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THE SCHOOLS FORUM

Thursday, 13th October, 2016 at 5.30 pm at Chace Community
School, Churchbury Lane, Enfield EN1 3HQ

Membership:

Schools Members:

Maintained Schools:

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

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

Academies: Ms L Dawes, Mr G Stubberfield (Secondary) Vacancy

Non-Schools Members:

Overview and Scrutiny Committee
16-19 Partnership
Teachers' Committee
Education Professional
Head of Behaviour Support
Early Years Provider

Tbc
Mr K Hintz
Mr S McNamara/Mr T Cuffaro
Tbc
Mr J Carrick
Mr C Gopoulos

Observers:

Cabinet Member
Schools Business Manager
Education Funding Agency

Cllr A Orhan
Ms A Homer
Mr Owen

**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 17:30PM

Reported nominations for the vacant positions are being pursued.

2. DECLARATIONS OF INTEREST

Members are invited to identify any pecuniary, other pecuniary or non-pecuniary interests relevant to items on the agenda.

3. MINUTES AND MATTERS ARISING (Pages 1 - 6)

- a. Schools Forum meeting held on 6 July 2016 (attached)
- b. Education Resources Group meeting held on 16 September 2016
- c. Matters arising from these minutes

4. ITEMS FOR DISCUSSION AND INFORMATION 17:50PM (Pages 7 - 32)

- a. Outturn Report 2015/16 and Budget Monitoring 2016/17 – Update (attached)
- b. Schools Balances 2015/16 (attached)
- c. Central Services Funded from the Dedicated Schools Grant and Education Services Grant – Update
- d. Discussion on Strategy for 2017/18 (*to follow*)
- e. School Funding Arrangements 2017/18 – Update (attached)
- f. High Needs Provision – Update (attached)

5. WORK PLAN 19:00PM (Pages 33 - 34)

6. ANY OTHER BUSINESS

7. DATES OF FUTURE MEETINGS

The date of the next meeting will be Thursday 8 December 2016 at 5.30pm at Chace Community School.

Proposed dates for future meetings:

- 18 January 2017
- 1 March 2017
- 19 April 2017
- 5 July 2017

8. EXCLUSION OF PRESS AND PUBLIC

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 excluding the press and public from the meeting for any items of business moved to the part 2 on the grounds that they involve the likely disclosure of exempt information as defined in those paragraphs of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006) as listed on the agenda.

Schools Forum Membership List

Name		Sector	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 J 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
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
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
Mr D Bruton	H	S	Chace Community	Summer 2016	Spring 2020
Ms L Dawes	H	A	Oasis Hadley	Spring 2016	Autumn 2020
Mr G Stubberfield	G	A	Southgate	Spring 2016	Autumn 2020
VACANCY		A			
Ms C Gopoulos		EY	Bright Stars Nursery	Spring 2016	Autumn 2020
Mr K Hintz		P16	CONEL	Autumn 2015	Summer 2019
		All	Chair of Overview & Scrutiny Committee	By Appointment	
Mr S McNamara / Mr T Cuffaro		All	NUT	Autumn 2013 Autumn 2015	Spring 2017
Mr J Carrick		All	Local Authority	By Appointment	
VACANCY		All	Local Authority	By Appointment	
Clr 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
A – Academies & Free Schools
EY – Early Years
P16 – Post 16

MINUTES OF THE SCHOOLS FORUM MEETING**Held on Wednesday 6 July 2016 at Chace Community School****Schools Members:**

Governors: Ms I Cranfield (Primary) Chair, Mr C 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 D Bruton (Secondary), Mr P De Rosa (Special), Ms
 M Hurst (Pupil Referral Unit), Mr B Goddard (Secondary), Ms H Knightley
 (Primary), Ms A Nicou (Primary), Ms H Thomas (Primary), Ms L Whitaker (Primary)*

Academies: Ms L Dawes, Vacancy

Non-Schools Members:

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

Observers:

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

Also attending:

Chief Education Officer	Ms J Tosh
Assistant Finance Business Partner	Mrs L McNamara
Resources Development Manager	Mrs S Brown
Resources Development Officer	Ms J Bedford
Observer	Ms S Watson

* Italics denote absence

1. MEMBERSHIP AND APOLOGIES FOR ABSENCEa) **Apologies for Absence**

Apologies for absence were received from Mrs Leach, Mrs Sless, Mr Stubberfield, Ms Ballantine, Mr De Rosa, Ms Homer, Mr Bruton, Ms Knightley, Ms Whitaker and Mr Hintz.

b) **Membership**(i) **Election of Chair of the Schools Forum for the municipal year (2016/17)**

Ms Tosh invited nominations for the position of Chair of the Schools' Forum.

Received a nomination for Ms Cranfield for the position of Chair of the Schools Forum.

Resolved to elect Ms Cranfield as Chair of the Schools Forum for the municipal year 2016/17.

Ms Cranfield thanked the Forum and Ms Tosh and took over the Chair.

(ii) **Election of Vice-Chair of the Schools' Forum for the municipal year (2016/17)**

Ms Cranfield sought nominations for the position of Vice-Chair of the Schools' Forum.

Received a nomination for Mrs Sless for the position of Vice-Chair of the Schools Forum.

Resolved to elect Mrs Sless as Vice-Chair of the Schools' Forum for the municipal year 2016/17.

(iii) Noted that nominations were being sought the positions reported as being vacant.

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.

3. MINUTES OF THE LAST MEETING

Received and agreed the minutes of the meeting of the Schools Forum held on 11 April 2016, a copy of which is included in the Minute Book.

4. ITEM FOR DISCUSSION AND/OR DECISION

a) School Funding Review (2016/17)

Received a report that provided the outcomes from the School Funding Review (2016/17), a copy of which is included in the Minute Book.

Reported the report was in two parts:

- The first part provided a summary of the Section 251 Budget Statement, which detailed how the Dedicated Schools Grant (DSG) had been allocated.
- The second part provided information on funding delegated to individual schools.

Noted:

- (i) The Section 251 Budget Statement reflected the Forum's decision to reduce funding provided for central services to balance the DSG. This resulted in funding held for central services decreasing from £13.9m for 2015/16 to £11m for 2016/17 (1% of DSG).

Clerk's note: Ms Dawes arrived at this point.

- (ii) The Budget comparison table for 2015/16 and 2016/17 provided information on the changes in Pupil Information.

It was queried if the pupil numbers used for academies was correct. Officers apologised and confirmed that the pupil numbers had not been refreshed for the new year.

- (iii) It commented that the report was informative, but did not provide information on the expenditure schools were incurring to address the cost pressure of the pay awards, higher National Insurance and pension contribution. In response to a question whether schools had set balanced budgets, it was stated that this report was simply reporting on the funding allocated through the DSG. From the outturn and working budgets received, six schools ended 2015/16 in deficit and eight schools in total had reported they would have a deficit budget at the end of 2016/17.

It was remarked that the budget information masked the financial difficulties schools were facing and although schools had reported balanced budgets, it was most likely that more schools would be reporting a deficit in 2017/18. There was a need to understand the pressures facing individual schools' budgets and the support that could be provided.

The Forum was advised that the information on balances was indicating an overall increase in balances held by primary schools and an overall decrease in balances held by secondary and special schools.

It was stated that the Authority was developing a framework for supporting schools in financial difficulties. In response to a question whether through the Framework, the Authority would fund the deficit, it was stated that this would not be the case and schools with a deficit recovery plan would be supported through a licensed deficit loan.

A full report including some analysis on the impact of the flat cash budgets on schools would be presented to the next meeting.

It was commented that there was a need for a strategic view regarding the budget constraints.

- (iv) It was questioned whether the DfE proposals included the minimum funding guarantee. It was stated that the proposals for the school funding reforms had included a minimum guarantee, but it was uncertain how it would operate.
- (v) It was observed that Enfield was a net exporter in terms of pupil places and there was a need to develop a strategy that would tackle and reverse this situation.

b) Central Services Funded from the Dedicated Schools Grant (DSG) & Education Services Grant (ESG) - Update

Received an update on the Central Services funded from the DSG & ESG, a copy of which is in the Minute Book.

Reported following the request from the Schools Forum, this report included information on the review of central services funding from the DSG and a briefing on the proposals contained in the DfE consultation document on the ESG.

Noted:

- (i) The review of the central services from the DSG had been incorporated into the work being undertaken by the Council on early help and intervention.
- (ii) It was requested that further information be provided on the impact the funding cuts have had on individual services and consideration be given to whether the services could be provided differently to release money to support schools. It was stated that the services where funding from the DSG had been completely withdrawn had developed packages for schools to purchase as part of a traded service offer. Although this was possible for a number of services, it may not be for some and, so the next stage was to assess the wider impact of the current and future change in funding.

