

National Funding Formula for Schools and High Needs 2019/20

Consultation 1: with Somerset schools and academies on the funding formula for 2019/20

On 24 July 2018, [the National Funding Formulae for schools and high needs 2019 to 2020](#) was published by the Department for Education (DfE).

The DfE recognises that the introduction of the national funding formula (NFF) represents a significant change. To provide stability for local authorities and schools through the transition, it has previously confirmed that in 2018/19 and 2019/20 each local authority will continue to set a local schools formula, in consultation with local schools.

2018/19 has seen considerable movement in local formulae towards the schools national funding formula and the DfE has stated it is pleased to see the significant progress across the system in moving towards the NFF in its first year. In light of this progress, and in order to continue to support a smooth transition, the DfE has confirmed that local authorities will continue to determine local formulae in 2020/21.

The DfE is also updating three key areas of the formula in 2019/20, in line with the approach and commitments set out last year. These are:

- The minimum per pupil funding levels – the minimum per pupil funding level for secondary schools will increase to £4,800 and the minimum per pupil funding level for primary schools will increase to £3,500 (The local authority determine whether to use a minimum funding level and the value to set based on affordability).
- The funding floor – the funding floor will increase to ensure that all schools will attract at least a 1% gain per pupil against their 2017/18 baselines.
- The gains cap – the gains cap will increase to 6.09% per pupil against 2017/18 baselines. We have used a compounded figure so that underfunded schools can gain a further 3% on top of the 3% they gained in 2018/19.

Other minor changes include a small reduction to the primary low prior attainment (LPA) factor value to reflect the cohort increase due to changes to the Early Years Foundation Stage Profile. The total proportion spent will be maintained.

The Somerset Schools Forum and its sub group would like to consult with Somerset maintained schools and academies on some proposed local changes to schools funding for 2019/20.

Consultation 1: Detailed Proposals and Questions

It remains the DfE's long-term intention that schools' budgets should be set on the basis of a single, national formula (a 'hard' formula). To ensure some transitional stability, LAs will continue to set a local formula for schools in 2019/20 and 2020/21.

Local authorities will receive confirmation of their final Dedicated Schools Grant allocations in December 2018, following validation of the October pupil census data. The extent to which Somerset adopts the values within the DfE's NFF model will be determined by its funding settlement.

This consultation is set out in four parts as follows:

1. Formula Funding, Element 1; Exceptional circumstances
2. The Funding Floor, Capping and the Minimum Funding Guarantee (MFG)
3. De-delegation (Maintained Primary and Secondary schools only)
4. Education Function for Maintained Schools

Consultation 2: Transfer of funds from the Schools Block in 2019/20

Please note the authority will be asking schools to support the request to transfer up to 0.5% of the Schools Block funding to the High Needs Block in 2019/20. To ensure schools are informed when responding to this request a number of evening roadshows have been arranged, details to follow shortly and a separate consultation document and response form will be published.

Full details for each proposal for consultation 1 are provided below and the response form can be found on [IPOSTID-2-6673](#)

Please note that this consultation is to provide all schools with the opportunity to respond to the proposed changes to the revenue funding formula for 2019/20. Therefore, this is your opportunity to raise concerns or support the proposals. If no concerns are raised, the Schools Forum will assume that schools are happy for changes to take place.

National Funding Formula for Schools and High Needs 2019/20

1. Formula Funding – Element 1

(a) Exceptional Circumstances

Local authorities may request the inclusion of additional factors in their formula for exceptional circumstances. Additional factors may be approved in cases where the nature of the school premises gives rise to a significant additional cost, greater than 1% of a school's total budget and where such costs affect fewer than 5% of the schools (including academies) in the authority's area.

A number of exceptional arrangements have been agreed by the DfE where particular premises circumstances result in costs beyond the control of the governing body. Any factors which were used in 2017/18 can automatically be used in 2018/19 provided that the above criteria are still met.

Exceptional factors previously approved include:

- rents
- joint use of leisure facilities by contractual agreement
- building schools for the future (BSF) schemes - additional contribution to lifecycle maintenance costs
- hire of PE facilities
- listed buildings
- school with a farm included as part of its educational provision

Each application is considered on its own merits and it should not be assumed that a future application will be successful simply because it falls into one of the categories shown above.

Schools should note that some historical exceptional circumstances were already catered for when Somerset moved to the new funding formula. This includes funding for rents; most schools will have received funding for this element in the per pupil and lump sum allowance. Applications would therefore not be considered unless there has been a considerable increase in costs compared to the baseline figure used in 2013/14 or the charge for rent has been introduced since 2013/14.

Schools are invited to submit proposals for exceptional costs. As mentioned previously, additional factors may be approved in cases where the nature of the school premises gives rise to a significant additional cost **greater than 1% of a school's total budget** and where such costs affect fewer than 5% of the schools (including academies) in the authority's area. Applications should set out the rationale for the factor and demonstrate that the criteria are met.

