that there are appropriate incentives to encourage inclusive maintained schools.</p>
<p><b>Question 13:</b> Do you agree that independent special schools should be given the opportunity to receive place funding directly from the EFA with the balance in the form of top-up funding from local authorities Para 4.18</p>	<p>No, we cannot see the purpose of this proposal and would require more information before we are able to provide any further comment.</p>
<p><b>Question 14:</b> We welcome views on the outline and principles of the proposed changes to post- 16 place funding (noting that the intended approach for post-16 mainstream institutions which have smaller proportions or numbers of students with high needs, differs from the approach for those with larger proportions or numbers), and on how specialist provision in FE colleges might be identified and designated</p>	<p><b>London Councils - response</b> The proposal to recognise colleges that deliver specialist provision to significant numbers of students with high needs is welcomed. Many of London's local authorities have worked with their surrounding colleges to build up specialist provision to improve the Local Offer for young people and provide greater choice. We would, however, caution against transplanting the school based designation of 'unit' to further education. The designation should recognise the provision that colleges offer in helping to prepare young people for adulthood right across the curriculum and through the use of the college's entire facilities.</p> <p>The simplification to fund the majority of post-16 settings on a formulaic basis is also welcomed. We urge the Department to look at the current</p>

Para 4.26	<p>methodology for allocating disadvantage funding specifically block 2, in addition to the process of changes to post-16 place funding. The English and maths condition of funding is putting significant pressure on disadvantage funding, leaving little room to fully meet the needs of students with support costs lower than £6,000. This creates a perverse incentive for some institutions to push costs over the high needs threshold to secure additional element 2 funding in the following years allocation.</p>
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## MUNICIPAL YEAR 2016/2017 REPORT NO. 2

**MEETING TITLE AND DATE:**

Schools Forum – 11 April 2016

**REPORT OF:**

Interim Director of Children's Services & Interim Chief Education Officer

Contact officer: Andy Johnson

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	<b>Item: 4b</b>
<b>Subject:</b> <b>Post 16 High Needs Funding – Briefing</b>	
<b>Wards: All</b>	

### 1. EXECUTIVE SUMMARY

The purpose of the paper is to provide background information in relation to the escalating costs that are being incurred by the local authority to maintain the expectations set out in Education, Health and Care Plans (EHCPs) for those learners aged 16 and above in 'further education'. The paper also provides information on the range of education settings that currently provide these supported places, the learner volumes and the associated cost to the High Needs budget. Further to this the report provides a range of actions for the Schools Forum to consider to attempt to control the overall financial pressure on the High Needs budget

### 2. RECOMMENDATIONS

To note and comment on the contents of this report.

### 3. Background

- 3.1 Post 16 High Needs Funding. The local authority receives funding from the DfE to support the full range of support costs associated with young people aged 16 – 25 who remain in education and training beyond 16. This funding forms a component of the Dedicated Schools Grant (DSG).

SEN learners either have an EHCP already or are in the process of converting their existing statement or Learning Difficulty Assessment (LDA) to an EHCP. From September 2016 high needs funding will only be allocated to learners who are in possession of an EHCP.

- 3.2 An indicative element of the High Needs Budget is set aside at the start of each financial year to cover post 16 High Needs Support in the following range of settings:

- General FE College
- School Sixth Forms (Academies and LA Maintained) and Sixth Form Colleges
- Training Providers (including Apprenticeships)
- Residential Colleges

Learners in Special Schools in or out of borough are not funded in this way and learners who receive three way funding confirmed by the Complex Issues Panel are not supported by this budget. Learners who are placed out of borough prior to 16 and continue out of borough are funded from a separate budget. Based on the findings from the review, the DfE confirmed that there would be no change to the funding arrangements for 2016/17. The current arrangements were developed as part of the introduction of the School Funding Reforms in April 2013.

- 3.3 The table below (AJ1) sets out the range of placements funded by this budget. This provides a three year trend to consider both the number and cost of the commissioned. Prior to this three year period Enfield supported a large number of learners in residential settings out of borough. This has been significantly reduced as local FE institutions have adapted provision to support SEN learners and young people and their families have realised the benefit of taking up local education programmes.

The EHCP process has brought to the attention of young people and parents an expectancy that education and training does not stop at 16 or 18. The Local Offer has acted to promote the local FE institutions and training provider based study programmes. The result of this expanded and improved local offer has been a large increase in the number of SEN learners being educated locally.