It was suggested it would be useful to have information on the traded services and the level of buyback. It was stated the services within education were currently considering developing a different way of delivering the traded services provided. The proposals were being considered by the Council Management team and Cabinet, and if agreed would be presented to the Forum, together with information on the traded services.
- (iii) It was requested that the publication of traded services available for schools to purchase be published as early as possible to enable schools to consider and confirm, in time for the new financial year, their intention on which services will be purchased. It was stated that consideration would be given to publishing the traded services information as early as possible, but this was dependent upon discussion regarding the budget.
- (iv) Following the consultation on the funding reforms, the DfE had requested information on historical commitments and combined services funded from the DSG. The DfE had been provided with this information and the outcome of the DfE review was awaited. The Forum was advised that the outcome might affect any local decisions on central services funded from the DSG.
- (v) As part of the DfE proposals, Enfield may lose up to £3.61m of the general element of the ESG grant.

It was stated that it was unclear how the proposed cessation of the ESG and creation of the fourth block within the DSG would operate. As part of the proposals, it was stated that local authorities would be responsible for admissions and pupil place planning.

In response to a question whether the Authority would be consulted on any new academies and free schools opening in Enfield, it was stated that this was the key in managing and developing a strategy for pupil places. Officers and the Regional Commissioner for Enfield now met regularly and this issue had been raised and would be included as part of the ongoing discussion at meetings.

c) School Funding Arrangements (2017/18)

Reported the publication of the second phase of the funding consultation had been delayed due to the election purdah period and now the effects of the outcomes from the EU Referendum.

The DfE had stated that the document would be published. It could be at the end of the term or during the school holidays. The DfE had been advised that publication during the school holidays was not helpful for schools.

Agreed to advise the Forum when the DfE published further consultation documents.

Action: Mrs Brown

d) School Places

A verbal report was provided to the Forum.

Noted:

- (i) The current pupil places information was indicating a surplus of places for secondary aged pupils and the need for additional places for primary aged pupils. From 2018/19, the demand for secondary places would increase and additional places would be required.
- (ii) The Forum was advised that the need for additional places at special schools was critical. There was a significant increase in the number of children with social and emotional mental health (SEMH) needs and this was creating additional pressure for all schools. Both the special schools and the PRU were being asked to provide additional places for these pupils, but without expanding the buildings, it was becoming difficult to place these children. Officers were working with the special schools and PRU Headteachers to consider how the provision could be further increased. Mainstream schools were trying to maintain and support these pupils, but those with high levels of need were in danger of being permanently excluded.

It was commented that mainstream schools were seeing an increase in the number of pupils with autism who were just below the threshold for support. The support required for these pupils was creating a further pressure on resources for schools.

It was stated that the Chief Executive and officers were aware of the impact of the increase in the number of pupils with severe learning difficulties and were working on a number of strategies, including expanding the provision offered at Waverley and further developing Durants.

- (iii) The Forum was informed that the Local Authority had recently been inspected by Ofsted on how the SEND Reforms were being implemented. One of the inspectors had commented that the increase in autism in Enfield appeared to very high in comparison to other boroughs or nationally. It was stated that there was a need to carry out some research in this area to understand the reasons. It was stated that the Fair Access Panel was seeing an increase in the number of assessments for under 5's: now 32% of all requests for assessments were for under 5's.

Agreed to circulate the briefing note on pupil places to the members of the Schools Forum.

Action: Mrs Brown

5. WORKPLAN

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

ACTION: Mrs Brown

6. FUTURE MEETINGS

(a) Date of Next Meeting

The Forum was advised the next meeting was planned for Thursday 13 October 2016 at Chace Community School, but if the DfE published the next phase of the national funding formula consultation document before the summer, then the date of this meeting would need to be changed to be in line with the deadline for responses to the consultation.

(b) Dates of future meetings were as follows:

- 8 December 2016
- 18 January 2017
- 01 March 2017
- 19 April 2017
- 05 July 2017`

7. CONFIDENTIALITY

No items were considered to be confidential.

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MUNICIPAL YEAR 2016/2017 REPORT NO. 7**MEETING TITLE AND DATE:**Schools Forum 13th October 2016**REPORT OF:**

Director of Finance, Resources & Customer Services

Contact officer

Louise McNamara

E mail: louise.mcnamara@enfield.gov.uk

Agenda – Part:

Item: 4e

Subject: Schools Budget - 2015/16 Outturn Report and 2016/17 Monitoring Update**1. EXECUTIVE SUMMARY**

- 1.1. This report provides a review of the schools budget revenue expenditure for 2015/16 which resulted in a year-end balance of £1.204m being carried forward into 2016/17. The reasons for the variances are described below and a summary of the schools' outturn position is also included.

2. RECOMMENDATIONS

- 2.1 To note the contents of the report.

3. 2015/16 DSG OUTTURN POSITION

- 3.1 The original estimate of DSG resources for 2015/16 amounted to £311.123m before the academies recoupment adjustment. This estimate included use of £2.573m from DSG reserves and estimates of in year adjustments for early years funding. Budget allocations for 2015/16 were agreed within this level of resources. Subsequent adjustments resulted in the final DSG being £307.568m as in year early years adjustments were significantly lower than estimated, as shown in the table below.

DSG Summary 2015/16	£'000s
Original estimate of 2015/16 DSG	308,550
Use of DSG Accumulated Balances	2,573
Total Estimated DSG Resources 2015/16*	311,123
Final Allocation – lower early years funding	-3,555
Final DSG Resources 2015/16*	307,568
Academies Recoupment Transfer	-45,680
Net DSG Resources 2015/16 (including balances)	261,890

* DSG resources include £1,210k EFA funding for post 16 special school pupils

4. ACCUMULATED DSG CARRIED FORWARD

- 4.1 The following table sets out the cumulative DSG resources available as at 31 March 2016.

		£'000s
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Balance brought forward 1 April 2015		6,026
Less Carry forwards applied in 2015/16		
Contribution to 15/16 Schools Budget	-2,573	
Two Year Old Trajectory Funding	-1,102	
School in Financial Difficulties Contingency	-100	-3,775
		2,251
2015/16 overspend		1,047
Total 2015/16 Carry Forward		1,204
Earmarked carry forwards:		
Two Year Old Trajectory funding	-155	
School in Financial Difficulties Contingency	-105	
Autism Contingency	-800	1,060
Uncommitted Balance c/f 31 March 2016		144

5. REASONS FOR VARIATIONS FROM ORIGINAL BUDGET

5.1 The DSG carry forward balance at the end of 2015/16 is lower than estimated due to overspends in some areas during the financial year. The following table provides an analysis of the reasons for budget variances and the amounts. A minus sign indicates reduced expenditure or additional income.

2015/16 Outturn Analysis	£'000s
Early Years - 3 & 4 Year Olds Underspend due to lower take up of places	-453
Early Years - 2 Year Olds Underspend due to lower take up of places	-1,915
High Needs – Outborough SEN Placements Overspend due to increase in demand for places	821
High Needs – Exceptional Needs Overspend reflects increase in demand for outborough specialist places	461
High Needs – Post 16 SEN Overspend reflects increase in demand for post 16 SEN support	345
Central Licences Charge from DfE higher than estimated de-delegated amount	101
Asset Management Lower revenue funding required to support capital projects	-103
Behaviour Support Underspend mainly relating to staff vacancies during the year	-120
Miscellaneous minor variances	-170
High Needs Contingency to offset overspend	-1,475
Net Budget Underspend	-2,508
Reduction in planned DSG income	3,555
Net Position 2015/16 – funded from DSG reserves	1,047

6. 2016/17 MONITORING POSITION

6.1 DSG 2016/17

At the March 2016 Schools Forum meeting it was reported that the estimated final DSG settlement for 2016/17 was **£310.207m**. This was based on the DSG allocation issued by the EFA in December 2015 plus an estimate of the in year adjustment for the Early Years Block reflecting the January 2016 census for 2 year olds and 3&4 year olds.

In July the final DSG allocation for 2016/17 was announced and this is shown in Table 1 below.

