

MUNICIPAL YEAR 2017/2018 REPORT NO. 17

MEETING TITLE AND DATE:

Education Resources Group – 30 November 17
Schools Forum – 13 December 17

REPORT OF:

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Item: 4b

Subject:

**School Funding Arrangements –
2018/19: Responses to Consultation**

Wards: All

1. EXECUTIVE SUMMARY

1.1. This report provides the responses received to the proposals contained in the consultation document on the school funding arrangements for 2018/19.

2. RECOMMENDATIONS

2.1 Members are asked to note and comment on the final recommendations for the funding formula.

3 BACKGROUND

3.1 At the last meeting, the Forum was informed of the options and the Authority's preferred options to inform the funding arrangements for the Schools and Early Years blocks. Following the discussion at the meeting, the proposals were amended to include the views of the Forum and published for comments from all maintained schools, academies, free schools and private, independent & voluntary early years providers.

3.2 This report provides a summary of the responses received and seeks the Forum's views on the final proposals for the local funding arrangements for 2018/19.

In providing their view's, the Forum is reminded that the proposals in the consultation were based on 2017/18 data and indicated funding rates provided by the DfE. Both the data and funding will be subject to change: pupil data for the October Census and funding on the final budget settlement received from the Government. Therefore, the proposals in this document will be subject to the resources available.

4. SUMMARY OF RESPONSES

4.1 As reported previously, the timetable for reviewing and publishing proposals for the local arrangements had been tight and with the agreement of the Schools Forum, the consultation period for receiving responses was just over two weeks. By the deadline of 27 November 2017, 36 responses had been received and of these three were received just after the deadline. Table 1 provides a summary of the response received.

Table 1: Summary of Responses Received

Number of Responses	Total Number = 36	1 - Primary	2 - Secondary	3 - Special	4 - Academies	5 - PVI&C
		12	3	0	1	20
		33%	8%	0%	3%	56%

4.2 Local Funding Formula for Mainstream Schools

As advised at the last meeting, the Government have confirmed that they are implementing a national funding formula (NFF) from April 2018, but for 2018/19 and 2019/20 it will be a "soft formula". So, this effectively means funding continues to be provided to local authorities and is calculated using the NFF for schools with and the total amount for schools in each authority is then adjusted by the additional 0.5%. Local authorities, then still continue to have the

responsibility for consulting and determining within the regulatory parameters the local funding formula for mainstream schools in their area.

The Forum's comments at the last meeting were used to finalise the two options included in the consultation documents. The two options were:

- Model B: to use the NFF unit rates for factors used for Enfield's current funding formula and 82% of the NFF unit rates for all the other not used locally;
- Model C: to partially implement the NFF unit rates: by moving 50% of the way towards NFF.

For both models, illustrations of -1.5% and 0% minimum funding guarantee (MFG) were included. A summary of the responses received is shown in Table 2.

Table 2: Responses to the local funding formula for mainstream schools

			1 - Agree	2 - Disagree	3 - No response
1	Formula Funding for mainstream: Use of Either Model	Primary	1	0	11
		Secondary	0	0	3
		Special	0	0	0
		Academies and Free Schools	0	0	1
		PVIs	3	3	14
		Total	4	3	29
		%	11%	8%	81%
1a	Model B	Primary	1	1	10
		Secondary	1	0	2
		Special	0	0	0
		Academies and Free Schools	1	0	0
		PVIs	0	0	20
		Total	3	1	32
		%	8%	3%	89%
1b	Model C	Primary	10	0	2
		Secondary	2	1	0
		Special	0	0	0
		Academies and Free Schools	0	0	1
		PVIs	3	0	17
		Total	15	1	20
		%	42%	3%	56%

Additional comments received were as follows:

- (a) Model C with 0%MFG/3%cap seems the fairest option. Worst case scenario means some schools get exactly the same as last year, others gain in varying degrees. Having a soft approach to NFF makes sense so that the variation is not too much when and if it comes into being. It is clear government want to change how funding is distributed so it is wise to be prepared. Model C seems to be the kindest option particularly when giving protection to those who will be worse off under NFF, giving a couple of years grace to deal with the changes.
- (b) St. Anne's would prefer Model B (- 1.5% MFG) as it favours our school. However, we do understand the logic of Model C - 0% MFG and the reasons for it. In a spirit of collective partnership, we will support Model C although our funding will be less.

