



## Wirral Schools Forum

<b>Date:</b>	<b>Wednesday, 8 October 2014</b>
<b>Time:</b>	<b>6.00 pm</b>
<b>Venue:</b>	<b>Council Chamber, Wallasey Town Hall</b>

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## AGENDA

1. ELECTION OF CHAIR AND VICE CHAIR
2. MINUTES OF THE MEETING HELD ON 2ND JULY 2014 (Pages 1 - 6)
3. MATTERS ARISING
4. FINAL DSG 2014-15 (Pages 7 - 10)
5. BUDGET MONITORING UPDATE (Pages 11 - 14)
6. PFI AND CENTRAL BUDGET REVIEW (Pages 15 - 20)
7. SCHOOL INTERVENTION (Pages 21 - 24)
8. RISK OF NEET INDICATOR PROGRAMME (Pages 25 - 32)
9. MINORITY ETHNIC ADVICE SERVICE (MEAS) (Pages 33 - 38)
10. 2 YEAR OLD FUNDING AND EARLY YEARS WORKING GROUP (Pages 39 - 42)
11. HIGH NEEDS PLACES 2015-16 (Pages 43 - 46)
12. JOB EVALUATION - TEACHING ASSISTANT APPEALS (Pages 47 - 50)

13. **FUTURE COUNCIL BUDGET OPTIONS CONSULTATION 2015-17  
(Pages 51 - 72)**
14. **SCHOOLS AND EARLY YEARS FINANCE (ENGLAND)  
REGULATIONS 2014 CONSULTATION (Pages 73 - 80)**
15. **SCHOOL FUNDING OUTCOME OF CONSULTATION - FAIRER  
SCHOOLS FUNDING ARRANGEMENTS 2015-16 (Pages 81 - 114)**
16. **SUMMARY OF SCHOOLS REVENUE FUNDING 2015-16  
OPERATIONAL GUIDE (Pages 115 - 116)**
17. **FORUM MEMBERSHIP (Pages 117 - 120)**
18. **WORKPLAN (Pages 121 - 122)**
19. **ANY OTHER BUSINESS**

**WIRRAL SCHOOLS FORUM**  
**2<sup>nd</sup> July 2014**  
**MINUTES**

**Present:**

Richard Longster (Chair)

**Schools Group**

B Cummings	A Moore
J Devine	M Morris
K Frost	G Pritchard
L Ireland	M Walker
B Jordan	A Whiteley
D Marchant	G Zsapka

**Non-Schools Group**

S Higginson	J Pierce
B McGregor	N Reilly
J Owens	

**In Attendance:**

S Ashley	J Hassall
S Bellerby	Cllr B Mooney
J Bevan	A Roberts
C Chow	P Ward
S Dainty	

**Apologies:**

D Armstrong	D McDonald
M Brown	S McNamara
E Cogan	S Peach
Cllr W Clements	J Pearson
S Davies	K Podmore
S Duggan	Cllr PA Smith
J Gordon	P Young
C Hughes	

- 1. Minutes from the Meeting Held on 30<sup>th</sup> April 2014**  
Jeff Bevan attended the meeting. The minutes from the meeting were accepted as a true record.
- 2. Matters Arising**  
Trade Union Facility time – there have been difficulties planning the Trade Union Facilities timetable from September for secondary schools and academies. Some schools have not responded to the new SLA (discussed at last meeting) and some replies are not clear.
- 3. Schools Budget Outturn 2013/14**  
Andrew Roberts presented the provisional outturn figures for 2013-14, showing a DSG underspend of £929k. This is higher than previously reported due to a correction in

the primary academy recoupment position. This underspend will be applied to the 2015-16 budget.

The report included a statement on the current position of a number of reserves, particularly £1m for the outstanding Job Evaluation (mainly the appeals for teaching assistants in special schools).

With regard to de-delegated budgets it was noted that although the special staff costs budget overspent overall by £200k the trade union element underspent by £35k. The teacher representative requested that this be carried forward and used for trade union time whilst the SLA was being finalised. This proposal will be taken back to WASH and Primary Heads Consultation Group and will be raised at the next Forum meeting.

#### Resolved

Forum noted the report.

#### **4. Delegated School Balances as at 31<sup>st</sup> March 2014**

Sue Ashley reported that the school balances have reduced slightly as at 31<sup>st</sup> March 2014 by £170k to £11.7m.

There was a concern about the term 'excess balances', which is a DfE indicator (balances greater than 8% of delegated budget for primary and special schools and 5% for secondary schools). Balances will continue to be monitored using these indicators, however, the amount of the balance used to set the 2014-15 budget (committed spend), will be taken into consideration in future before the thresholds are applied.

Although 7 schools ended the year with deficit balances, only three of them have requested a licensed deficit budget for 2014-15.

#### Resolved

Forum noted the report.

#### **5. High Needs Working Group Update**

Andrew Roberts outlined the work of the group which follows on from the High Needs Consultation and Cabinet/Schools Forum paper introducing a banded system for high needs Top Ups. This report made reference to the need to:-

- Develop a staged approach to high needs funding reform
- Review the inclusion funding provided to special schools
- To develop the high needs funding bands

#### Inclusion Funding

For most special schools inclusion funding is £33,470. This sum is paid through the budget. The group agreed that there was some good practice, but sought the views of the Forum about how to move forward in the future. Although no comments were made at Forum views will be welcome from members.

#### High Needs Places and Bandings

The Forum agreed the following recommendations in respect of high needs places and bandings:-

- Conversion of 8 places to ASC provision at Orrets Meadow be commissioned for 12 months, then further consideration given as part of the wider SEN review.