Question 1(a):

Do you wish to submit an application for exceptional circumstances?

(If yes, please submit details as explained above)

National Funding Formula for Schools and High Needs 2019/20

(b) Private Finance Initiative (PFI) Contracts

The LA is proposing to change the methodology used to calculate allocations in respect of Private Finance Initiative (PFI) contracts. This area of funding is included in Element 1 of the National Funding Formula under exceptional circumstances. It applies to premises circumstances which result in costs beyond the control of the school. Somerset has three schools within the PFI scheme; they are Chilton Trinity, Robert Blake and Elmwood Special School. This proposal only applies to Chilton Trinity and Robert Blake as Elmwood Special School's budget is based on the high needs formula.

The proposal is to cap the formula calculation for the individual school's contribution at the newly revised pupil number capacity. This will increase the cost of the subsidy as the schools grow. The increased funding and therefore reduced proportionate costs towards the unitary charge for the schools is not of financial benefit to the schools.

The current pupil number capacity of 1,050 for Chilton Trinity was based on the available 'teaching' space within the school buildings. However, it has since transpired that some of this is corridor and community space and cannot be used for teaching. The schools currently incur additional costs to accommodate the pupils that cannot be taught in the PFI building.

The proposal would realign the formula to accommodate the actual maximum number of children that can physically fit in the classroom space available. For Chilton Trinity, this is a reduction from 1,050 to 935 pupils.

Question 1(b):

Do you support the proposal to change the methodology used to calculate allocations in respect of Private Finance Initiative (PFI) contracts? The proposal is to cap the formula calculation for the individual school's contribution at the newly revised pupil number capacity.

2. The Funding Floor, Capping and the Minimum Funding Guarantee (MFG)

The Funding Floor:

The Secretary of State confirmed in July 2017 that the national funding formula will provide for at least a 1% per pupil increase between the 2017/18 baseline and 2019/20, therefore schools will see a further minimum increase of 0.5% in 2019/20 per pupil against the 2017/18 baseline.

Minimum Funding Guarantee (MFG):

Last year we didn't have to consult on setting a MFG as all schools received a minimum 0.5% increase per pupil compared to 2017/18, however the funding floor and the MFG are not one in the same. The funding floor guarantees a percentage increase in funding per pupil compared to the baseline year, which is 2017/18. The MFG protects schools from significant year on year changes in funding per pupil due to formula or pupil characteristic changes compared. The MFG can be set between the range of -1.5% to +0.5% per pupil.

National Funding Formula for Schools and High Needs 2019/20

The proposal is to set the MFG at -1.0% per pupil to protect schools from excessive year on year changes in pupil characteristics.

Question 2a:

Do you support the proposal to set the Minimum Funding Guarantee per pupil at -1.0% for year on year changes in pupil characteristics, e.g. reducing levels of deprivation or low prior attainment?

Capping and an alternative funding cap:

The overall funding received by the DfE is insufficient to fully adopt the NFF and the transitional arrangements including the Minimum Funding Levels, therefore the authority is required to set a percentage cap on gains, based on what is affordable. The intention would be to set the general cap in 2019/20 between 2.5% and 3.0%, therefore schools which have had a significant increase in funding as a result of the NFF potentially could have gained 3% in 2018/19 and up to another 3% in 2019/20, therefore compounded 6.09% over two years.

Some schools however have a more significant gain from the NFF, the majority are small schools, where a small amount of additional funding can be a significant percentage of the overall funding.

There is an option to apply an alternative gains cap for schools gaining more than 15% in funding on the 2017/18 per pupil baseline. It's a fairly complex calculation and would only apply to schools due to receive an increase greater than 15% per pupil.

Example 1: A school gaining 16% in funding per pupil compared to 2017/18, would have already received 3% increase in 2018/19 per pupil and would receive up to another 3% if the authority sets the cap at 3% in 2019/20, or through the alternative gains cap 20% of the school's remaining cash gain under the fully implemented NFF.

16% less the 3% already funded in 2018/19 = 13% * 20% of the remaining gain = 2.6%, therefore the alternative gains cap would not provide any additional funds unless the authority set a cap below 2.6%.

Example 2: A school gaining 25% in funding per pupil compared to 2017/18, would have already received 3% increase in 2018/19 per pupil.

25% less the 3% in 2018/19 = 22% * 20% of the remaining gain = 4.4%, therefore the alternative gains cap would provide an additional 1.4% per pupil if the authority set the cap at 3% for 2019/20.

Question 2b:

Do you support the proposal for an alternative gains cap for schools who gain more than 15% through the NFF compared to 2017/18?

National Funding Formula for Schools and High Needs 2019/20

Maintained mainstream schools only**3. De-delegation**

Maintained schools can, through their representatives on the Schools Forum, vote for specific services to be managed centrally of behalf of maintained mainstream schools. Since 2013, the Schools Forum maintained school members have voted unanimously for the option to de-delegate budgets previously managed centrally. However, as this decision must be reviewed annually, local authorities are required to consult with mainstream maintained schools on the arrangements for 2019/20.