**Table AJ1 – Trend of High Needs Commissioned Places**

Institution	Type	2013/14		2014/15		2015/16	
College of Haringey, Enfield	FE	54	496,358	66	422,898	67	323,893
Barnet & Southgate College	FE	34	259,869	47	494,633	84	1,216,161
Capel Manor (NR)	Specialist	2	8,733	0	0	3	24,567
Herts Regional College	FE	2	31,990	1	21,360	1	27,360
Harrow College	FE	1	10,240	1	10,300	1	10,300
City & Islington	FE	1	10,804	1	7,747	0	
Westgate RSD (R)	Specialist	1	37,719	2	73,739	1	13,500
Tower Hamlets College	FE	0	0	1	8,400	0	
Oaklands College (NR)	Specialist	4	102,981	1	25,734	2	72,955
Skills for Work Service	Train	10	85,000	10	105,000	14	125,000
Harrington Scheme	Train	3	34,101	2	15,951	0	0
Derwen College (R)	Specialist	1	42,303	0	0	1	43,000
Sir George Monoux	SFC	0	0	0	0	2	10,420
Haringey Sixth Form	SFC	0	0	0	0	5	19,490
East Kent College	FE	1	17,208	1	25,734	0	0
Sheiling College	Specialist	1	68,701	2	184,172	1	65,000
Ambitious About Autism	Specialist	0	0	0	0	1	35,000
<b>TOTAL</b>		<b>115</b>	<b>1,206,007</b>	<b>135</b>	<b>1,395,668</b>	<b>183</b>	<b>1,986,726</b>
<b>Indicative DSG Budget</b>			<b>1,050,000</b>		<b>1,050,000</b>		<b>1,400,000</b>
<b>Price per place</b>			<b>10,500</b>		<b>10,340</b>		<b>10,850</b>

#### 4 Update

##### 4.1 Increased Costs

As you can see from the table above, the demand placed on the High Needs budget has created an over spend for the past three years despite allocating increased funding from the DSG at end of 2014/15. It is clear that encouraging SEN learners to stay local has not resulted in a reduction in the average cost per place (has in fact increased from £10,500 to £10,850). SEN Service Team suggest that larger numbers are converting from previous LDA and statements to EHCP's and the tendency is for learners to remain in education settings for longer than in previous years.

##### 4.2 Control Considerations

The pressure on the post 16 High Needs budget is unlikely to reduce in future years. It is therefore important therefore that we consider a high needs funding framework to help control

the financial implications on the DSG. I believe such a framework will also help provide an operational understanding of the 16-25 entitlement to education/training set out in the SEN Reforms. There are three areas of focus that can help control the pressure on the budget:

- Clarity of educational aspirations and outcomes within EHCPs/Duration of stay in education settings

Too often those supported as high needs learners remain in education beyond their expected stay working towards educational outcomes that are not time bound and with no clear progression beyond the immediate programme of study. It is vital that EHCP's provide that clarity around expected outcomes so that any continuation of study beyond the current programme is assessed.

Large numbers are currently working towards independent living skills and pre vocational skills. The expectation therefore should be that these learners move from education settings to either supported living/independent living or supported employment programmes at the end of their current programme. With this clarity at the start of the programme, providers need to build in the necessary transition during the final year of study.

The funding agency responsible for determining funding rules for 16-19 year olds (16-25 year for those with EHCP) is the Education Funding Agency (EFA). It is this agency that agrees the value of the programme funding (element1) allocated to all post 16 institutions. Each provider receives a level of programme funding based on the range of students supported and the type of programmes offered. Providers receive a value per learner determined on a lagged basis for all learners aged 16 and 17 years on a banded basis with the maximum band (Band 5) having a ceiling of 600 hours. For learners entering their third year of post 16 study the ceiling then becomes 495 hours (half way point between 450-540 hours). For all learners entering their third year of post 16 study the funding provided to institutions is weighted at 82.5% of the standard full time rate.

#### 4.3 Proposal

Accepting that the SEN cohort are commencing their FE study programmes often following two or three years of Post 16 support in Special Schools (aged 18+) it is proposed to cap high needs education support to three years in FE. This would therefore mean that learners would leave FE programmes at the end of academic year when they reach age 21 at the latest. Providing this funding framework will help all post 16 providers, including mainstream and Special Schools and IAG careers support to set out the necessary study programme and pathway aimed at achieving the desired outcome at 21. Around 25% of the high needs learners currently in FE settings are aged 21 and above. These are often those learners who have not achieved satisfactory educational progress and remain in education repeating entry/pre entry level programmes.

In a small number of cases learners who are making satisfactory progress and who it can be demonstrated will benefit from a further year in education can be supported in education beyond 21. Such cases include those learners preparing for employment and linked to supported internship, traineeship and or Apprenticeships.

- Clarity with all providers of education and training the acceptable margins regarding hourly rates charged for professional support

Enfield, working with other boroughs as part of the North London Strategic Alliance already works with providers to establish acceptable margins for common learner support costs. It is proposed that this is applied to all providers delivering high needs support.