- To deal with the short term funding issues from increased pupil numbers at Kilgarth and The Observatory School, with a longer term solution to form part of the wider SEN review.
- Gilbrook to provide a report on the £150k funding for outreach work and additional cost pressures.
- No change to Hayfield places, or top ups for 2014-15, but to keep this under review.
- Defer any decision to increase the places at Stanley school until the autumn term.
- University Academy of Birkenhead's (UAB) resource base to reduce by 10 places, to 20, from September 2015.
- A report is taken to the working group on the pressures within the Home Tuition Service and proposals for the future.

## 6. High Needs and Personal Budgets

Phil Ward provided a verbal report to Forum with the main points being:-

- There is a need to carry forward developing protocols around Personal Budgets. Personal budgets are something new for education. Regulations around personal budgets pertain to the LA but schools can contribute too. The High Needs working group is supporting this work.
- The new focus on place funding will help the commissioning of specialist places in the future and it is important to work in partnership, particularly with the special education sector, health and social care.
- There is a 3 year transitional time frame for Statements of Special Educational Needs to be converted to Education and Health Care Plans, 2 years in the case of Learning Difficulty Assessments (post 16). The SEN statutory assessment team has been strengthened to carry out this work, which is funded by external grant from DfE. The first draft of the LA transitional arrangements must be published by the LA by 1<sup>st</sup> September 2014, this is on track.
- There is a lot of training ongoing with schools and others in preparation for the new Education and Health Care Plans. This will continue well into the autumn term.
- The statutory duty on the LA to publish the Local Offer will be in place by the 1<sup>st</sup> September 2014 and schools will be able to link into this.
- Just to remind the Forum that new duties from September 1<sup>st</sup> are to 0 to 25 years of age. This applies to Health too.

### Resolved

Forum noted the report.

## 7. School Funding and Formula Proposals

As the DfE are not planning to introduce the National Fair Funding Formula until 2016 at the earliest the working group considered a number of possible changes to the local formula elements for the financial year 2015-16 as detailed below:-

- **Low Cost High Incidence (LCHI)** in Wirral is allocated through Prior Attainment only. Other LAs allocate higher amounts in this area and use a number of other formula elements. This change may not affect the distribution of funds to schools but are not recommended for the time being.
- **Looked After Children** funding. This area was increased last year but amounts per child are still less than amounts for deprivation. It is proposed to equalise funding by a top slice of approximately £200,000 from the deprivation element.

Including Pupil Premium £3400 would be allocated, in future, to LAC and FSM deprivation.

- The **deprivation** element is a fixed percentage of the budget. As Free School Meal (FSM) numbers reduce the amount given per child increases. The introduction of pupil premium in 2011 has provided further funding for deprivation. Although the Forum agreed there would be no change in this area last year the working group are recommending that a cap be considered on the value of FSM in future.
- KS3 and KS4 AWPU amounts are different in Wirral. The working group considered if they should be made the same value. However, the introduction of this change appears to result in some unexpected movement in funds.
- A number of central budgets have and are being reviewed.

Resolved that:

- No further action for LCHI element at this time.
- Funding for LAC at the same rate as deprivation should be considered for the 2015-16 local funding formula.
- A cap on the unit value of deprivation is considered.
- The working group investigate the effects of the cap, particularly the redistribution of funding, with worked examples.
- No action to be taken to equalise KS3 and KS4 AWPU amounts at this time
- A further report to be submitted concerning central budgets to the next meeting.

## 8 **Traded Services – School Meals Update**

Stuart Bellerby summarised the changes to the Metro Catering Service and SLA from September 2014. There will be three levels of service with a transparent charging structure. Any income received will now be paid directly to schools. This change coincides with the introduction of Universal Infant Free School Meals.

Resolved

Forum noted the report.

## 9 **Early Years Working Group**

Andrew Roberts outlined the agenda items to be covered at the early years working group with a view to holding a meeting before the end of term.

## 10. **Scheme for Financing Schools**

Sue Ashley highlighted the revisions for the Scheme for Financing Schools with a view to consult with schools as required in the autumn term.

Resolved

Forum noted the report.

## 14. **Work Plan**

The work plan was provided for information.

The dates of the meetings for the coming academic year are:-

Wednesday 1st October 2014

Wednesday 21<sup>st</sup> January 2015

Wednesday 29<sup>th</sup> April 2015  
Wednesday 8<sup>th</sup> July 2015

- 15. Any Other Business**  
There was no other business

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**WIRRAL COUNCIL  
SCHOOLS FORUM – 8<sup>TH</sup> OCTOBER 2014  
REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES**

**FINAL DSG ALLOCATIONS 2014-15**

**1.0 EXECUTIVE SUMMARY**

- 1.1 The Dedicated Schools Grant allocation for Wirral before deductions for academy recoupment and direct funding of academy High Needs places by the EFA is £236,740,000 for 2014/15. After such deductions the final Dedicated Schools Grant is £175,834,000, an adjustment of £60,906,000. This is in line with the amount shown within the Schools Budget as reported to the Forum on 30<sup>th</sup> April 2014.

**2.0 BACKGROUND AND KEY ISSUES**

- 2.1 DSG for 2014-15 is calculated from October 2013 PLASC and January 2014 and 2015 Early Years Census Data. Overall therefore this information will not be finalised until 2015. The latest position was confirmed by the DfE on 17<sup>th</sup> July 2014.

- 2.2 The DSG allocation for 2014-15 is in four blocks as detailed below:

Schools Block - £128,959,000

Based on 41,235 pupils aged 4-15 per October 2013 Census at £4,547.11 each, with an academy recoupment adjustment of £58,541,000 and a Carbon Transfer of £270,000.