Academies, Special Schools and PRUs may be able to buy into any central arrangements.

The budgets which can be de-delegated are set out in the table below, with additional details set out in Appendix A. The values below relate to 2018/19, the amounts for 2019/20 will be published after the DSG allocation for 2019/20 has been published by the DfE in December 2018 and therefore schools need to be aware that they may increase above inflation and where the costs incurred in the previous year have exceeded the de-delegated amount, as the overspend will need to be recouped, however any underspend will result in a reduced amount in 2019/20. At this early stage we can confirm that the cost of Insurance will increase in 2019/20 as the costs in 2018/19 are predicted to exceed the amount de-delegated.

Delegation	Basis for delegation	2018/19 Values
Schools in financial difficulties	Per pupil	£0.22
FSM eligibility checking service	Per FSM Ever 6	£0.47
Insurance (Public and Employers liability) Primary Secondary	Per pupil	£19.03 £35.23
Licences & Subscriptions	Per pupil	£4.43
Staff Costs (Care First & Maternity)	Per pupil	£22.91
Trade Union Facilities Time	Per pupil	£2.88

Maintained mainstream schools only:**Question 3:**

Please indicate whether you wish to see budgets for schools in financial difficulty, FSM eligibility checking, insurances, licences and subscription, care first, maternity cover and trade union facilities time de-delegated. A response is required for each service to inform Schools Forum representatives at the meeting on 27 November 2018 to make a decision on behalf of mainstream maintained schools.

National Funding Formula for Schools and High Needs 2019/20

4. Education Function for Maintained Schools

This was introduced for 2017/18 and funds the duties previously funded by the Education Services Grant (ESG) general rate. The following LA services are funded by the Education Functions funding:

- HR duties
- Finance duties
- Health and Safety
- Equality
- Religious Education (SACRE)
- School Premises
- Redundancy costs - this is new for 2019/20 and will act as pool arrangement
- Monitoring national curriculum assessment

With the removal of the Education Services Grant (ESG) general grant from September 2017, maintained schools can agree to contribute from delegated funds to ensure continued delivery of these functions. For 2017/18 and 2018/19, the Schools Forum supported the proposal to contribute some funds from schools' budgets towards the cost of the general duties element previously funded through ESG.

The annual cost for 2019/20 is forecast to be approximately £15 per pupil, compared with £10.38 per pupil in 2018/19. This is due to the inclusion of redundancy costs which is explained below in question 4 (b).

Question 4(a):

Please indicate whether you wish to contribute some of the school's budget towards duties previously funded by the Education Services Grant (ESG) general rate. A response is required to inform Schools Forum representatives at the meeting on 27 November 2018 to make a decision on behalf of maintained schools.

School Redundancy Costs

Government legislation states that it is an LA responsibility to meet the cost of redundancies and the funding the LA received to contribute towards this was part of the Education Services Grant (ESG) for maintained schools. In 2016/17 the ESG funding equated to £77 per pupil for maintained schools and covered the LA's statutory responsibilities, including dismissal or premature retirement when costs cannot be charged to maintained schools.

The ESG for pupils from maintained schools was withdrawn by the DfE from September 2017, as was the equivalent funding received by academies for the responsibilities that transferred to the Academy Trusts upon conversion. The LA consulted with maintained schools and the Somerset Schools Forum prior to the DfE change and received support to make a direct charge against maintained schools delegated budgets for the

Appendix A

National Funding Formula for Schools and High Needs 2019/20

Education Functions of the LA to continue. When this was introduced in 2017/18, redundancy costs were not included within the list of services.

The LA is therefore proposing to include within the Education Functions charge an additional amount to contribute towards the costs of school redundancies to replace the loss in funding to the LA from the removal of the ESG. It will also bring maintained schools in line with academies who have to fund redundancy costs from their delegated budget, however the authority would manage the funds similar to an insurance scheme, where the redundancy costs exceed premiums the premium would increase the following year and vice versa. The approval for redundancies would continue to be scrutinised by the HR Advisory Service and Schools Finance Team with the same rigour as before.

Question 4(b):

Please state whether you agree that maintained schools should contribute towards the costs of school redundancies to replace the loss in funding to the LA from the removal of the ESG.

A response is required to inform Schools Forum representatives at the meeting on 27 November 2018 to make a decision on behalf of maintained schools.

The closing date for responses to this consultation is Wednesday, 21 November 2018 and the results will be reported to the Schools Forum on 27 November 2018.

If you require any further information or explanation, please contact the SFAT Helpline: 01823 359771 or email: CYPFinance@somerset.gov.uk

National Funding Formula for Schools and High Needs 2019/20

Appendix A: Services delegated to schools and subsequently de-delegated for maintained schools (Question 3).

Schools in financial difficulties

The funds will enable the Schools Funding Team to purchase additional support on behalf of schools in financial difficulty from Education Financial Services, Support Services for Education, when the LA requires an independent assessment of the school’s financial position and how it could recover.