Table 1 - Summary of Funding and Draft Budgets by Funding Block

2016/17 DSG (Final)	Dec-15	July-16	Variance
	£000	£000	£000
Schools Block	258,530	258,530	0
Early Years Block 3&4 Year Olds – Jan 15	13,210	13,210	0
Early Years Block 3&4 Year Olds – est uplift to Jan 16 census	629	-8	-637
Early Years Block (3&4 Year Olds)	13,839	13,202	-637
Early Years Block 2 Year Olds – Jan 15	4,098	4,098	0
Early Years Block 2 Year Olds – est uplift to Jan 16 census	1,620	346	-1,274
Early Years Block (2 Year Olds)	5,718	4,444	-1,274
High Needs Block	30,886	30,886	0
Total Estimated DSG 2016/17	308,973	307,062	-1,911
EFA Funding for post 16 special school pupils	1,234	1,234	0
Total DSG 2016/17 plus EFA Allocation	310,207	308,296	-1,911

6.2 Early Year Pupil Premium

The Early Years Pupil Premium Grant (EYPP) is paid as part of the DSG allocation rather than with the other pupil premium funding. The original allocation for 2016/17 was £418k but the revised allocation issued in July 2015 was £169k which is in line with our 2015/16 expenditure.

6.3 Academies Recoupment

The final 2016/17 DSG allocation has also been reduced by £53,783m to reflect the recoupment for all academies as at 01 April 2016. A further adjustment is expected later in the year to reflect the 4 schools that converted to academy status with effect from 01 September 2016. This adjustment has a nil effect on the overall schools budget position as a reduction in income is matched by a reduction in expenditure.

6.4 2016/17 Schools Budget Monitor

The monitoring report produced at the end of July 2016 predicts an end of year overspend of £29k as detailed in **Table 2**. Any ongoing implications of the pressures that are identified through the monitoring process will be fed into the 2017/18 draft budget.

Table 2 – DSG Budget Monitor Position 2016/17

2016/17 – July Monitoring Position	£'000s
Early Years Underspend projected due to placements for 2 year olds and 3 and 4 year olds being lower than estimated	-1,869
Mainstream Tuition Underspend projected based on current pupil nos	-252
High Needs – Outborough Day Placements Overspend projected based on in year increase in pupils being placed in outborough day provision	283
High Needs – Outborough Residential Placements Overspend projected based on in year increase in pupils being placed in outborough residential provision	593
High Needs – Exceptional Needs Overspend reflects increase in the number of EHCPs, resulting in an increase in delegated funding to schools	300
Miscellaneous minor variances	-87
High Needs Contingency to offset overspend	-850
Net Budget Underspend	-1,882
Reduction in planned DSG income	1,911
Latest Monitoring Position 2016/17	29

The table above indicates that the main budget monitoring issues relate to the early years and high needs budget areas.

Early Years

The pupil numbers for both 2 year olds and 3 and 4 year olds are lower than estimated which has reduced both income and expenditure. Current projections indicate an almost breakeven position but this will be monitored closely during the autumn and spring terms to pick up any variations in numbers.

High Needs

The current overspends in outborough placements and exceptional needs funding can almost be contained within the high needs contingency and minor underspends in other central budget areas. There is, however, a high level of risk surrounding these budgets as demand continues to increase and the overspend is likely to increase over the next 2 terms. Other developments to increase in borough SEN provision will also increase the overspend in 16/17 but should reduce the need for additional pupils to be placed in more expensive out of borough provision. The early year's provision at Waverley, effective from September 2016, is estimated to cost £300k in 2016/17.

DSG Outturn Position

Based on the latest monitoring position and the ongoing and additional pressures identified above, the 2016/17 DSG allocation is anticipated to be overspent. The reserves bought forward from 2015/16 available to offset any overspend are minimal so guidance from the DSG Conditions of Grant would apply. As there is no LA general fund to offset any DSG overspend the following clause would apply.

The local authority may decide not to fund any of the overspend from its general resources in the year in question and to carry forward all the overspend to the schools budget in the next year or the year after that. A local authority needs to obtain the consent of the schools forum, or failing that the Secretary of State, to fund this deficit from the schools budget.

MUNICIPAL YEAR 2016/2017 REPORT NO. 8

MEETING TITLE AND DATE:

Schools Forum – 13 October 2016

REPORT OF:

Director of Children's Services & Chief Education Officer

Contact officer: Sangeeta Brown

E mail: sangeeta.brown@enfield.gov.uk

Item: 4b

Subject:

School Balances 2015-16 and Individual Schools Budget 2016 -17: Update**1. EXECUTIVE SUMMARY**

1.1. This report provides information on:

- balances reported by maintained schools as at 31 March 2016;
- update on individual schools budgets

2. RECOMMENDATIONS

2.1 The Forum is asked to note and comment on the contents of this report

3 SUMMARY OF SCHOOL BALANCES 2015/16

3.1 School revenue balances, including community focussed activities, at 31 March 2016 totalled **£9.931m** compared to balances brought forward on 1 April 2015 which totalled £11.281m. Details by sector are set out in

Table 1: Sector Balances:

Sector	Balances at 31/03/2015 £'000s	% of Budget 2014/15 %	Balances at 31/03/2016 £'000s	% of Budget 2015/16 %	Net Movement in Year £000's
Primary	8,746	5.5	10,198	5.7	1,452
Secondary	892	1.4	(1,807)	-1.9	-2,699
Special (inc ESTC)	1,643	8.5	1,540	8.4	-103
Total	11,281	4.2	9,931	3.4	-1,350

3.2 The overall sector percentage and the range of balances are detailed in **Table 2:**

Table 2: Range of School Balances

Sector	Sector Average	Range of balances
Primary	5.41%	-0.6 to 16%
Secondary	-4.02%	-20.3 to 4.9%
Special	7.48%	1 to 19 %

Details the balances on a school-by-school basis can be found in the appendix A.

4. ANALYSIS OF BALANCES

4.1 **Table 3** provides details of the balances from 20011/12 to 2015/16 for the three sectors, with balances for:

- Primary schools increasing;

- Special schools the balances have only reduced slightly because a school has been raising funds towards a new build. If this school's balance was discounted, then the average percentage of balances held by special schools is considerably lower.
- Secondary schools' balances have reduced significantly with five schools ending the year with deficits in excess of £1m. Two of the five schools started 2015/16 in deficit and another had projected a deficit for 2015/16 towards the end of 2013/14. The Authority has been working closely with these schools to support them to consider and develop a deficit recovery plan. The recovery for these schools is projecting over a long period. The Authority is considering other options with these schools to speed recovery.

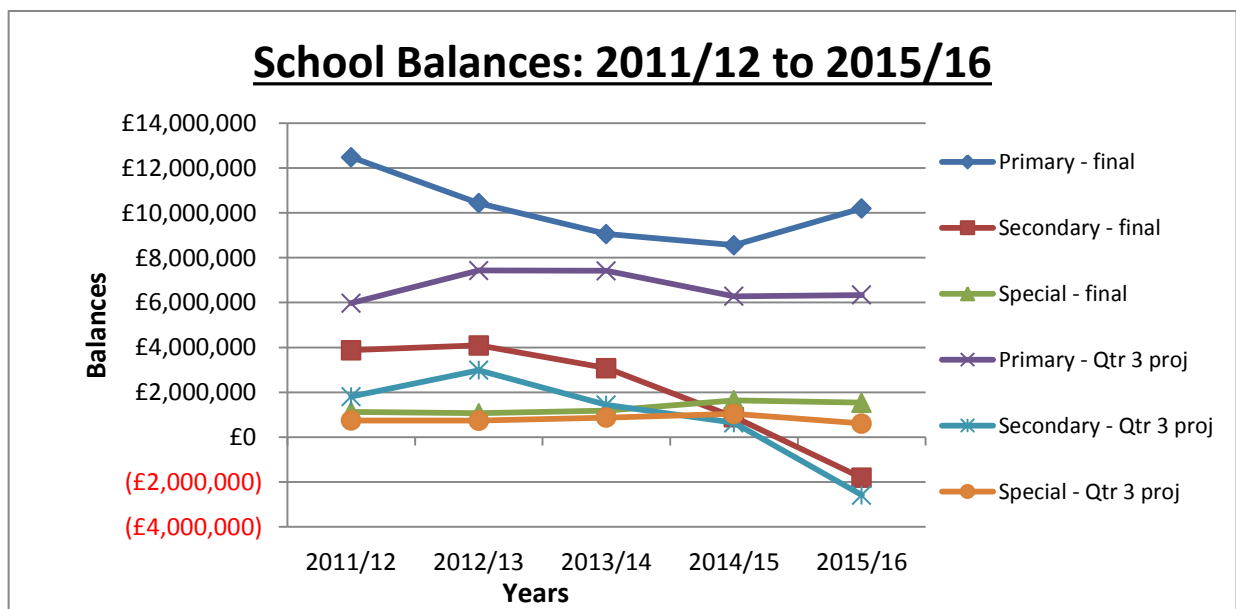
Table 3: Comparison of School Balances between 2010/11 and 2014/15

Sector	2011/12		2012/13		2013/14		2014/15		2015/16	
	£'000s	%	£'000s	%	£'000s	%	£'000s	%	£'000s	%
Primary	12,673	9.2	10,604	7.5	9,139	6.1	8,746	5.5	10,198	5.7
Secondary	3,877	4.2	4,094	4.4	2,858	3.2	892	1.0	(1,807)	-1.9
Special	1,129	8.8	1,068	8.1	1,402	8.6	1,643	9.7	1,540	8.4
Total	17,678	7.3	15,766	6.4	13,399	5.1	11,281	4.2	9,931	3.4

4.2 **Figure 1** below demonstrates that there continues to be a variance between the balances projected at quarter 3 and actual balances at the end of the year. While the amount of projected and actual balances has reduced the percentage variance still remains at the same level as previous years.