Early Years Block - £11,419,000

Based on 2,992 FTE pupils aged 3 & 4 per January 2014 Census at £3,816.57 each

High Needs Block - £30,739,000

This includes the funding for all high needs pupils/students to enable local authorities to commission places for young people from 0-24 from a single funding stream.

Other - £4,717,000

This includes funding for early education places for 2 year olds from lower income households and NQT induction.

- 2.3 The changes since the 2014-15 Schools Budget was approved in January are summarised in the attached appendix.

**3.0 RECOMMENDATION**

- 3.1 That members note the report which in previous years was required to be submitted to the DfE.

**Julia Hassall  
Director of Children's Services**

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**DSG Summary 2014-15**

	<b>DSG 2014-15 Schools budget no academy adj</b>	<b>Adjustments</b>	<b>Adjusted 2014-15 DSG</b>
	£	£	£
<b>1. Schools Block</b>	187,230,000	270,000	128,959,000
Based on 41,235 Pupils aged 4 - 15 per October 2012 Census @ £4,547.11each Less Carbon Transfer £270,000		-58,541,000 Academies - 13 Sec, 1 Pri	
<b>2. Early Years Block</b>	11,205,000	214,000 Jan 2014 Census 2992 (additional 56)	11,419,000
Based on 2,936 FTE pupils aged 3 and 4 per January 2013 Census @ £3,816.57 each			
<b>3. High Needs Block</b>			
Schools	32,217,000	75,000 FYE SEN base growth 2013-14 -140,000 8 extra places 1594 to 1602 225,000 Growth in HN allocation -2,904,000 Academy, NMSS, Post 16	29,473,000
Non Schools	1,101,000	165,000 Growth Post 16 pupils @ £5,000	1,266,000
<b>4. Other</b>			
2 Year old	4,925,000		4,717,000
NQT	62,000		
	0	-270,000	
<b>Total</b>	<b>236,740,000</b>	<b>-60,906,000</b>	<b>175,834,000</b>

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## WIRRAL COUNCIL

### SCHOOLS FORUM - 8<sup>th</sup> OCTOBER 2014

#### REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

#### SCHOOLS BUDGET MONITORING REPORT 2014-15

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### 1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to update the Forum on the Schools Budget position and anticipated variations in the current year. There is a projected under spend for the year which is currently estimated to be £0.9m.

### 2.0 ANTICIPATED BUDGET VARIATIONS

2.1 The table attached compares the Schools Budget with the indicative spend for the year. The main variations are set out below.

#### 2.2 Early Years (ISB)

It is expected that the 3 and 4 year old take up will be in line with the budget. 2 year old take up has been enhanced by trajectory funding, and some further spending will be committed throughout the rest of the year.

#### 2.3 Early Years - £0.06m under spend

This budget funds the cost of support for Early Years (including Foundation Consultants). The variation represents an unallocated balance.

#### 2.4 Admissions - £0.02m under spend

This budget is not anticipated to be fully committed at the end of the year.

#### 2.5 School Closure / retirement costs - £0.2m under spend

Taking account of the enhanced pension costs arising from previous school closures there is likely to be an under spend of £200,000.

#### 2.6 Schools Forum - £0.01m under spend

There are minimal costs in this area.

#### 2.7 Insurances - £0.02m under spend

The Governors Liability Insurance is estimated to be £25,000 less than budget. This is in line with previous years.

#### 2.8 School Specific Contingencies - £0.5m over spend

School rates are £200,000 higher than anticipated in 2014/15. The rates for Park and Pensby Primary have increased but are being queried with the Valuation Office. In addition backdated rates have been charged which are in the region of £250,000.

### 2.9 **Special Staff Costs - £0.06m over spend**

There is a budget of £597,800 that covers all special staff maternity and paternity costs and a budget of £75,400 plus buyback for Trade Union Facility Time. Current projections for Maternity / Paternity are in line with the budget however there have been additional Supply costs at EMAP (WASP). The Trade Union costs are still being finalised, but are anticipated to be funded from available resources.

### 2.10 **SEN Top Ups / Independent School Fees - £0.7m under spend**

The budget of £12.2m provides the Top Up High Needs funding to special schools post 16 providers and independent non-maintained special schools. The committed spend is currently forecast at £11.5m leaving £0.7m uncommitted from the High Needs Contingency.

### 2.11 **Special Education Needs Statements - £0.2m under spend**

Statemented pupil numbers will change throughout the year. Compared to budget, there is an under spend projected mainly in relation to the anticipated number of Primary School statements.

### 2.12 **Support for Special Education Needs - £0.1m under spend**

Within Support for SEN and the Special Education Support Service there are some vacancies which are not at this stage expected to be filled.

### 2.13 **DSG - £177,166,500**

The Dedicated Schools Grant (DSG) 2014-15 was updated and published on 17 July 2014 confirming that the allocation to Wirral was £175,834,000 and is reported separately on this agenda.

The budget includes £1,332,000 of DSG from previous years broken down below:

	£
DSG Carry Forward from 2012/13	472,000
Reduction of the Automatic Meter Readers reserve	250,000
School Excess Balances	10,000
Reserve for PFI Affordability Gap costs	600,000
	<b>1,332,000</b>

## 3.0 **DSG Reserves**

3.1 The final figure of DSG carried forward into 2014/15 was £4.13m of which £1.33m has been applied to the 2014/15 budget as described above.

3.2 The following earmarked reserves make up the balance of £2.8m:

### **Job Evaluation and Pay Harmonisation Reserve - £1.08m**

This is to meet any backdated Job Evaluation and Harmonisation costs which continue to be paid to staff in schools following appeals and settlements. Appeals for Teaching Assistants in Special Schools are being finalised.

**DSG Reserve - £0.93m**

In 2013/14 there was an under spend of DSG of £930,000. This has been carried forward and will be applied as part of the Schools Budget for 2015/16.