Free School Meals (FSM) Eligibility Checking Service

The Free School Meals Service currently provides a single point of contact for parents through Somerset Direct. Application forms are also available on-line and will be made available in other locations such as GP surgeries. Schools are given a supply of leaflets and application forms.

Marketing has been undertaken to raise the profile that free school meals eligibility means more than just free school meals and gives the child’s school access to Pupil Premium funding. The service processes all application forms received, undertaking the necessary eligibility checks on behalf of the schools and where purchased, academies. Schools are notified of eligible children. The Service maintains all data relating to eligibility and will automatically notify the school where a child ceases to be eligible for Free School Meals.

Insurances

The arrangements for insurance cover are detailed in the table below:

Type of insurance	Summary of responsibility and level of cover provided
Property	Insure the school buildings and contents for things like damage caused by fire or flood. Ensure adequate level, based on the reinstatement valuation. This will include business interruption.
Public Liability	For claims against the school by a member of the public (including pupils) arising from the school’s negligence – usually injury sustained whilst on school premises, but this can include any off-site activity or trip.
Employers Liability	For claims against the school by an employee arising from the school’s negligence, including injury and illness.
Other Liabilities	Officials Indemnity and libel and slander protect employees against errors, omissions, libel and slander.
Personal Accident	Provides assault cover for all employees, including volunteers and governors.
Money	Covers loss, theft or damage of money up to £30,000

Note: insurance does not include cover for motor vehicles; this element is charged directly to the schools concerned.

Licences and Subscriptions

The current budget for licences and subscriptions covers the following functions:

Appendix A

National Funding Formula for Schools and High Needs 2019/20

- CLEAPSS (Consortium of Local Education Authorities for the Provision of Science Services) membership
- A licence for the core SIMS system in schools

Trade Union Facilities Time

The funding meets the cost of paid time off for:

- Union representatives to accompany a worker to a disciplinary or grievance hearing
- Union representatives to carry out trade union duties
- Union representatives to attend union training
- Union 'learning representatives' to carry out relevant learning activities
- Union health and safety representatives to carry out health and safety functions during work hours.

Care First

This facility provides Somerset County Council employees with free access to an Employee Assistance Programme. Care first is a professional counselling, information and advice service offering support for issues arising from home or work. It provides an opportunity to discuss problems in confidence away from the workplace independent of the situation.

This includes information and advice on financial, legal, work, personal and mental health matters.

Maternity

Funds the cost of maternity on behalf of teachers and support staff, where the school meets the cost of the maternity cover.

National Funding Formula for Schools and High Needs 2019/20

Consultation 2: Proposal to transfer up to 0.5% from the Schools Block to the High Needs Block in 2019/20

The Dedicated Schools Grant (DSG) is the main source of government funding for the provision of education by local authorities and institutions in England. Its use is governed by the [conditions of grant](#), one of which requires the grant to be spent in accordance with the [School and Early Years Finance \(England\) Regulations 2018](#). The DSG cannot be used for other purposes. New regulations will be published in December 2018.

There are four discrete blocks which together form the DSG: Early Years Block (EYB); Schools Block (SB); High Needs Block (HNB); and Central Schools Services Block (CSSB). Within the DSG, the schools block is ring-fenced. This means that the vast majority of funding for primary and secondary schools allocated to local authorities through the schools national funding formula must be passed directly to schools. However, local authorities have some flexibility to seek a transfer of funding from the schools block to other areas, such as high needs, where this best matches local circumstances and where agreed by Schools Forum.

The DfE expects that most proposals by local authorities to move funding from their schools block will arise as a result of pressures on their high needs budgets.

All local authorities have statutory duties under the Code of Practice including to keep their local offer of provision for pupils with SEND under review, this includes provision available in mainstream schools and sufficiency relating to special schools. LA's are required to plan strategically, to ensure good quality provision can be developed and sustained in line with available resources. Schools are under a statutory duty to co-operate with the Code of Practice and the LA, and it is particularly important that mainstream schools are clear about how they contribute to the local offer, and how the extent of that contribution can affect the need for more specialist provision and the costs that local authorities consequently must meet from their high needs budgets.

Consultation 2: Roadshows

Please note the authority has arranged a number of twilight roadshows, to ensure schools and academies are informed of the reasons why the authority is seeking support to transfer up to 0.5% from the schools funding block to the high needs block for 2019/20.

To book a place at any of the roadshows, please email with the names and date/venue to: CYPFinance@somerset.gov.uk

Tuesday 6 th November 5.30pm – 7.00pm	Stanchester Academy
Wednesday 7 th November 6.30pm – 8.00pm	Bridgwater College Academy
Thursday 8 th November 5.30pm – 7.00pm	Taunton Academy
Wednesday 14 th November 5.30pm – 7.00pm	Crispin Academy

Consultation 2: Detailed Proposals and Questions

Somerset is proposing a transfer of funds between funding blocks and is therefore required to consult with all maintained schools and academies. The Somerset Schools Forum should take into account the views of the schools responding before either giving approval or not.