The Authority sought information from schools that had a significant variance between the balances projected at quarter 3 and actual balances at the end of the year. Information from schools is awaited.

Figure 1: Comparison of projected and actual balances



- 4.3 An analysis was carried out as to whether there were any particular factors or reason, which affected the level of balances retained by schools. The outcome of the assessment was that there were particular types of primary schools with large balance and these included:
- Schools either with over 650 pupils, Federated / Amalgamated or a teaching school: a number of these schools have balances over the 8% threshold for retaining balances;
 - Voluntary Aided Schools carrying out large building projects. These schools are required to meet 10% of the cost of any capital funded project. The schools typically meet some or all the contribution from revenue.
 - Primary Schools: along the A10 and on the southwest borders of the borough were found to typically have balances below 4%.

Due to the small sample, it is difficult to highlight anything in particular for secondary and special schools.

5. RECYCLING OF SCHOOL BALANCES

- 5.1 Since the implementation of the threshold for reporting on balances above 8% for Primary & Special and 5% for Secondary schools, there has been a trend for high balances held by schools to be reducing and, in 2014/15 the reduction was from 81% to 16%. For 2015/16, there has been an increase in the number of primary schools with balances above 8% from 9 to 16 schools. The reason for this increase has been highlighted in paragraph 4 above. **Table 4** summarises the numbers and percentage of schools above the threshold.

Table 4: Schools with Balances above the Upper Threshold:

Sector	No of schools	% of schools in sector
Primary	16	29%
Secondary	0	-
Special	3	43%
Total	19	34%

In line with the Scheme, the Local Authority monitors and challenges schools with large balances. It is in this context the Authority has written to seek information from those schools that had not reported as part of the Quarter 3 return that they would be carrying forward funds above the threshold of 8 and 5%. Information is awaited from four schools. Once information has been received from these schools, it will be assessed and the outcome reported.

6 Schools Budgets

- 6.1 At the last meeting of the Forum, members raised a concern about the cost pressures facing Enfield schools. The cost pressures have resulted due to the Dedicated Schools Grant (DSG) being provided on a flat-cash basis since 2011/12 and schools being required to absorb the pressures from existing resources. The Forum asked for information to be provided on the impact these pressures were having on individual schools budgets for the current and future years.
- 6.2 Working Budgets – 2016/17

The Authority was contacted by a few schools to report that they were having difficulties in setting a balanced budget for three years and sought advice. The schools were provided with the guidance given to schools in financial difficulties. Working budgets were received from all schools by the deadline. Table 5 below details the number of schools reporting that they would not able to set a balanced budget over the three year period.

Table 5: Number of Schools with actual or projected deficit

Sector	Number of Schools with Actual or Projected Deficit				
	Projected 31-Mar-16	Actual 31-Mar-16	Projected 31-Mar-17	Projected 31-Mar-18	Projected 31-Mar-19
Primary	1	1	1	3	8
Secondary	4	5	5	6	7
Special	1	-	1	3	3
Total	6	6	7	12	18

Information is being gathered from other London local authorities as to whether they are seeing a similar increase in the number of schools either in deficit or projecting a deficit by the end of 2016/17. Table 6 details the information gathered to date:

Table 6: Details of Schools in Deficits

Local Authority	No. Of Schools	Schools Forecasting Deficit 2016/17	No. Of Forecasted Deficits In Range		
			£0-£499k	£500k-£999k	£1m+
Primary					
Bracknell Forest	35	3	3	-	-
Bromley	11	1	1	-	-
Croydon	60	3	3	-	-
Enfield	61	1	1	-	-
Greenwich	60	1	1	-	-
Hackney	52	5	5	-	-
Havering	50	8	8	-	-
Hillingdon	51	1	1	-	-
Kingston	31	1	1	-	-
Lambeth	59	4	-	-	-
Lewisham	63	1	1	-	-
Richmond	40	1	1	-	-
Ealing		3	3	Likely To Be More	
Islington		1	In deficit, amount unknown		
Secondary					
Bracknell Forest	4	1	1	-	-
Bromley	1	-	1	-	-
Croydon	6	2	2	-	1
Enfield	11	5	2	-	3
Greenwich	5	3	1	1	1
Hackney	7	-	5	-	-
Havering	4	3	3	-	-
Hillingdon	2	1	-	1	-
Kingston	1	1	-	-	1
Lambeth	8	-	-	-	-
Lewisham	11	8	5	1	2
Richmond	2	-	-	-	-
Special					
Enfield	6	1	1	-	-
Islington		1	In deficit, amount unknown		
Lambeth	5	1	1	-	-

The Chief Executive and Council's Management Board agreed to formalise the process for supporting schools in financial difficulties. Officers have been working with the schools currently in deficit or projecting a deficit as at 31 March 2017. Officers have either written or are meeting with those schools that have indicated they will be in a deficit from 31 March 2018.

6.3 Budgets: Known Impact for 2016/17 and 2017/18

It is now known that mainstream delegated funding, pupil premium rates and sixth form budgets continue to be provided on a flat cash basis for 2016/17 and now also for 2017/18.

Early Years funding will be provided on a flat basis for 2016/17. For 2017/18, the Government has recently published a consultation document with proposals to change the funding arrangements and introduce a national funding formula. As part of these proposals, the Government has indicated that additional resources would be provided to support implementation. The financial illustrations provided by the Government indicate that Enfield will receive an increase in funding.

6.4 Financial Forecast

This next section uses pupil data and benchmarking information from 2014/15 to project income and expenditure for hypothetical primary, secondary and special schools to understand the effect of the cost pressures on school expenditure.

(a) Pupil Numbers

Table 7 below details the pupil numbers used for funding purposes from 2013/14 to 2016/17.

Table 7: Pupil Numbers from 2013/14 to 2016/17

Sector	Pupil Numbers			
	2013/14	2014/15	2015/16	2016/17
Primary	29,523	30,113	31,142	31,862
Secondary	18,639	18,012	17,844	17,896
Special	529	538	587	591
Total	48,691	48,663	49,573	50,349

The current pupil projections are indicating that:

- Primary: there is a requirement to deliver eleven additional forms of entry from September 2016 to September 2019.
- Secondary: there are surplus school places until 2018 and then if the current provision does change then there will be a capacity gap, which will need to be bridged;

The need for additional places assumes that the additional forms of entry will be in line with the Authority's basic needs analysis and it cannot factor in the effect of new free schools opening in areas where school places are not required

Special: given the ad-hoc nature of pupil requiring admission to placement with high needs, it is difficult to project demand. The pressure for special schools places is the subject of another agenda item.

(b) Pupil Premium & Free School Meal Eligibility

As has been previously reported, there has been a significant reduction in the number of pupils eligible for free school meals. The reduction appears to be due to the effects of the Welfare Benefit Reforms. At the same time, the Income Deprivation Affecting Children Index (IDACI) updated in 2015 has reduced the percentage of children and young people reported to be from disadvantaged backgrounds.

The Pupil Premium, introduced in 2011, aimed to support pupils from deprived background and a rate of £430 was applied for each pupil eligible for free school meals and by 2014/15 the per-pupil rate had increased to £1,300 for primary aged and £935 for secondary aged. Since 2014/15, the per-pupil rate has not changed, but the funding provided to schools has reduced due to a decrease in the number of pupils eligible for free school meals. Table 8 below provides a summary of the change in number of pupils attracting the pupil premium and the total funding allocated to schools.