Recommendation

When considering both models, the Authority's proposes the implementation of Model C with 0% MFG because this will ensure:

- No school sees a reduction in their per pupil amount from the 2017/18 level;
- Primary to secondary per pupil ratio would be close to the national average.

4.3 **Funding for Pupils with High Needs in Mainstream Schools**

Schools were asked to respond on the proposal to transfer 0.5% funding from the Schools Block to the High Needs Block to continue to support schools with an above average incident of pupils with SEND. The average incident is currently calculated to be 1 in 75 pupils; and for 2018/19, this average will be reviewed to reflect October 2017 pupil numbers. A summary of the responses received is shown in Table 3.

Table 3: Responses received for funding pupils with High Needs in Mainstream Schools

		1 - Agree	2 - Disagree	3 - No response	
2	Transfer of 0.5% from the Schools to High Needs block to provide additional funding to inclusive schools supporting an above average number of pupils with SEND	Primary	11	1	0
		Secondary	3	0	0
		Special	0	0	0
		Academies and Free Schools	0	1	0
		PVIs	7	3	10
		Total	21	5	10
		%	58%	14%	28%

Additional comments received were as follows:

- (a) SEND: Providing that they are not receiving funding elsewhere i.e. via ARP
- (b) Losing £6,000 per pupil for children with an EHCP is having a hugely detrimental impact on our budget. To be told we were double funded is no help. We have a lot of SEN children who will not get an EHCP but will need a lot of additional support and resources and our allocated SEN budget was being used for that.
We have children whose EHCPs are being agreed and we have an additional funding to do anything for them. IT's a huge amount of SENCO time to get all the paper work for very little gain (especially when the plan stipulates only 15 hours).
- (c) This is one of the hardest budgeting problems for schools so maintaining the current arrangements would continue to assist schools with the cost. It is clear Govt. has not demonstrated how it will fund SEND in the future but transferring 0.5% from schools block will help schools with maintaining support for the time being.
It would be invaluable to schools and PVI's to have some extra specialists available to help with support and advice on supporting NEF children with SEND. The hourly rate does not give settings any allowance to fund support. The only concern is that all settings should have fair access to the new staff as there is a risk some settings may have more support than others receive so a fair system of allocation should be administered.
- (d) School with above average incident of pupils with SEND should be supported by transferring funding from school with no or marginal amounts of pupils with SEND. The established principle of funding following the student should apply in regard to SEND. An historic review over the past two to three years will highlight the spread of such pupils across the borough and where they are concentrated.
To simplify the administration a lagged approach could be used similar to schools and sixth forms where the funding follows the student numbers one year behind. There is no comparative figure for the funding allocated to Central Services in 2017/18. Without this figure, there is a lack of transparency on the level of increase or decrease in Central services, consequently a meaningful challenge against the amount of funds allocated to Central services is difficult. It is assumed that Central costs are in decline but this is not supported by the figures used in the presentation.

Recommendation

The Authority is proposing the transfer 0.5% from the schools to the high needs block to support mainstream schools with higher than the average incident of SEND pupils. In line with other school funding arrangements, the average incident will be calculated using pupil data from the October Census.

4.4 **Early Years Inclusion Fund**

It was suggested in the consultation document that the use of the Inclusion Fund be amended to include direct support from three Education Psychologists and an Area SENCO, as well as the direct award through the Inclusion Panel. A summary of the responses received is shown in Table 4.

Table 4: Responses received to the use of the Early Years Inclusion Fund

		1 - Agree	2 - Disagree	3 - No response	
3	Early Years - Inclusion	Primary	9	1	2
		Secondary	1	0	2
		Special	0	0	0
		Academies and Free Schools	1	0	0
		PVIs	12	8	0
		Total	23	9	4
		%	64%	25%	11%

Additional comments received were as follows:

- (a) I agree with the comments that there is not enough EP's in the borough, and the time we have to wait as a setting from initial referral to a child being seen by CDT for a diagnosis, is ridiculous. I have an Autistic child who had to wait 10 months for a diagnosis from CDT. The waiting times are not good enough to get these children the help and support they need.
The Inclusion fund did help me pay for another member of staff to give her 1:1 support and enabled her key person to complete an Autism Awareness course, which we have found invaluable as a setting. It would be a great help to all settings if there is a point of call we could contact for advice for children with SEND, and strategies we could put in place while we are waiting so long for any help.
- (b) There should be some funding set aside for staff of pre-schools to attend specialist training, such as speech and language and maybe some support classes from the SENCo department as in reality the advice we are given is very helpful but it would be helpful if settings staff can be trained in specialist support for our children.
- (c) We were not consulted about the proposals and we don't know of any PVI's who were involved in the discussion. We feel that rather than the appointment of 3 EP's the funding could be spent on specialised training for PVI staff
To better equip them to deal with the SEN issues that they encounter for erg
Makaton Training
Elklan Training
Autism Training
Courses for existing SENCO's within the settings
- (d) 5.3 Inclusion fund. The rate of £4.59 is not sufficient for settings to employ an extra member of staff to give 1:1 support to a child. If they apply for the fund and are therefore expected to allocate a member of staff to give 1:1 support they are faced with an extra financial burden which they cannot afford to cover and remain financially viable. This is one reason why settings may not apply for the fund.
As was highlighted by the PVI reps and PVI observer at the last schools forum meeting the PVIs had not been asked for their feedback on how any unused inclusion fund could be used. We said that we would bring this issue and the proposals up at the next early years forum on Wednesday 22/11. The majority of PVIs were represented at this meeting and when asked if they had actually received the consultation document many of them said they hadn't. Several others thought that as it mentioned schools it had been sent to them in error so ignored it/deleted it. The PVIs present at the meeting requested that the deadline for the consultation be extended to give them the opportunity to respond. The LA officers present said that they would try to delay the deadline date if they could but they would ensure that the consultation document was resent to all PVIs. PVI Association reps asked all their colleagues if any of them had been asked for their feedback about the inclusion fund, the response was an overwhelming NO. Not one PVI had been asked or given any feedback so the claim that they had is incorrect. The PVIs present did not agree that it is appropriate or sensible to divert money from this fund to employ educational psychologists. Their view is that this would not benefit the majority of children with SEND in the PVI sector or 'help them to fill in forms' [even if EPs did help with form filling, which is doubtful, it would not be a very cost effective method.] The PVIs present at the meeting felt that a much better use of the inclusion money that has not been used and one which would benefit a much larger number of children with SEND would be to increase the amount of training available to the PVI sector, e.g. on how to support children with S&L difficulties, emotional & social difficulties, communication and social difficulties, behavioural issues and to reinstate the autism training. The PVIs were not against having some overall SENCO support but they did feel that just initial training for those new to the SENCO was not sufficient and that ongoing training for SENCOs in the sector would be beneficial too. Training in all the areas mentioned would improve the skills and knowledge of all the people working in the sector and ensure they are better equipped to support all the children with additional needs both now and in the future. Surely this would be a much more effective use of this

money? The PVI's present were very unhappy that yet again proposals that directly affect them and the children in their care are being put forward by people who do not work in the sector and have not asked those that do for their opinion on what would be the best use of funding.