This consultation seeks the views on the following:

5. a) Transfer of up to 0.5% from the Schools Block to the High Needs Block for 2019/20.

b) The proposal to increase the top up values by 2% across early years, mainstream, special and FE provision to reflect the minimum increases in school per pupil funding and the unfunded costs of non-teaching staff pay award above the 1% pay cap.
6. Whether to continue or reduce the spending on Combined Budgets (historical commitments).
7. Whether to continue or reduce the spending on discretionary services within the High Needs Block.

2. Transfer of up to 0.5% from the School Block to the High Needs for 2019/20

The High Needs block is projected to overspend in 2018/19 by (£1.736m) (based on information as at month 6 budget monitoring); The High Needs block overspent in the previous two financial years by (£2.940m) and (£2.680m) respectively and therefore the High Needs block has a cumulative bought forward deficit of (£5.620m). With the projected in year overspend this would grow to a cumulative deficit of (£7.356m) by the end of this financial year. However, with schools' support and approval of the Schools Forum, there was agreement to transfer £1.178m from the Schools Block, equivalent to 0.4% of the overall schools funding in 2018/19 and the Central Schools Services Block (CSSB) was funded for historical commitments at the previous years' allocation and due to planned reductions in spend and the wide area network contract coming to an end the previous year, £1.226m was also transferred from the CSSB to High Needs. Therefore, when allowing for these transfers the cumulative projected deficit on High Needs is £2.404m less at (£4.952m).

If there are any reductions in spend in either of the other funding blocks (CSSB and or Early Years) during 2018/19, the Schools Forum can decide to use these savings towards repaying the High Needs cumulative overspend.

Appendix A

National Funding Formula for Schools and High Needs 2019/20

The High Needs Block has seen increased pressures in recent years across a number of factors, increases in the number of independent placements and costs relating to those placements, historical service provision and partnership arrangements. Nationally the High Needs Block has complex funding arrangements and many authorities are reporting overspends, with the estimated gap nationally in high needs spend in excess of £400m.

Locally this is due to a combination of factors, including insufficient places in our special schools and specialist resource bases, some specialist provision is either not in the best geographical locations or have no local special provision and in some cases having places occupied by children and young people who could be educated in mainstream schools. National issues, also seen in Somerset include additional regulation pressures in mainstream schools impacting on inclusive practice; increased demand from parents for specialist provision; increases in demographic populations and an extension of the age range covered by legislation. The compounded effects of these pressures have resulted in a higher than usual number of children and young people placed in independent placements, either directed by tribunals or led by parental choice. These placements cost on average £20,000 per annum more than in a maintained specialist provision, but in a few cases the costs can be as much as £150,000 more than a maintained specialist provision, however statutorily the LA must provide full time, appropriate education. The authority therefore has limited flexibility, with the requirement for the child or young person's educational needs being the priority, even if the provision is not the most cost effective when resources are limited. Independent placements are fully funded from the high needs budget, unless there are significant health needs and or the child or young person is looked after and then there are contributions from Children's Social Care and the Health authority.

Somerset's Schools Forum have supported the costs of two officers over a fixed term to focus on commissioning practice for children and young people placed in Independent provision, working alongside the casework team to ensure the best value is being achieved and the costs reduce.

The extension of age range relates to changes to the SEND code of practice, which has added substantial unmet costs to the High Needs Block, with the requirement to provide resources extended for young persons from 19 to 25, where they have an EHCP, are attending an educational provision and making progress.

The numbers experienced in Somerset are shown in table 1. The work being undertaken with FE colleges and special school sixth form provisions has seen a reduced number of post 16 specialist independent provision placements, however the extension to 25 has seen an increase in the number of post 19 specialist independent placements from 27 in 2013 to 56 in 2018. The costs have doubled for post 19 from £1.390m in 2013 to £2.612m in 2018, although the average costs have reduced over the same period from £51,517 per student to £46,645 per student.

Appendix A

National Funding Formula for Schools and High Needs 2019/20

Table 1 – Post 16 and Post 19 placements in specialist independent provision

	16 - 18	19	20	21	22	23	Post 19	Post 16 - 25
2013	27	12	7	8			27	54
2014	29	17	8	4	1		30	59
2015	24	17	15	7	2	1	42	66
2016	26	22	15	9	1		47	73
2017	22	20	19	11	1		51	73
2018	14	19	15	18	4		56	70

To manage the resource pressures being experienced in the High Needs budget, the authority in 2014 conducted a thematic review of its specialist provision, its local offer and SEND support services. Prior to this Somerset was seeing an unprecedented increase in the volume of identification which was being driven by an inappropriate audit system, which often led to children and young people being labelled with the incorrect SEND.