Table 8: Number of Schools with actual or projected deficit

Years	Pupil Premium: Rate Per Pupil	Number of Pupils Attracting Pupil Premium (Ever 6)	Variance (from previous year)	Pupil Premium: Total Allocated to Enfield £000s	Variance (from previous year)
2011/12	£488 (in yr £430)	11,024	-	£5,417	-
2012/13	£600	14,963	136%	£9,378	173%
2013/14	Primary - £953 Secondary - £900 LAC - £900	15,723	105%	£14,807	158%
2014/15	Primary - £1,300 Secondary - £935 LAC - £1,900	15,425	98%	£18,870	127%
2015/16	Primary - £1,300 Secondary - £935 LAC - £1,900	15,009	97%	£18,313	97%
2016/17	Primary - £1,300 Secondary - £935 LAC - £1,900	13,983	93%	£17,126	94%

The pattern of decline seen in the number of pupils attracting Pupil Premium funding is very similar to that experienced for funding provided through the DSG to support pupils' eligible for free school meals. In 2011, it was reported that 28.9% pupils were eligible against the free school meals factor and this is now just under 19%.

A recent report published by the Education Policy Institute analysed the trends in the disadvantage gap and the funding provided to support pupils from deprived background. A recommendation from the report was any funding through the deprivation factor in the national funding formula should be at least at the national average of 7%. In 2015/16, 8.22% of funding was allocated using the deprivation factor; this does not include the pupil premium. With further reduction in pupils eligible for free school meals and no change to the funding rate, the overall funding provided to support deprivation in 2016/17 reduced to 6.1%.

Similarly, when the overall funding provided through the Pupil Premium is compared to the total funding delegated to schools, this has reduced from 7.4% in 2015/16 to 7% in 2016/17.

It is difficult to say, at this stage, what the Government's policy will be for informing deprivation funding for the national funding formula or whether the decline in pupils eligible for free school meals has reached a point where it will not be further effected by the Welfare Benefit Reforms.

(c) Income and Expenditure

Income: As mentioned above, funding is being provided on flat cash basis for this and next year. Using the expenditure pattern for the last three years and pupil information, income projections at outturn have been carried out for the next two years.

Expenditure: Similar to the income projections, the pattern of spend and also the known cost their budgets including any cost pressures. Table 9 below provides a summary of know costs pressures that schools have had to absorb.

Table 9: Known Cost Pressures

Pressures	2013/14	2014-15	2015-16	2016-17	2017-18
Teachers Pay Award	1%	1%	1%	1%	1%
Support Staff Pay Award	1%	-	1%	1%	1%
Teachers National Contribution	-	-	-	3.4%	-
Support Staff National contribution	-	-	-	-	-
Teachers' Pension Contributions	-	-	2.3%	-	-
Support Staff Pension contribution	-	0.5%	0.5%	0.5%	0.5%
Loss of Sixth Form Transitional funding					
Rates	Whilst cost neutral for schools, there will impact on DSG				
Other costs					

Using the benchmarking information available to the Authority and other known information available, an assessment of the impact the known pressures will have on income and expenditure. The projections indicate for:

- Primary sector, if pupil numbers continue to rise at the same level with no other changes, as a sector should maintain expenditure within the resources available for the next couple of years. This is not at an individual school level, where variations between schools will be experienced.
- Secondary sector with falling pupil numbers in both pre and post 16 provision (please see appendix B for further information) and increasing number of schools in deficit, there is a significant gap between income and expenditure. In 2015/16, the actual gap between total resources and expenditure was just below £1m and if the same pattern of spend continues and no contextual changes, then the gap will widen over the next two years, especially when the lagged funding for those schools that have seen a drop in 6th form pupil numbers takes effect next year. This is not at an individual school level, where variations between schools will be experienced.

The indication from the Government consultation on the national funding formula is that there will be no additional funding for implementation. The analysis from London Council

has shown Enfield is likely to see a reduction in the funding provided to schools. This change has not been factored into the above analysis, as it is unclear how the transitional arrangements will operate.

(d) Strategies for Supporting all Schools

The DfE in their consultation document stated that they were seeking efficiencies from schools and this was also highlighted in the White Paper published earlier this year.

From the information received to date, it is assumed that the new Prime Minister and Cabinet are likely to continue with some of the policies introduced by the previous Prime Minister, such as the National Funding Formula, removal of the Education Services Grant.

Update and Proposals

(i) National

There is no financial support but, the Government has established a number of tools to support schools in making efficiency and achieve value for money. These include:

- the procurement centre: Provides guidance for schools to purchase goods & services
- School Efficiency Metric tool: Assist schools to understand whether they could improve their efficiency relative to other schools
- Schools Financial Health Check: Providing information, guidance and data to support sound financial management.

(ii) School Business Management Forum

At the last meeting of the School Business Management Forum, the SBM Forum was asked to consider how the meetings could explore opportunities for collaboration and partnership working, as well as share best practice to enable financial efficiencies to be gained. It was agreed, at each meeting of the SBM Forum, would discuss and share information regarding forthcoming contracts and review practices at individual schools for back office functions.

(iii) Headteachers' Conference

Under the current framework, it is responsibility of individual schools and their Governing Body to develop strategies to maintain expenditure within available resources.

The changes due to the national funding formula and the work with the schools currently in financial difficulties has highlighted the need to consider how schools can work together to collaborate in delivering the curriculum, sharing teaching resources, create opportunities for sharing, expanding use of buildings and reviewing 6th form provision.

(iv) Local Authority Support

The Authority is supporting individual schools in deficit or there are concerns. To support this work and also individual schools, it is suggested either through existing partnerships or forming a separate forum with the Local Authority to collate views/ responses from Headteacher and School Business Managers to develop a strategic plan to support schools to achieve savings, while continuing to maintain educational standards.

The Authority is exploring the use of Power B I to support a collaborative approach for procuring goods and services. The Authority could work across schools to analyse and advise on areas where there might be efficiencies to be gained from joint procurement or the use of existing contracts and Framework agreements.

7. CONCLUSION

7.1 The report has highlighted the position on school balances, schools in deficit and discussed the effect of cost pressures on the primary and secondary sector. It is clear that there is a change in the current economic climate for schools and, without additional resources, there is a need for schools to collaborate and work together to reduce costs by sharing resources and practice.

7.2 Comments are invited from the Schools Forum on the information and strategies included in paragraph 7 above.

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MUNICIPAL YEAR 2016/2017 REPORT NO. 10**MEETING TITLE AND DATE:**Schools Forum 13th October 2016**REPORT OF:**Director of Finance, Resources &
Customer Services

Agenda – Part:

Item: 4e

**Subject: Schools Budget
2017-18****Contact officer**

Louise McNamara

E mail: louise.mcnamara@enfield.gov.uk**1. EXECUTIVE SUMMARY**

- 1.1.** This report provides an initial assessment of the Dedicated Schools Grant Resources (DSG) available for 2017/18 based on current information. The report then reviews the estimated pressures on these resources and determines and the overall budget position.
- 1.2.** A more accurate position will be available at the December meeting when information from the October 16 census will be available and more accurate projections of income and pressures for 2017-18 will have been determined.
- 1.3.** This information will be reviewed following the announcement of the DSG settlement for 2017/18 and publication of the October 2016 dataset which is expected in mid-December.

2. RECOMMENDATIONS

- 2.1** To note the contents of the report.
- 2.2** To note that updates on the 2017-18 budget position will be presented at the October 16 and January 17 meetings.

3. SCHOOLS BUDGET 2017/18

The final government funding announcements for 2017/18 have not yet been issued, however information is already available about the level of DSG funding for 2017/18. We know that funding will again be on a flat cash basis with per pupil funding remaining at the same rates with no inflation applied for the fifth year running.

The guaranteed unit of funding (GUF) for the schools block was announced in July and in August the DfE launched a consultation on the introduction of a national funding formula for the early year's element of the DSG from 2017/18. This enables initial projections of the level of DSG funding for 2017/18 to be calculated. The report then considers the budget pressures that have been identified and how these impact on the overall budget position.

3.1 SCHOOLS BLOCK

(a) Level of Funding

The introduction of a national funding formula has been postponed but as a preparation for this process the Education Funding Agency (EFA) carried out a DSG baselining exercise earlier this year to compare the use of DSG resources by block to the DSG funding allocations by block. The funding rates for 2017/18 reflect the outcome of this exercise and the GUF for Enfield is £5,050 per pupil.

The funding level has been adjusted to incorporate £838k of funding transferred to the DSG from the retained duties element of the Education Services Grant (ESG). The ESG is being discontinued and the responsibility for retained duties will need to be met from the DSG. Further information will be provided when the arrangements regarding the transfer of ESG are clearer.

The 2017/18 DSG settlement will not include any adjustment for the in year growth in free schools and academies from September 2017. These are all growing schools and the ongoing in year increase in pupil numbers will have to be funded from overall resources. This is an ongoing pressure on DSG resources.