- (e) We have two children diagnosed by Enfield with Autism
And a few children with speech and language difficulties
- (f) Maintain the current arrangements for allocating a fund to individual settings.
To include support to early years settings for EPS service.
Enable pre-statutory work to be carried out with children.
Increase the central provision for the work currently carried out by area SENCO.
- (g) We agree that an allocated fund should be available to support children in their setting. We do not however feel that allocating such a large amount of money from the fund to employ 3 Educational Psychologists is helpful as we feel the money should be spent on the children and on staff training. Settings need support even before referring to EPS and once they have been allocated an EP visits are infrequent. How accessible would dedicated EP's be given the number of early years (both PVI and school) settings in Enfield?
We feel that increasing the provision for Area SENCO work to offer practical support by coming in and confirming in a settings mind that a child does have an additional need would be really beneficial. Settings would also benefit from having help with writing IEP's and could be encouraged to apply for inclusion funding. In the main settings now do referrals to professionals, meet with parents, chair meetings etc. which is all additional work and having support with this would really help.
We feel we should get the 95% of funding we are entitled to for 2018/19. This may mean that you need to reduce the deprivation payments if the level of 2.5% inclusion fund is retained.
- (h) There should be some funding set aside for staff of pre-schools to attend specialist training, such as speech and language and maybe some support classes from the SENCO department as in reality the advice we are given is very helpful but it would be helpful if settings staff can be trained in specialist support for our children
- (i) Point 5.1.4 of the consultation document and 5.3.1 of the Proposal. The hourly rate for 3 year old funding should be increased to PVI's in 2018/19 as the Government has stated that the local authority needs to pay PVI's 95% of the funding it receives (as opposed to the interim amount of 93% currently). We disagree with the 5.3.1 proposal that the current levels of funding are maintained at 93.5% (for basic hourly rate per child); 4% for Deprivation and 2.5% for Inclusion fund and would suggest that 95% of funding be paid to providers for 2018/19.
With regard to the Inclusion Fund (2.5% of the funding provided) the changes over this financial year have been that Inclusion Funding is distributed to all settings educating 3-5 year olds (including schools) on the basis of applications sent into the panel at given dates throughout the year. The very good thing is that the PVI sector is represented at these panel meetings (the first time we have been able to have a say on how funding is distributed) and we are surprised that funding in this block is underspent which may be that panel members were advised at the very first meeting in March to be very conservative in allocating funding requests so that funding would last the year. We do not agree with the analysis in 5.2.2 for the underspending which is more likely to be 1) lack of PVI knowledge about the current system and 2) the above mentioned encouragement to panel members to be conservative with applications. We do not agree with the proposal that 3 Educational Psychologists are needed to support PVI's to fill out the necessary paperwork and would like to see the current system, that has been given a very short opportunity to work, continue with greater publicity to the PVI sector so that we can obtain the funding we need which we believe will be more effective.
- (j) It was brought to my attention last week that certain proposals had been put forward to spend any funding that had not been allocated to settings. These include the funding of EP's and an area SENCO.
It is my opinion that although we are in desperate need of more EP's to support our children with additional needs this should be funded not by taking monies from the inclusion fund. This fund provides settings with the opportunity to access funding to purchase necessary equipment or send staff on training that they would not be able to afford.
In addition it would be wonderful to have an area SENCO to support us like we did previously, but again I feel that this should be something that is funded by a different budget.
Any underspend could be spent more constructively to provide a sustained programme of training for practitioners in PVI's to develop their knowledge/skills and how best to identify and support children that they care for in SEN, building confidence and in turn making them less reliant on outside agencies.
- (k) How do we access the Inclusion Fund? We were unaware of its existence. This may be why so little has been applied for ...

Who is the area SENCO?

We disagree with the proposal for the use of the Inclusion Fund. We are able to manage the current EP arrangements; however, our difficulty in Early Years (as with the rest of the school is in providing support for the disproportionate amount of children that we have in the school with severe needs, most of whom have EHCPs for our size of school. The existing funding is insufficient to support the work of the Inclusion Team within the School.

- (l) SEN children in pre-school settings: funding should have the same funding as mainstream schools. 0.5% regarding High needs to allow them to go to special needs school, i.e. Russet House, Cheviots are always full and SEN children's needs are not met.

Response and recommendation

The comments received have been considered and the Authority would respond as follows:

- (i) Noted the inaccuracy detailed in the document and to confirm the Authority will be compiling with regulatory requirements, that is 95% of funding received for the early years block will be delegated to providers.
- (ii) In response to the comment that the Inclusion Fund Panel being overly 'conservative'; the data on the use of Inclusion Fund for each term has been reviewed. In summary, it was found, 75% of applications submitted in the summer term and 76% of the autumn term applications were agreed. Those not agreed were outside the published criteria and applicants were advised of the specific reason for declining the application. There appears to be a gradual increase in applications; this could be a combination of more providers and schools becoming aware of the funding, and the needs of the new cohort of children emerging as the term progresses.
- (iii) In response to the comment that setting/schools not knowing about the fund; the Inclusion Fund guidance and information is detailed on the Local Offer and the School Portal. In addition, information was sent via email to every school and setting, as well as presentations delivered this term to all school SENCOs at the SENCO Forum, and similarly to the PVI Early Years Forum.
- (iv) The request that the Inclusion funding supports settings beyond EP support by having additional Area SENCO: the Authority has noted this request and recognises that the benefit of increasing the number of Area SENCOs would enable settings to have a named point of contact for all SEND enquiries and advice with regard to specific children with SEND as opposed to generic inclusion advice to the setting.

Recommendation

It is proposed in light of the comments received that the initial proposal is revised from three to two EPs and the Area SENCOs (Early Years Practitioners) are increased from one to three. We believe the additional Area SENCOs would increase capacity, and by them acting as first point of contact and working alongside the Early Years Practitioners, EPS (with two additional EY EPs) and EISS teams, they would provide settings easier access to advice on next steps, appropriate targets and referrals, modelling strategies, in order to bring any training attended 'to life' and embed it and offer guidance on paperwork for Inclusion funding, EHCPs and DLA applications.

The Authority will work with settings to develop and provide appropriate induction and training within the available resources.