The first two aspects have now completed and resulted in the application of a new funding system, from 2016/17 for special schools and resource bases, and in 2018/19 this has been implemented across all mainstream state funded phases from 0-19 years. The focus is to ensure equity and consistency of identification and allocation of resource using descriptors agreed by SEND professionals including schools. This targets resources at those with the greatest special educational needs or disability.

There has been investment in the SEND team to enable assessment of 1,200 children and young people in receipt of high needs funding (under the previous Somerset system) to move into the new funding system who are currently without an Education, Health and Care plan. The LA has also appointed an Assistant Director for Inclusion and are currently restructuring with SSE SEN services as per the thematic review.

The review of LA specialist provision has also resulted in approval for significant investment in the authority's specialist provision, with 50 additional places being created in the last year and a further 157 places planned over the next 4 years. The total capital investment by the authority is in the region of £31.3m.

Table 2 provides details of the authority's investment to increase specialist provision capacity to meet the demands of a growing school population and reliance of independent provision:

Appendix A

National Funding Formula for Schools and High Needs 2019/20

Table 2: Investment in specialist provision by Somerset County Council

Provision	Location	Est cost	New places	Completion date
New & extended Primary ASD base	Westover Green	£800k	8	2018
New Secondary ASD base	Bridgwater College Academy	£900k	20	2018
New & extended Secondary ASD base	Heathfield	£620k	10	2018
New Primary ASD base	Holway Park	£900k	14	Sept 2018
Extending a Primary ASD base	Oaklands	£180k	6	2018
Extending a Secondary ASD base	Preston Academy	£400k	9	Jan 2019
Expanding an existing all through Special school	Selworthy	£9.0m	80	Sept 2019
Replacing and expanding existing Special schools with an all through school	Elmwood & Penrose	£18.5m	60	Sept 2020

Even with this level of investment special places will continue to be under pressure in certain needs types where there is significant demand seen currently and where there is no local provision. These are social emotional, and mental health difficulties (SEMH) and speech, language and communication needs (SCLN) and autism spectrum condition (ASC). The LA has therefore submitted a bid to the DfE for capital funds to request a 120 place free special school for SEMH and SLCN in South Somerset. The outcome will not be known until March 2019

The request to transfer funds from the Schools Block to the High Needs Block is an interim requirement, to contain the pressures and spend, to allow for the management actions relating to the strategic financial plan, time to embed and ensure the High Needs Block is sustainable.

The authority would also utilise the funds to increase the top up values by 2% from April 2019 across early years, mainstream, special and FE provision, to reflect the minimum increases in school per pupil funding in 2018/19 and 2019/20 and towards the unfunded costs of non-teaching staff pay award above the 1% pay cap.

The draft DSG / High Needs strategic deficit recovery plan 2018 – 2022 was published as appendix 1 of the High Needs Schools Forum paper on 3rd October - agenda item 5. The paper can be viewed on iPost using the following link (page 27 – 51 of the document, with the recovery plan starting on page 37)

[Arrangements for children & young people with SEN - agenda item 5](#)

National Funding Formula for Schools and High Needs 2019/20

Question 1:

- a) Do you support the proposal for a transfer of up to 0.5% from the Schools Block to the High Needs Block for 2019/20?
- b) Do you support the proposal to increase the top up values by 2% from April 2019 across early years, mainstream, special and FE provision to reflect the minimum increases in school per pupil funding and the unfunded costs of non-teaching staff pay award above the 1% pay cap?

We would like all respondents to also complete Questions 2 and 3, particularly anyone who does not support the proposal 1. a), as Cabinet members and Schools Forum will require schools and academies preferences / suggestions for them to make decisions to enable saving at least an equivalent amount to 0.5% of the Schools Block £1.5m.

5. Whether to continue or reduce the spending on Combined Budgets (Historical Commitments)

The Central School Services Block (CSSB) provides funding for ongoing responsibilities and historic commitments. The DfE expectation is that expenditure on historical commitments will reduce over time as contracts and other commitments reach their end points. The DfE will continue to monitor this expenditure year-on-year and seek explanations where this is not reducing as expected. We expect from 2020/21 more pressure from the DfE to reduce our historical commitments expenditure as when/if a hard NFF is implemented, as it would not be fair to maintain significant differences in funding between authorities which reflect historic decisions.

However, whilst the DfE operates a soft NFF it will continue to fund the historical commitments at the previously agreed level, therefore any reduction in expenditure can be used to support pressures in other blocks.

During 2018/19, the planned spend on historical commitments was £1.226m less than the funding received and has been used to offset some of the high needs overspend in year and from previous years. The intention is that at least a similar amount will be used in 2019/20 towards high needs if not more, however if there isn't support from schools to transfer 0.5% funds from the schools block, then significantly more will be required from historical commitments and affect the services provided.

Services provided from the Combined Budgets (historical commitments), within the Central School Services Block:

Note: Where there are external contractual arrangements these have been excluded as the authority will not be able to influence the costs whilst the contracts are still valid. The 1610 and Arts Network Contract come to an end during 2019/20 and the funds allocated for these will be available to go towards the High Needs budget.