- Clarity with regard to the maximum volume of hours that are to be supported in each academic year.

The main driver of High Needs Cost increases centres on the increasing tendency for study programmes to be costed on the basis of five day week education programmes. As previously mentioned, the EFA supports institutions delivering post 16 programmes up to a maximum of 600 planned education hours per academic year. This is based on the principle that a full time study programme (as set out in RPA legislation) is 540 hours but allows for students to be funded as if they were studying for 4 A level programmes (each given 150 hours recognition). SEN learners in the main will not be studying towards A level programmes but the funding institutions receive is on the basis that they fall in line with the full time definitions. It is therefore proposed that all post 16 study programmes developed for High Needs learners is capped at 600 hours per year. For the typical 38 week term this would allow for around 16 hours a week of education support.

The SEN Codes of Practice 0-25 years set out the following:

'Where a young person has an EHCP, local authorities should consider the need to provide a full package of provision and support across education, health and care that covers 5 days a week, where it is appropriate to meet the young persons' needs'

The above consideration predicates the need for care and health provision to complement the education offer that is capped at 16 hours a week. It is further expected that young people make full use of their personal budgets to consider other non-education based activities. At the moment almost all of the costs relating to high needs learners in FE settings are borne by education, regardless of the nature of the support.

The table below sets out the current average hours at each of the post 16 high needs settings. Roughly calculating these hours at 300 hours above the 600 hour threshold proposed would generate a saving in the region of £660,000 and would bring the total spend forecast in line with the indicative budget.

**Table AJ2 – Average Educational Hours Per Year**

	2015/16 av. Learner Programme Hours	Over programme	LEARNERS 15/16	
College of Haringey, Enfield	576	0	67	0
Barnet & Southgate College	840	240	84	20,160
Capel Manor (NR)	540	0	3	0
Herts Regional College	740	140	1	140
Harrow College	600	0	1	0
City & Islington	540	0	0	0
Westgate RSD (R)	1064	464	1	464
Tower Hamlets College	910	310	0	0
Oaklands College (NR)	1008	408	2	816
Skills for Work Service	720	120	14	1680
Harrington Scheme	860	260	0	0
Derwen College (R)	1110	410	1	410
Sir George Monoux	540	0	2	0
Haringey Sixth Form	540	0	5	0
East Kent College	720	120	0	0
Sheiling College	2546	1946	1	1946
Ambitious About Autism	1332	732	1	732
<b>Average</b>	<b>895</b>			<b>26,348</b>

At an average hourly rate of £25/hr the removal of 26,348 hours would generate savings of £658,700.

**MUNICIPAL YEAR 2016/2017 – REPORT NO. 3****MEETING TITLE AND DATE:**

Schools Forum – 11 April 2016

**REPORT OF:**Interim Director of Children's Services & Interim  
Chief Education Officer

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<b>Agenda – Part:</b>	<b>5</b>
<b>Subject:</b> <b>Schools Forum: Workplan</b>	
<b>Wards: All</b>	

**Recommendation**

To note the workplan.

<b>Meetings</b>		<b>Officer</b>
January 2015	Schools Budget: 2015/16: Update SEN - Autism & ARP Update SEND Reforms - Update	JF JT JT
March 2015	School Budget 2015/16: Update Enfield Traded Services to Schools Scheme for Financing	JF SB SB
July 2015	Schools Budget – Update (2015/16) School Funding Review (2015/16) Funding Arrangements (2016/17) SEND & High Needs – Update Support for Schools in Financial Difficulties	JF SB SB JT/JC SB
October 2015	Schools Budget: 2016/17: Update Outturn Report 2014/15 Schools Balances 2014/15	JF JF SB
December 2015	Schools Budget: 2016/17: Update, Inc. De-delegation Central Budgets: Annual Report Local Authority Budget (2016/17)	JF JT ES
January 2016	Schools Budget: 2016/17: Update Scheme for Financing Central Budgets: Annual Report	JF SB JT
March 2016	School Budget 2016/17: Update High Needs - Update Scheme for Financing	LM JC/SB SB
April 2016	DfE Consultation – National Funding Formula Post 16 High Needs - Briefing	SB AJ
May 2016	Leisure Facilities	JK
July 2016	Schools Budget – Update (2016/17) School Funding Review (2016/17) Funding Arrangements (2017/18)	LM SB SB

**Dates of Meetings**

<b>Date</b>	<b>Time</b>	<b>Venue</b>	<b>Comment</b>
08 July 2015	5:30 - 7:30 PM	Enfield County School	
14 October 2015	5:30 - 7:30 PM	Chace Community School	
09 December 2015	5:30 - 7:30 PM	Chace Community School	
20 January 2016	5:30 - 7:30 PM	Chace Community School	