(b) Proposed Formula Changes

(i) 6th Form Funding

The funding arrangements for 2017/18 no longer allow a 6th form factor so alternative ways of distributing this funding need to be considered. Options being considered are as follows

- Funding added to KS4 unit rate
- Funding added to KS3 and KS4 unit rates
- No adjustment to unit rates and MFG to provide protection for schools

Appendix A provides modelling to illustrate the impact of the first 2 options.

(ii) Unit Rates

No other formula changes are being considered at this stage, pending the implementation of the national funding formula but unit rates for 2017-18 will need to be reviewed to assess affordability when the DSG settlement and dataset are received. This may particularly be necessary for the IDACI and Prior Attainment factors where there will be changes to the dataset.

(c) Pro Forma

The EFA have lifted the requirement to submit a provisional funding pro forma at the end of October but the authority will be using this tool to build up the school budget position over the autumn term, pending the data set and DSG funding announcement expected in mid December. The local funding formula for schools will be reviewed and finalised based on affordability of the 2017/18 DSG settlement. The proforma (APT) detailing the final schools budget position for 2017/18 will be presented to schools forum at the January meeting prior to submission to the EFA by their required deadline of 20 January 2017.

3.2 EARLY YEARS BLOCK

At this stage the income and expenditure for early years is based on the latest 2016/17 position, pending the outcome of the Early Years consultation. DSG income for 3 and 4 year olds reflects the 2017-18 baseline position issued by the EFA and funding for 2 year olds is based on the latest 2016/17 DSG allocation.

3.3 HIGH NEEDS BLOCK

At this stage authorities have been advised by the DfE to assume the same level of high needs funding as 2016/17, adjusted for the outcome of the baselining exercise. The funding has been adjusted to incorporate a transfer of funding in respect of high needs college places which amounts to £102k. These places will now be funded from the DSG rather than direct funding to the colleges from the EFA.

There is expected to be an uplift to the High Needs Block in the December DSG announcement but no indications have been given about the level of additional resources that will be provided.

Appendix 2 gives an initial forecast of DSG resources for 2017/18 based on estimated October 2016 census data and growth in academies, compared to the latest DSG allocation for 2016/17.

4. PRESSURES & SAVINGS

4.1 SCHOOLS BLOCK

(a) Demographic Pressures

Estimated changes in pupil numbers have been reflected in both the income and expenditure allocations above. In primary there is estimated growth of 440 pupils and in secondary estimated growth of 170 pupils.

More accurate calculations will be made when we have internal data from the October 2016 census.

(b) Other School Factors

(i) Rates

5 schools have converted to academy status during 2016/17 which reduces their rates liability as they receive 80% mandatory relief. This has resulted in a reduction in rates funding of £504k. This reduction is slightly offset by the estimated inflationary increase in the cost of rates bills of £67k. 2017/18 is a revaluations year for rateable values so this could create a pressure if rateable values are increased. Updates will be provided when further information available.

(ii) School Amalgamations

At 2 schools the infant and primary schools amalgamated with effect from April 2016. In the first year following amalgamation the block funding element of

their funding is partially protected but with effect from 2017/18 they are only entitled to one block allocation for each amalgamated school which results in a saving of £277k.

(iii) Growth Fund

The demand on the growth fund for 2017/18 is still being assessed as officers project pupil numbers and determine the additional provision that will be required, At this stage it is assumed that the same number of new classes will be required in September 2017 as was required in 2016. The reduction of £180k included in the table reflects the completion of 3 permanent school expansions, reducing the funding required for in year pupil adjustments.

The authority has recently responded to a DfE consultation exercise regarding a change to the arrangements for funding new free schools. The consultation proposes that local authorities will have to fund these from the year of opening, whereas we currently fund from the second year. This is an additional risk being transferred to the authority as often information on pupil numbers can be uncertain in the year of opening and we will receive no additional funding to cover this additional cost. An update on the outcome of the consultation will be provided when this is available.

4.2 EARLY YEARS BLOCK

At this stage the income and expenditure projections for both 2 and 3 and 4 year olds has been based on the 2016/17 position, pending the outcome of the Early Years consultation. Details of the new funding arrangements will be provided at a future meeting.

4.3 HIGH NEEDS BLOCK

Based on the 2016/17 budget monitoring exercise several pressures have been identified which will have an ongoing effect in 2017/18.

(a) Exceptional Needs Funding

The number of Education, Health and Care Plans (EHCP) for pupils in maintained schools continues to increase and the level of support included in the plans is also increasing, reflecting an increase in the complexity of need.

The latest monitoring position for 2016/17 indicates an overspend of £300k based on changes during the summer term. The full year effect of these changes is £750k and this is reflected in the table above.

	Summer 2015	Summer 2016
Number EHCP	532	614
Average Level of Support (hours per week)	23.06	24.03

There will be further changes over the next 2 terms with new cohorts joining the education system and additional plans being agreed. Updates on the financial impact of these changes will be reported at future meetings as soon as data is available.

As the overall budget position is assessed, there is a need to consider the sustainability of the current arrangements for exceptional needs pupils. Enfield's arrangements are not in line with other local authorities, who only provide the top up funding for exceptional needs pupils. From the information published to date, going forward this arrangement will not be allowed when the national funding formula is implemented.

The local arrangement were reviewed a couple of years ago and the decision on implementation was postponed, but now there may be a need to reconsider the previous decision regarding implementation.

(b) Outborough SEN Placements

Although the authority is working hard to develop more in borough high needs provision, as detailed in the High Needs Report, there is an ongoing pressure on the outborough placements budget as pupils are placed in specialist day and residential provision. The latest monitoring position for 2016/17 indicates an overspend of £624k to the end of August. If this trend continues the estimated full year effect will total £1.3m. The position will continue to be closely monitored and updates of the position will be brought to future meetings.

(c) Special School Places

As detailed in the High Needs Report, 2 special schools, Durants and Waverley, have been expanded during 2016/17 to admit additional pupils. The 2017/18 cost of these expansions is as follows

- Durants £115k (5 places)
- Waverley £480k (13 places Sept 16 increasing to 24 places Sept 17)

(d) High Needs College Places

The pressure included in the table above reflects the transfer of responsibility from the EFA to the local authority for these pupils

4.4 CENTRAL SERVICES

Central services funded from the DSG continue to be funded on a flat cash basis less any savings agreed during the 2016/17 budget setting process. Any pressures or savings relating to central services have not been included in the above table are subject to a separate review exercise.

5. DSG BALANCES

As reported in the 2015/16 Outturn Report, the DSG balance brought forward at 01 April 2016 was £1.204m of which £1.060 is already earmarked for specific projects as detailed in the 2015/16 Outturn Report. This leaves an uncommitted balance of £144k available.

The £800k autism fund is committed to fund the adaptation works at Durants, the 2016/17 cost of the Waverley expansion and the balance of funding for the autism advisory provision. There is a remaining balance of just under £100k.

The DSG monitoring position to the end of July indicated an overspend of £29k which will be funded from this uncommitted balance. Due to ongoing high needs pressures this

overspend is likely to increase during the financial year. Any overspend on the 2016.17 DSG will be funded from the 2017/18 allocation.

The DSG will continue to be closely monitored and updates on the updated outturn position will be brought to future meetings.

6. RISKS & UNCERTAINTIES

At this early stage there are still a number of uncertainties in respect of the 2017/18 budget. These include

- 2016/17 Outturn position
- Outcome of recoument consultation exercise
- The final 2017-18 DSG settlement, particularly in respect of High Needs
- Outcome of Early Years consultation exercise and 2017-18 funding
- Pupil data from the October 16 (schools) and January 17 (early years) census
- Discontinuation of the general element of the ESG from September 2017

Updates on all these issues will be included in future reports as soon as information becomes available.