National Funding Formula for Schools and High Needs 2019/20

Education Welfare Service (EWS) £433,800

The authority provides the EWS for statutory school aged children to ensure they receive their full educational entitlement in terms of attendance and to ensure they are safe in line with Keeping Children Safe in Education guidance. The total funding for the service is £832,200, with £398,400 for statutory and regulatory duties for tracking children missing from education, licencing for child entertainment and employment, elective home education, penalty notices and prosecutions for non-attendance. The DSG funding for the non-statutory, core offer currently provided to schools relates to attendance management and includes advice and guidance via school meetings, a helpline and termly reports; early intervention casework via warning notices; parenting contracts; pre-court and multi-agency meetings for families where attendance is a concern. [Education Welfare Service](#)

Head teacher support £269,900

- A contribution of £50,000 to each of the three phase organisations to support their operational costs and employment of executive officers to represent their membership at school focussed meetings.
- Funding for the area heads meetings, including supply cover £33,000
- The Head teacher support service £61,100 to provide courses and counselling for primary, middle and special school head teachers.
- A £25,800 contribution to the cost of an education safeguarding advisor to provide advice, information and guidance to schools on their safeguarding arrangements and practice. This role supports schools in implementing the national guidance 'Keeping Children Safe in Education' and informed of any changes to safeguarding legislation.

Raising Achievement £440,000

Funds allocated to support the raising achievement of children and young people. In 2018/19 this allocation has been used to support the Team Around the School programme and the Somerset Education Partners programme alongside initiatives by the phase organisations.

14-19 Partnership £200,000

The fund is to support the 14-19 Area Leads hosted by the FE Colleges in the county. This funding is utilised by the partnerships of colleges and schools, to ensure there is additional support for vulnerable young people who are at risk of being 'not in employment, education or training' (NEET) following the transition from KS4, to post-16 provision.

Core ICT and Education Technology £570,100

Provides strategic support and infrastructure with the funding allocated as follows:

Somerset Learning Platform RFS	£194,000
Education Technology Team	£160,100
Education Technology Advisors	£216,000

National Funding Formula for Schools and High Needs 2019/20

Strategic Advice and Support from Education Technology Advisors - £216,000. A popular and well used service that delivers effective technology leadership, support and specialist advice at very low cost. Core elements include:

- Online Safety: Online Safety Chrysalis package for all Somerset schools. Information on the latest news about Online Safety through newsletter, websites and other methods.
- General Data Protection: Access to latest model policies and other Data Protection documents; phone and email support for Data Protection issues; escalation as required.
- DPO: Undertaking role of schools Data Protection Officer where nominated.
- Responding to incidents: Information for schools on responding to emergency online safety / disclosure situations or issues of public concern for GDPR and Online Safety.
- Sharing innovation: Facilitation of county-wide projects to develop effective use of new and exciting technologies within the classroom curriculum.
- Leading local strategy: Facilitation of key liaison and consultation strategies, including taking a lead in the proposal of ICT policy at SASH, SAPHTO and sen.se in conjunction with the ICT Working Group.

Education Technology Team £160,100 and Somerset Learning Platform £194,000

The collective provision and support for a variety of shared technology platforms – principally SLP and schools email – that enable continued effective communication and cooperative working across all Somerset schools. These platforms are undergoing significant rationalisation to meet new and stringent security standards and create more streamlined, updated functionality and reduced cost. They include:

- Managed email service for all school staff and governors that delivers significant connectivity advantage over discrete school owned solutions
- Providing a central information platform for all Somerset schools and academies, including financial and statutory information.
- Provision of school-to-school/CLP and federated school collaboration areas within SLP.
- Development of new functionality and features for the SLP, based on requests from federations, partnerships and individual schools and academies.
- Secure document access and alerts. Impartial advice and practical support for technology projects such as new builds and refurbishments.
- Ongoing support for schools' post-WAN transfer.

Parent Family Support Advisors £1,777,300

Contribution towards the salary and associated costs of 62 PFSA's employed by schools. PFSA's provide level 2 support to children and young people and their families and through this support schools in fulfilling their statutory duties under Keeping Children Safe in Education.

National Funding Formula for Schools and High Needs 2019/20

Vulnerable Learner Support teams £822,400

Funding for advisory support teams for Children Looked After, Ethnic Minority and Traveller children and young people and consists of:

- **Virtual School Children Looked After team £261,100**
Providing support to increase attainment and educational stability of children in care (CiC), through the provision of education support workers; the monitoring of personal education plans (PEPs) and provision of targeted letterbox educational resources. Provides specialist knowledge, advice, guidance and training re educational systems and legislation relating to CiC. Tracks and monitors educational progress and casework consultation. Training for adults who support CiC on educational aspects. This supports school statutory duties to Children Looked After.
- **Ethnic Minority Achievement team £292,900**
Support for schools in meeting the needs of English as Additional Language (EAL) learners and underachieving pupils from minority ethnic groups, with a particular focus on supporting schools with the assessment of pupils with EAL, staff development, whole school support and advice on meeting the needs of pupils not progressing as expected. This supports school statutory duties to vulnerable learners.
- **Traveller Education Service £186,700**
Support for pre-school and school age Travellers and families; support for schools, including targeted work with C&YP, home-school liaison and advice/consultancy. This supports school statutory duties to vulnerable learners.
 - support access to education
 - improve attendance
 - raise attainment
 - raise awareness of cultural issues
- **Ethnic Minority Achievement and Traveller Education Service (EMATES) £81,700**
Contribution to the management costs of supporting vulnerable learners and the vulnerable learner champion.