**Defibrillators Reserve - £0.16m**

This reserve has been allocated to schools to fund the installation of defibrillators in schools.

**City Learning Centres - £0.12m**

This reserve will be used to meet any large equipment failure/replacement costs or potential unfunded summer term costs.

**Schools Contingency - £0.19m**

A reserve to meet any significant unforeseen costs in excess of the budget provision.

**High Needs MFG - £0.33m**

This reserve will meet the costs of the MFG for special Schools and Resourced Base provision in 2014/15.

**4.0 CONCLUSION**

- 4.1 The anticipated under spend on the centrally managed Schools Budget is £0.9m. This will continue to be monitored. Any balance will be carried forward at the end of the Financial Year to be taken into account of as part of future years budgets.
- 4.2 Variations identified in the centrally held schools budget set out above have no direct impact on delegated school budgets.

**5.0 RECOMMENDATIONS**

- 5.1 That the Forum notes the estimated financial position of the Schools Budget for 2014/15.

**Julia Hassall**  
**Director of Children's Services**

## Appendix 1 – Budget Variations 2014/15

	Adjusted Base Budget 2014/15 £	Forecast Spend 2014/15 £	Variation 2014/15 £
<b>Individual Schools Budget</b>			
Primary Schools	92,497,800	92,497,800	0
Secondary Schools	30,618,500	30,618,500	0
Special Schools	8,500,300	8,500,300	0
SEN Bases	2,006,000	2,006,000	0
Emslie Morgan Alternative Provision School	640,000	640,000	0
Wirral Hospital School	1,352,300	1,352,300	0
Early Years	15,551,000	15,551,000	0
<b>Individual Schools Budget Total</b>	<b>151,165,900</b>	<b>151,165,900</b>	<b>0</b>
<b>Central School Costs</b>			
Early Years	489,700	432,000	(57,700)
Admissions	365,400	342,000	(23,400)
School Closure / retirement costs	326,000	126,000	(200,000)
Licences & Subscriptions	152,000	152,000	0
Schools Forum	10,600	0	(10,600)
School Harmonisation Costs	450,000	450,000	0
Contribution to Combined Budgets	2,336,200	2,336,200	0
PPM	449,000	449,000	0
PFI affordability gap	2,586,500	2,586,500	0
<b>Costs Delegated to schools</b>			
Library Service	195,000	195,000	0
Insurances	57,700	32,000	(25,700)
MEAS	260,400	253,800	(6,600)
School Specific Contingencies	107,500	580,500	473,000
Special Staff Costs - Maternity	597,800	657,800	60,000
Special Staff Costs – Trade Union	75,400	75,400	0
Milk & Meals	13,900	13,900	0
Behaviour Support	96,500	84,500	(12,000)
<b>High Needs Pupils</b>			
SEN Top Ups / Independent School Fees	12,176,700	11,424,800	(751,900)
Statements	4,648,500	4,466,000	(182,500)
Support for SEN	2,282,700	2,157,200	(125,500)
Education Out of School	251,400	251,400	0
Special School Transport	58,200	58,200	0
<b>Non Delegated School Costs</b>	<b>27,987,100</b>	<b>27,124,200</b>	<b>(862,900)</b>
Dedicated Schools Grant	(175,834,200)	(175,834,200)	0
Contributions from Reserves	(1,332,300)	(1,332,300)	0
<b>DSG Total</b>	<b>(177,166,500)</b>	<b>(177,166,500)</b>	<b>0</b>
<b>Grand Total</b>	<b>1,986,500</b>	<b>1,123,600</b>	<b>(862,900)</b>

WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM - 8<sup>TH</sup> OCTOBER 2014

REPORT OF THE DIRECTOR OF CHILDRENS SERVICES

PFI and Central Budgets Review

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## 1. EXECUTIVE SUMMARY

This report considers the centrally managed School Budgets and suggests a means to manage the Council's reduced contribution to School PFI costs in 2015-16 from within this area.

## 2. BACKGROUND

The Council has a PFI agreement signed by the Council, school governing bodies and the PFI contractor in March 2001. The scheme involved the rebuild / refurbishment of one primary and eight secondary schools. Contracts were originally for 25 years to July 2029, but were extended in 2004 by 2 years to July 2031. In addition to funding major investment to those schools that were in the worst condition in the late 1980's, the scheme has also allowed the redirection of subsequent capital funding to the school estate over a 10 year period.

An annual sum is paid to the PFI contractor for the cost of PFI. This "unitary charge" represents the repayment of capital costs and a payment for the cost of providing facilities management services. The contract makes provision for the total costs to increase each year by the Retail Prices Index less 10%.

The summarised School PFI costs are as follows:

	£000
Contract payments	11,037
PFI Grant	5,472cr
School Contributions	2,979cr
<b>PFI Net Cost (Affordability Gap)</b>	<b>2,586</b>

Up until now the Affordability Gap has been met by a matching Council contribution, however in 2014-15 the Council reduced it's contribution to Schools PFI costs by £600,000 (which is covered in the ISB by the use of a one off reserve) and in 2015-16 the Council will reduce it's contribution to costs by £2.3m. This change requires permanent equivalent savings to be identified within the overall schools budget.

Previous reports to the Schools Forum on 30<sup>th</sup> April and 2<sup>nd</sup> July have started to explore the options to implement this change in 2015-16.

## 3. PROPOSAL

The Schools Forum Formula Working Party met in the summer term and looked at what changes could be implemented from centrally managed

budgets. An amount of £650,000 was identified and reported to the last meeting.

Attached to this report are proposals covering this amount and other suggestions, totalling £2.3m. These are briefly described below.