Draft DSG and Budget 2017/18

	£'000
2016/17	
Latest Allocation from DfE (pre recoupment)	307,062
EFA Funded HN Places	1,234
Latest DSG Funding 2016/17 (July 16)	308,296
Early Years Pupil Premium	169
TOTAL DSG Funding 2016/17	308,465
2017/18 Estimated DSG	
Early Years (3-4 Year Olds) – Jan16 Census	13,644
Early Years - 2 year olds – Jan16	4,444
Schools (5-15 Year Olds) – estimated Oct 16 census	253,815
High Needs Block (indicative 2017/18)	40,320
Estimated DSG 2017/18	312,223
Early Years Pupil Premium	169
TOTAL Estimated DSG Funding 2017/18	312,392
Estimated Variation in DSG	3,927
(ESG trf 838, HN College trf 102, Pupil Nos 2,987)	
Known Pressures/ Saving:	
Early Years	
Early Years - 3 and 4 year old provision – tbc	0
Early Years - 2 year old provision – tbc	0
Schools Pressures	
Pupil Numbers – Est Oct 16 Census	2,900
Academy Growth	1,280
Retained Duties Element of DSG	838
Rates	-437
School Amalgamations – reduced Block Funding	-277
Growth Fund	-180
High Needs Pressures	
Special School Places	595
Exceptional Needs	750
Outborough SEN Placements	1,300
High Needs College Placements	102
Total Pressures	6,871
Total Projected Budget Deficit	2,944

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MUNICIPAL YEAR 2016/2017 REPORT NO. 11**MEETING TITLE AND DATE:**

Education Resources Group – 4 October 16
Schools Forum – 13 October 16

REPORT OF:

Director of Children's Services & Chief Education Officer

Contact officer: James Carrick

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	Item: 4f
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Subject:

Provision for High Needs: Update

1. EXECUTIVE SUMMARY

1.1. This report provides update on the options for meeting the increasing demand to support pupils with high level of SEND needs.

2. RECOMMENDATIONS

2.1 Members are asked to note and comment on the contents of this report

3 INTRODUCTION

3.1 The Education Resources Group requested that information be provided on the Authority's strategy for SEND and Inclusion. This report provides information on the increase in the number of pupils with high level of complex SEND and also update on current developments and those required in the future.

3.2 Since 2012, there has been a significant increase in the number of children and young people with SEND coming into the Borough. Table 1 below details the number of statements and Education, Health and Care Plans agreed over the last five academic years. It can be seen that there was a marked increase between 2013/14 and 2014/15; it is viewed that this has been due to the effect of the Welfare Benefit Cap with more children and families either moving or being placed in the Borough. The more significant increase has been between 2014/15 and 2015/16 and the impact of the requirement of the SEND Reforms to support children and young people between 0 – 25 years old.

Table 1: Number of Statements / Plan Agreed from 2011/12 to 2015/16

End of Academic Year	Number of Statements/Plans	% increase since 2012
Academic Year 11/12	1245	-
Academic Year 12/13	1366	10%
Academic Year 13/14	1298	4%
Academic Year 14/15	1403	13%
Academic Year 15/16	1751	41%

3.3 To support the increase in pupils with high levels of SEND in the borough, the special schools were expanded to create more places and facilitate the increase. Table 2 below details the number of pupils attending the special schools between 2011/12 and 2015/16.

Table 2: Number of Pupils attending Special Schools between 2011/12 - 2015/16

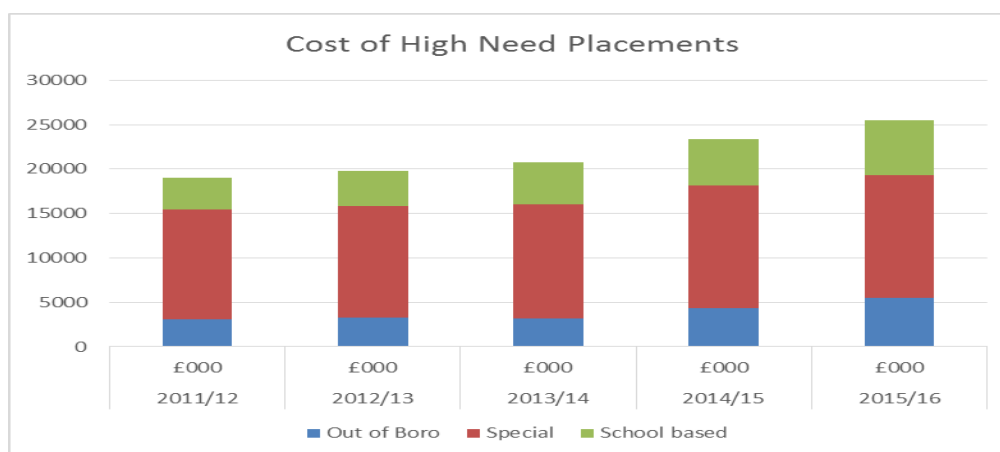
End of Academic Year	Attendance at Special Schools	% increase since 2012
Academic Year 11/12	448	-
Academic Year 12/13	507	13%
Academic Year 13/14	497	11%
Academic Year 14/15	537	20%
Academic Year 15/16	555	24%

3.4 The growth in both Education Health and Care Plans and the demand for specialist places has led to an increased demand for specialist placements resulting in a rise in the use of out of borough provision. Table 3 details the number of pupils placed out-borough between 2011/12 and 2015/16.

Table 3: Number of Pupils Placed Out-borough between 2011/12 and 2015/16

End of Academic Year	Attendance at Out-Borough Specialist Provision	% increase since 2012
Academic Year 11/12	49	-
Academic Year 12/13	77	57%
Academic Year 13/14	90	84%
Academic Year 14/15	126	157%
Academic Year 15/16	156	218%

3.5 Graph 1 below shows the cost of meeting the increase in pupils with SEND.

Graph 1: Cost of High Needs Places from 2011/12 to 2015/16

4. PROJECTED DEMAND FOR ASD

4.1 During 2015, the Authority carried out some analysis of the current demands and likely future demands for specialist ASD. The analysis focussed on supporting children with ASD and where there is a lack of capacity those sent to facilities in other boroughs for suitable support. The next section is an extract from the analysis.

4.2 In order to project the demand for ASD, the analysis included some assumptions and they were:

- that historic and current demand for high support ASD school places in Enfield is the total of the children at Durants and Russet schools and those who have been placed out of borough; and
- operational or policy factors that could affect the demand for high support ASD, such as changes in diagnosis or the statement of educational need process, cannot be accounted for and as such are ignored

This does mean that the projections may not cover all the prevalence of ASD or other categories of need.

4.3 Due to the uncertainty of factors that could lead to an increase in demand for support for ASD, the analysis used three alternative methods of projection, an average of the three was taken to introduce an element of constraint. This then provided a basis for planning future provision requirements. The three options used to forecast are set out below. The actual numbers of pupils with high level ASD supported 2009-14 are shown and form the basis of each forecast along with the Enfield school roll projections (GLA +5%). Graphs 2 & 3 detail the results of the analysis.

Option one

The actual Enfield prevalence of ASD will be projected using a forecast based on the numeric trend. It is “unconstrained” in that it will have no reference to other factors such as the school roll projections or other trends.