National Funding Formula for Schools and High Needs 2019/20

Question 2:

Please identify from the services listed on the response form, which you would prefer the authority to spend less on, to support pressures in high needs.

Please identify from the services listed on the response form, which you would prefer the authority to stop funding, to support pressures in high needs.

Please note the consequence of a reduction in funding or ceasing funding altogether will be an increased charge to schools for services which move to traded support, or a reduction or stopping of the service and therefore schools and academies having to provide these in house or source from elsewhere.

Any such changes will additionally be subject to the relevant consultations with staff and with service users potentially impacted by any proposed changes.

6. Whether to continue or reduce discretionary services funded from the High Needs Block

As already described the high needs budget provides funding for the statutory provision of education through places in special schools, resource bases, pupil referral partnership schools, FE colleges, top up funding for pupils with high needs and fees for independent provision.

The authority expects the number of commissioned placements in maintained or academy / free special schools to increase as it builds capacity and investment in extra places, to reduce the reliance on the independent sector, thus supporting a more inclusive approach to local education, in both mainstream and special. The authority's aim is to reinvest some of the savings from making cost effective placements, into increasing the top up values to ensure early years providers, schools and colleges have greater resources to support children and young people with SEND. The areas where there is potential to reduce spend, apart from reducing the number and cost of independent placements, are the SEND support services which often include discretionary services the authority historically has chosen to provide.

The chart below shows the level of spend planned in 2018/19 on commissioned places, top up funding with early years providers, maintained school, academies and FE colleges, independent provision and SEN support services.

Appendix A

National Funding Formula for Schools and High Needs 2019/20

Visual Impairment Service £261,900

Advice, support and training to pre-schools, schools, parents and individual pupils. This includes access to specialist assessments, support with specialist equipment and habitation support.

Autism and Communication Service £549,200

Advice, support and training to schools, FE colleges, parents and individual pupils, operation of off-site ASD bases, attendance at multi agency groups.

Somerset Total Communication £30,400

Provision of training and resources for the STC programme.

Time Together £134,400

Home visiting service to promote positive interaction between parents and their children.

TEAM Teach £19,600

Delivery of training regarding physical restraint for young people.

Early Years Area SENCOs £560,200

This service supports early years settings with the assessment of young children with SEND as well as supporting SENCOs in early years settings through training and advice. The Early Years Area SENCOs also support the transition of children with SEND from early years to school. The service oversees the multi agency intervention and support in early years (MAISEY) and tracking of young children with SEND.

Alternative Provision and Outreach £4,703,600

The High Needs budget also funds the provision of alternative education for children at risk of exclusion, known as partnership funding for PRUs and area behaviour partnerships. This is in addition to the provision of places and top up funding for pupils permanently excluded, children unable to attend school due to medical conditions and those in short term placements awaiting school registration.

The behaviour partnership funding is £4,081,300 and the PRU outreach funding is £622,300, the authority will be exploring the most effective arrangements for AP commissioning and funding in Somerset as presently, the full cost of provision is being met from the high needs budget which is under considerable financial pressure. The authority will be looking to share responsibility across schools for AP commissioning, funding and accountability.

Special School Outreach and Learning Support Centres £566,900

The LA also fund special schools to provide Learning Support Centres with resources for mainstream schools to support inclusive practice £200,000 for 5 LRCs and fund Outreach from special schools to mainstream schools £366,900.

These arrangements have not been co-ordinated or monitored and the LA are currently reviewing the arrangements and provision for outreach to support mainstream schools as part of the thematic review of SEND services.

National Funding Formula for Schools and High Needs 2019/20

Question 3:

Please identify from the SEND services listed on the response form, which you would prefer the authority spend less on, to be able to support other pressures in high needs.

Please note the consequence of a reduction in funding will be an increased charge to schools for services which move to traded support or a reduction of the service and therefore schools and academies having to provide these in house or from external sources elsewhere.

Any such changes will additionally be subject to the relevant consultations with staff and with service users potentially impacted by any proposed changes.

The closing date for responses to this consultation is **Wednesday 21 November 2018** and the results will be reported to the Schools Forum on 27 November 2018.

The consultation 2 response form can be found on iPost using [IPOSTID-2-6680](#)

If you require any further information or explanation, please contact the SFAT Helpline: 01823 359771 or email: CYPFinance@somerset.gov.uk