### 3.1 Admissions £23,600

This budget of £365,400 makes provision for the administration of all admissions to maintained schools (including the costs of the 11 plus). Taking account of current costs there is an uncommitted balance of £23,600.

### 3.2 School Closure / retirement costs £200,000

This budget of £326,000 funds the continuing premature retirement cost of teachers and staff arising from closing schools. Since no new school closure costs can be charged here and the continuing retirement costs are £120,000 the budget can be reduced.

### 3.3 School Sports Coordinator £25,000

This is funding towards a post working to develop sport in schools. In future this amount should be secured through school traded services.

### 3.4 School Intervention £180,000

This budget (£674,500) supports intervention in vulnerable schools in accordance with the School Improvement Strategy, Primary and Secondary Consultant Heads, 14 – 19 and work around Narrowing the Gap. A separate report on this work is elsewhere on this agenda. The reduction proposed is 25%

### 3.5 City Learning Centres £120,000

There are 3 CLC's with a combined budget of £814,700. The provision has been the subject of previous reports and is currently being restructured to provide a more sustainable model for the future. Part of this new solution is to provide an ongoing fund which will enable the upgrade and replacement of large, high value, high spec equipment, in order to maintain the cutting edge of these facilities. This proposal would result in the ongoing fund (estimated to be £120,000 pa) being funded from within the CYP / Schools Capital Programme.

### 3.6 LACES £45,000

The service is part funded by the Council and part by the Schools Budget and supports the educational progress of Looked After Children. LACES are currently being reviewed. Any reductions arising from this would fall over both areas of the budget.

### 3.7 Clinical Waste Disposal £11,600

It is proposed that these costs are no longer absorbed centrally, but are paid through delegated school budgets.

### 3.8 Use of Swimming Baths £19,800

This is a contribution to swimming baths used by schools. These costs would in future be charged to schools.

### 3.9 PPM £200,000

This budget of £449,000 supports the health and safety and maintenance of school buildings, grounds and equipment. It also pays for minor repairs and emergencies.

The budget was reduced by £200,000 in 2014-15 and this proposal would reduce funding by a further third. As a result it is likely more costs would fall on the Schools Capital programme or schools traded service.

### 3.10 Insurances £25,000

This is a delegated budget to Primary schools for the costs of governor liability in Aided Schools. The budget of £57,700 is underspent

### 3.11 SEN Top Ups £600,000

The budgets for High Needs Top Ups are funded within the High Needs Block of the Schools Budget. This block, when DSG has been set, is £32m, whilst the planned overall budgeted spend for High Needs is £34m. This proposal therefore would also start to reduce the difference between DfE resources and planned local spend.

SEN top ups represent additional amounts paid to specialist provision which are over and above funding for High Needs places. These top ups, are paid to take account of pupil needs. Within this budget there is contingency of £900,000. Whilst there has been some call on this area – for example to fund the Minimum Funding Guarantee in 2014-15 for Special Schools and Resourced Base provision, there is an uncommitted balance in the current year. This proposal would reduce the contingency by 2/3rds.

### 3.12 Statements £200,000

This proposal would reduce the current budget of £4.6m and takes account of a current underspend.

### 3.13 Support for SEN £200,000

This budget provides support for SEN, Sensory Services and Portage together with a range of SEN initiatives. The SEN initiative area totals £690,000 and provides a range of support and activities. It is proposed that the reduction of £200,000 is from within this area and largely takes account of uncommitted budgets.

## 4. **RECOMMENDATION**

It is recommended that these proposals are referred to the Schools Forum Formula Working Party for further discussion and consideration. The Group would report their findings to the next meeting.

Julia Hassall  
Director of Children's Services

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## Appendix 1 – 2014-15 Schools Budget and PFI Possible savings

	Adjusted Base Budget 2014/15 £	Possible savings areas for PFI £
<b>Individual Schools Budget</b>		
Primary Schools	92,497,800	
Secondary Schools	30,618,500	
Special Schools	8,500,300	
SEN Bases	2,006,000	
Emslie Morgan Alternative Provision School	640,000	
Wirral Hospital School	1,352,300	
Early Years	15,551,000	
<b>Individual Schools Budget Total</b>	<b>151,165,900</b>	
<b>Central School Costs</b>		
Early Years	489,700	
Admissions	365,400	23,600
School Closure / retirement costs	326,000	200,000
Licences & Subscriptions	152,000	
Schools Forum	10,600	
School Harmonisation Costs	450,000	450,000
Contribution to Combined Budgets		
Discretionary rate relief	106,600	
School Improvement	359,900	
LSCB	30,000	
School Sports Coordinator	25,000	25,000
School Intervention	674,500	180,000
City Learning Centres	814,700	120,000
LACES	185,500	45,000
School Wellbeing / Staff surveys	44,600	
Clinical Waste Disposal	11,600	11,600
Governors Forum	2,200	
PFI Support	61,800	
Use of Swimming Baths	19,800	19,800
PPM	449,000	200,000
PFI affordability gap	2,586,500	
<b>Costs Delegated to schools</b>		
Library Service	195,000	
Insurances	57,700	25,000
MEAS	260,400	
School Specific Contingencies	107,500	
Special Staff Costs - Maternity	597,800	
Special Staff Costs – Trade Union	75,400	
Milk & Meals	13,900	
Behaviour Support	96,500	
<b>High Needs Pupils</b>		
SEN Top Ups / Independent School Fees	12,176,700	600,000
Statements	4,648,500	200,000
Support for SEN	2,282,700	200,000

Education Out of School	251,400	
Special School Transport	58,200	
<b>Non Delegated School Costs</b>	<b>27,987,100</b>	<b>2,300,000</b>
<hr/>		
Dedicated Schools Grant	(175,834,200)	
Contributions from Reserves	(1,332,300)	
<b>DSG Total</b>	<b>(177,166,500)</b>	
<hr/>		
<b>Grand Total</b>	<b>1,986,500</b>	
<hr/>		

## WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM - 8<sup>th</sup> October 2014

### REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

#### The impact of the School Intervention Grant and Combined Budget Contributions to School Improvement

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#### EXECUTIVE SUMMARY

This report outlines the expenditure and impact of School Budget contributions in 2013-14 in the following areas:

- School Intervention £673,200
- School Improvement £359,900

#### BACKGROUND

##### 1. School Intervention

The School Intervention contribution of £673,200 has been and is being spent on three main areas of support for schools:

1.1 Primary & Secondary School Intervention	£545,400
1.2 14-19 Intervention / Support	£97,200
1.3 Supporting Early Years Statutory Assessments	£30,600

##### 1.1 Primary School Intervention

A total of £247,400 was allocated for school improvement in primary schools. A substantial amount of this money, £225,000 has been used to support vulnerable schools identified as Band 3 or Band 4 in line with the Local Authority School Improvement Strategy. Each school receiving financial support was required to work with a school improvement officer from the School Improvement Team to generate a School Action Plan with clear measureable milestones. Progress towards achieving the milestones was reviewed each term through the School Causing Concern process. Results at the end of the Early Years Foundation Stage (EYFS), Key Stage 1 and Key Stage 2 were analysed in August 2014 to determine progress in raising pupil attainment.

In addition £22,400 was allocated to deliver training and support for the development of subject leaders in Foundation subject in primary schools. The programme was delivered to support schools with the development of middle leadership. The training has been very well received. The training has been updated in the light of the revised Ofsted framework (July 2014) and will be offered again this academic year.

Funding of £15,000 was allocated to the development in Early Years of the Alistair Brice-Clegg model. This training and support has been very well received by early years settings and schools.

£45,000 is used as a contribution towards the Primary Headteacher consultant post and the remaining budget is kept as contingency to support schools who are judged by the revised Ofsted framework s 'requiring improvement', serious weaknesses or special measures.

## **1.2 Secondary School Intervention**

There are four elements to secondary intervention contribution:

1. Support for mainstream maintained secondary schools that are Band 2 in line with the Local Authority School Improvement Strategy.
2. Narrowing the Key Stage 4 attainment gaps (at 5+ A\*-C including English and maths GCSEs) between FSM pupils and non-FSM pupils.
3. A contribution towards the secondary Headteacher post.

The amounts for these areas were finalised after the final banding of secondary schools in line with agreed LA processes and the school improvement contributions, in November 2013.

## **1.3 14 – 19 Intervention/Support**

The percentage of young people NEET in July was 6.9% (compared to 8% nationally).

In addition £22,000 was spent on licences to operate and access the national U-Explore careers education, information, advice and guidance software (CEIAG). This assists schools to evidence that they are providing impartial CEIAG for their pupils. In total 2639 active pupil accounts registered in 2013/14. 19 secondary schools proactively use the software as a part of their PSHE curriculum offer.

The Risk of NEET Indicator (RONI) toolkit has enabled the early identification of young people who are at risk of becoming NEET. The Programme is co-financed using Council core grant and School Intervention funding. The RONI toolkit is reported separately on the agenda.

## **1.4 Supporting Early Years Statutory Assessments**

This has been used to support the statutory duty in Early Years to moderate assessments in the summer term 2014.

## **2. School Improvement**

The school improvement contribution of £359,900 has been spent on the following areas:

- Early Intervention Managers (Early Years, Mathematics, English) who work with targeted schools
- Entitlement School Improvement Associates
- Contribution towards Governor Support Services
- Evolve
- Post-16 narrowing the gap project
- The delivery of training, resources and equipment

## **IMPACT**

This year's funding by the Schools Forum and the amounts previously agreed have supported the aggregated school outcomes which are:

1. Provisional attainment results at the end of Key Stage 1 and Key Stage 2 an increase on 2013 results.
2. The gap between pupils in receipt of free school meals and non free school meals has narrowed at the end of EYFS, Key Stage 1 and Key Stage 2.
3. Wirral attainment at the end of EYFS (children attaining a good level of development) has increased by 16% to 63%. The free school meal gap has narrowed with both non free school meal and free school children's attainment showing an increase.
4. 87.5% of schools in Band 4 exited into a higher band requiring less support and challenge. 65% of Band 3 schools exited into a higher band.
5. Attainment at the end of Key Stage 4 for 5 A\* - Cs including English and Mathematics (63%) exceeded FFTB estimates, and is above the provisional North West average of 56%.
6. Outcomes reported in August 2013 for the 55 young people supported in school sixth forms were extremely positive. All of the named pupils (100 percent) identified by the six participating schools were retained and sat the appropriate examinations, or produced the required course work. It was reported that 96 percent of the 55 pupils (53 in total) achieved a full level 3 qualification. Outcomes reported from further education institutions in August 2013 for the 60 pupils supported whilst undertaking a level 3 qualification(s) in the further education sector, were also very positive. The Colleges reported that 90 percent of the original cohort of young people stayed to complete the programme of study. Of these young people all (100 percent) were successful in achieving a full level 3 qualification.
7. At the time of writing this report at least 87% of primary, 68% of secondary and 92% of special schools have been judged as good or better which is well above national averages.
8. Due to bespoke intervention by the School Improvement Team 7 schools were prevented from going into an Ofsted category.

## **RECOMMENDATIONS**

1. The consultant headteachers prepare an annual report to review and evaluate work streams.
2. Schools Forum review the funding of these posts in 2015 and every 2 years thereafter.
3. Schools Forum to note the contents of the report.