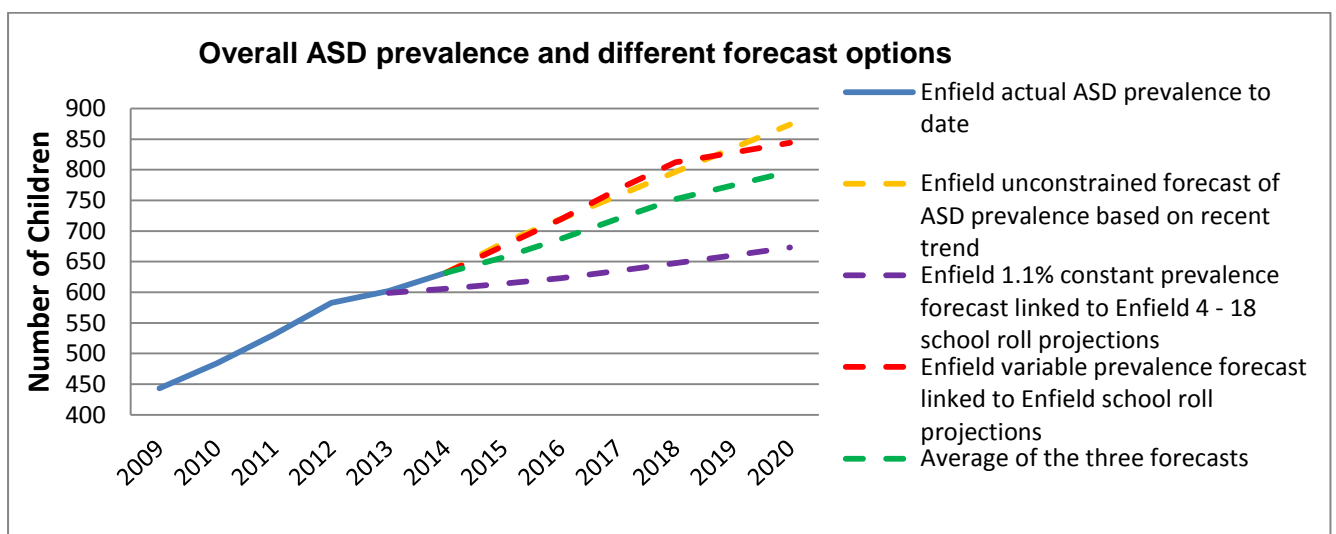
Option two

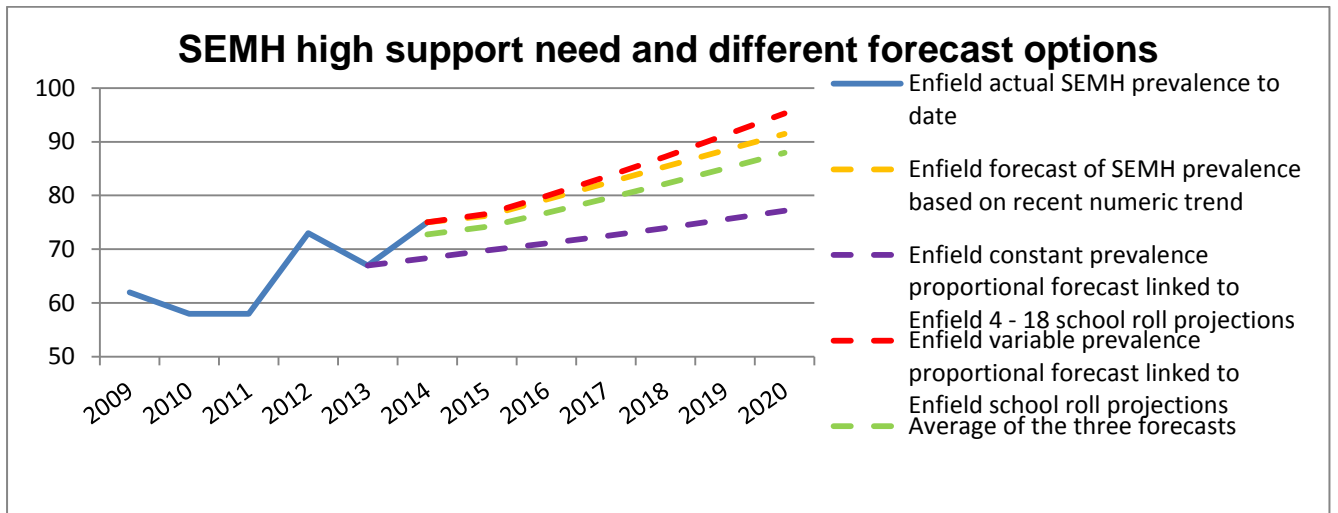
The average prevalence rate of ASD pupils compared to the whole school roll projections is generated then applied as a flat rate (no increase) to the school roll projections. This forecast is therefore constrained in that there is no allowance for any increase in prevalence of high level support needs for children with SEN/SAP ASD. Enfield’s actual numbers of children with ASD show a divergence from this formula from 2012.

Option three

The historic and increasing prevalence rate is used to generate a forecast that continues the rate of increase and remains unconstrained. This rate is then applied to the school roll projections.

Graph 2: Overall ASD Prevalence and forecast options



Graph 3: SEMH and Different Forecast Options

The result of the analysis led to the Authority working closely with Russet House and Durants Schools to support and deliver the strategy for supporting pupils with ASD details of which were reported to previous meetings, including earmarking £800k to progress this development.

5. DEVELOPMENTS

5.1 New Developments

As shown in Graph 1 above, over the last five years the cost of out- borough placements has increased by approximately £2.5 million. It is recognised if pupil growth continues at the same rate, then the costs of placing in out-borough provision will also increase in a similar way. This level of increase cannot be sustainable or contained within the resources available within High Needs Block. Officers are aware that the funding available for the High Needs block would be better utilised and quality of SEN placement/care improved by increasing the available high needs places in Enfield Special Schools. In support of this, officers are recommending to November Cabinet the continuation of the School Expansion Programme (SEP), with the focus on special provision and high needs pupil places.

In the meantime to support the increase in pupils requiring specialist provision for ASD, SEMH and other complex needs, officers have continued to work Russet House and Durants Schools and are also working with the other special schools to identify options for expanding existing provisions to create more places in borough. As the options have been developed, they have been reported to the Schools Forum. To date:

- **WAVERLEY PRE-SCHOOL:** This has opened on the site of the Children’s Centre in Bell Lane. Currently, there are 13 learners with the roll due to increase to 24 next year. Previously, these children were either at home or in a mainstream setting, where their profound needs could not be met.
- **DURANTS SCHOOL:** A safe room has been developed at Durants to enable the school to manage some of the more extreme presenting needs of their cohort of learners. The intention is that such an expansion of the provision will enable the school to manage the learners without recourse to a more specialised placement that does not currently exist in the borough. The £800k funding earmarked for ASD has supported this development.

- **ST MARY'S ARP:** This primary provision for pupils with SEMH was expanded at the start of the school year to enable them to cater for 16 pupils.
- **WEST LEA SCHOOL:** originally was part of a maintenance project to replace life-expired buildings, but now has been incorporated into the SEP programme. The project scope has been increased to include additional places.
- **AYLANDS SCHOOL:** The Authority is still committed to rebuilding the school and expanding the existing roll to 72.
- **MINCHENDEN:** The Authority has now purchased the site and the development as an ASD provision will be progressed.

5.2 Other Developments

The Authority is continuing to consider how provision within the borough can be increased to reduce the number of children and young people placed out-borough. The areas which are being considered are:

Lack of Secondary SEMH Provision: The date for a partial resolution of this issue is likely to be September 2017 when buildings become available that can accommodate this cohort that are currently educated outside of the borough. There are ongoing discussions about the suitability of accommodation and the role that the LA might play in conjunction with Academy Trusts who are interested in setting up SEMH free schools that.

Lack of Secondary ASD Provision: This is an issue for September 2017 where we are already aware that the Durants will not have sufficient places to accommodate all of the year 6 leavers who might want to access the school. The Local Authority are working with the school to try and identify suitable accommodation that might assist in placing these learners.

Lack of Primary ASD Provision: The date for a partial resolution of this issue is likely to be September 2017 when buildings become available that can accommodate this cohort that is currently educated outside of the borough.

6. **CONCLUSION**

The increasing need being experienced in Enfield is also being seen in other London local authorities. The other London local authorities are all reporting an increase in the numbers of children arriving in their boroughs with additional needs, especially an increase in complexity of need leading to spiralling of costs and most are finding it difficult to manage within the resources available within the High Needs block, but also the Dedicated Schools Grant (DSG). Until the Government publish their intentions for the national funding formula and how this would meet the growing demand for additional high needs, this is going to be an on-going pressure on the resources provided through the DSG.

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MUNICIPAL YEAR 2016/2017 – REPORT NO. 12**MEETING TITLE AND DATE:**

Schools Forum – 13 October 2016

REPORT OF:

Director of Children's Services & Chief Education Officer

Contact officer: Sangeeta Brown

E-mail: sangeeta.brown@enfield.gov.uk

Agenda – Part: 1	6
Subject: Schools Forum: Workplan	
Wards: All	

Recommendation

To note the workplan.

<u>Meetings</u>		<u>Officer</u>
April 2016	DfE Consultation – National Funding Formula Post 16 High Needs - Briefing	SB AJ
July 2016	School Funding Review (2016/17) School Funding Arrangements (2017/18) Central Services Budgets: Review School Places – Update	SB SB JT JT
October 2016	Schools Budget – Update (2016/17) Schools Budget: 2017/18: Update Outturn Report 2015/16 Schools Balances 2015/16 Central Services Budgets: Decision Schools in Financial Difficulties - Update	LM LM LM SB JT
December 2016	Schools Budget: 2017/18: Update, Inc. De-delegation School Funding Arrangements (2017/18) Central Budgets: Update Local Authority Budget (2017/18)	LM SB JT ES
January 2017	Schools Budget: 2015/16: Update Scheme for Financing SEND & High Needs – Update	JF SB JC
March 2017	School Budget 2015/16: Update Enfield Traded Services to Schools Scheme for Financing	LM SB SB
April / May 2016		
July 2017	Schools Budget – Update (2017/18) School Funding Review (2017/18) Funding Arrangements (2018/19)	LM SB SB

Please note the individual papers will include any implications arising from the White Paper

Dates of Meetings

Date	Time	Venue	Comment
13 October 2016	5:30 - 7:30 PM	Chace Community School	
08 December 2016	5:30 - 7:30 PM	Chace Community School	
18 January 2017	5:30 - 7:30 PM	Chace Community School	
01 March 2017	5:30 - 7:30 PM	Chace Community School	
19 April 2017	5:30 - 7:30 PM	TBC	
05 July 2017	5:30 - 7:30 PM	Chace Community School	

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