**Julia Hassall**  
**Director of Children's Services**

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## WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM - 8<sup>th</sup> October 2014

### REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

## 2013/14 RISK OF NEET INDICATOR PROGRAMME

Programme Evaluation  
14-19 Service

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### 1.0 Introduction

1.1 In preparation for the first year of the government's Raising of the Participation Age (RPA) legislation 2013 the 14-19 Service sought to develop a Wirral risk of NEET indicator (RONI) programme. Plans to develop a RONI tool were signalled in the Council's 2012 RPA Strategic Plan and drew upon experiences of other local authorities that had taken part in the Department for Education RPA trials; running as early as 2009. Now in to its second year the 2013/14 programme uses a statistical toolkit to identify young people in year 11 at risk of becoming NEET post 16. Programme funding was devolved to participating schools to support personalised transition plans for the most vulnerable young people.

1.2 This programme evaluation report therefore refers to the RONI programme that took place September 2013 through to July 2014. Some 255 key stage 4 year 11 high risk of NEET learners were identified and supported as part of the programme. The RONI programme budget (£119,000) comprised: council core funds (£44,000) and schools forum devolved funding (£75,000). All funding was used to fund personalised learner interventions.

1.3 The aims of the 2013/14 programme were too:

- To improve early identification of young people who are at greatest risk of NEET (Post 16) through RONI (Risk of NEET Indicator) toolkit
- To offer a personalised support package for a cohort of high risk NEET, to enable learners to overcome barriers to continued participation in learning
- To evaluate the impact of a range of intervention activity and share best practice
- To ensure a smooth transition into continued learning or job with training post-16
- To achieve participation targets as set out in the 2014 Raising Participation Age Plan

1.4 Participating schools were asked to identify the barriers that each individual young person faced in their progression to employment, education and / or training in through a series of monitoring returns. The monitoring returns were collated and assessed by the 14-19 Service. These barriers included Attendance, Behaviour, SEN, Motivation...etc. (See Chart 2). School's were then allocated funds to provide interventions to support the progression for the identified high risk of NEET cohorts. Each learner was interviewed and agreed a plan and set trajectory, including an aspirational September destination that could be achieved as a result of the interventions funded by the RONI programme.

1.5 This 2013/14 RONI programme evaluation will focus on the following key areas:-

- Learner Risk of NEET Level
- Barriers to Progression
- School Interventions
- Positive progression post key stage 4 - September 2013 destinations

1.6 Schools that participated in the 2013/14 included:-

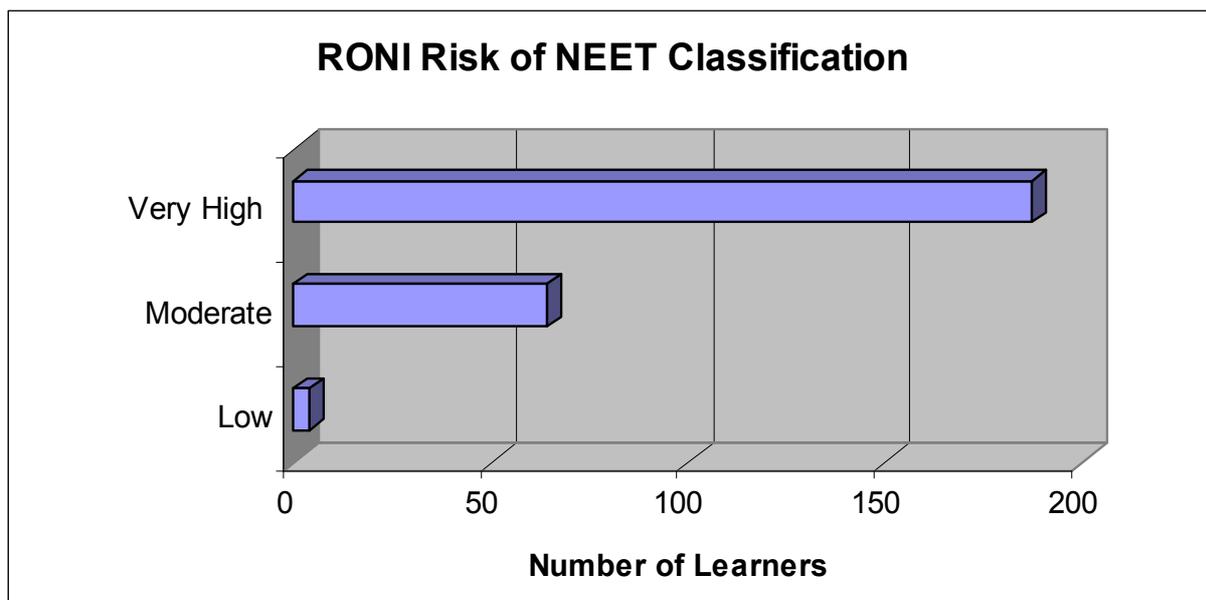
Participating School Name	No. of KS4 learners participating in the programme
Bebington High School	21
University Academy Birkenhead	31
Kilgarth School	12
The Mosslands School	14
The Observatory School	12
Wallasey School	26
St Marys High School	32
South Wirral High School	44
Prenton High School for Girls	9
Ridgeway High School	54
<b>TOTAL</b>	<b>255</b>

## 2.0 Analysis of Results

### 2.1 The probability of a learner in the programme becoming NEET post 16

Chart 1 below illustrates the RONI scores for those learners that participated in the programme. Some 73 percent of learners identified and supported through the programme had a 'level 5' combined RONI score. A majority of learners supported through the programme were therefore at a very high risk of becoming NEET post 16.

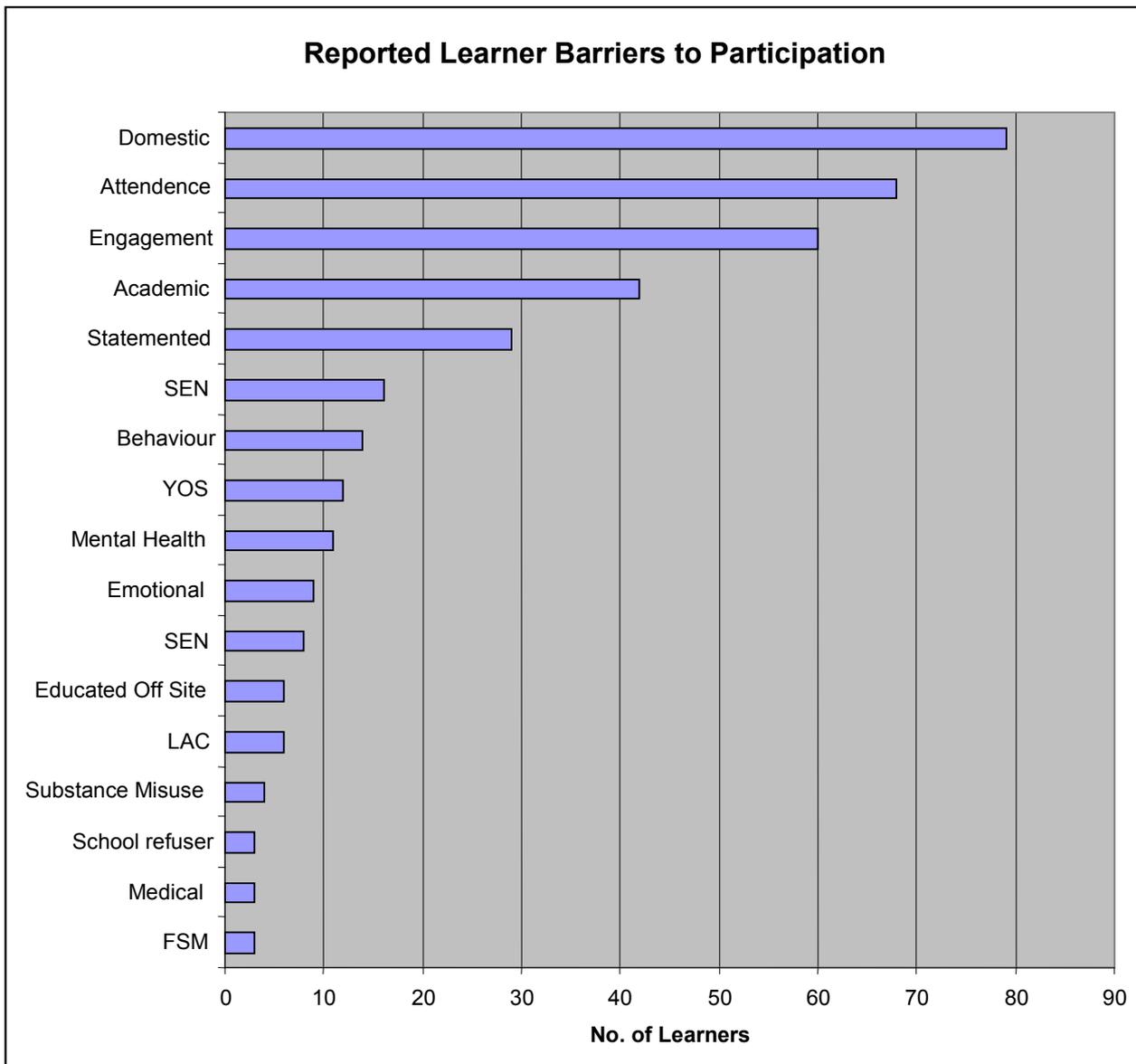
**Chart 1. Breakdown of the RONI mean learner level risk categories by participant**



2.2 Each of the schools engaged in the programme were asked to identify for each of their learners the main barrier(s) to engagement, progression and continued participation they faced. This was assessed by teaching staff through 1:1 learner interviews. Chart

2 below illustrates the scope of barriers to participation and progression that the learners engaged with the 2013/14 programme identified.

**Chart 2. Key Barriers to Progression for Learners in Cohort**



**Figure 1. Top 5 Barrier to Progression for Learners in Cohort**

Barrier	No. of Learners
Domestic	79
Attendance	68
Engagement	60
Academic	42
Statement	29

2.3 Chart 2 suggests that 'Domestic' issues provided the most prevalent barrier that young people in the cohort faced when progressing onto post 16 provision. The 'Domestic'

data was grouped from various aspects of identified barriers. These included; Lack of parental engagement, Child Protection, poor role models at home and a significant lack of parental support.

### 3.0 Interventions

3.1 Schools were required to identify the interventions that would be implemented in order to assist each individual learner with their progression. Each intervention had to be directly linked to the identified (and documented progression barrier(s)) and funded by the RONI programme. Each school had an allocation of £500 per learner. Figure 2 below illustrates at a high level some of the interventions commissioned by the schools in the programme.

**Figure 2. Interventions Provided by Schools to Assist Learner Progression**

Intervention	No. of Learners
Vocational Alternative Provision	76
Further Education Establishment Visits	110
Additional discrete 1:1 Maths Mentoring	64
Additional discrete 1:1 English Mentoring	34
Academic Mentoring (various subjects)	84
Motivational rewards	30
Careers education interventions	151
Support, for example,	73
Transport	12
Residential opportunity	68
Enrichment Activities	21
Mental health / Counselling	8

3.2 The impact of individual interventions is impossible to accurately measure because of institutions frequently created a 'cocktail' of interventions to meet the individual needs and barriers identified by the learner.

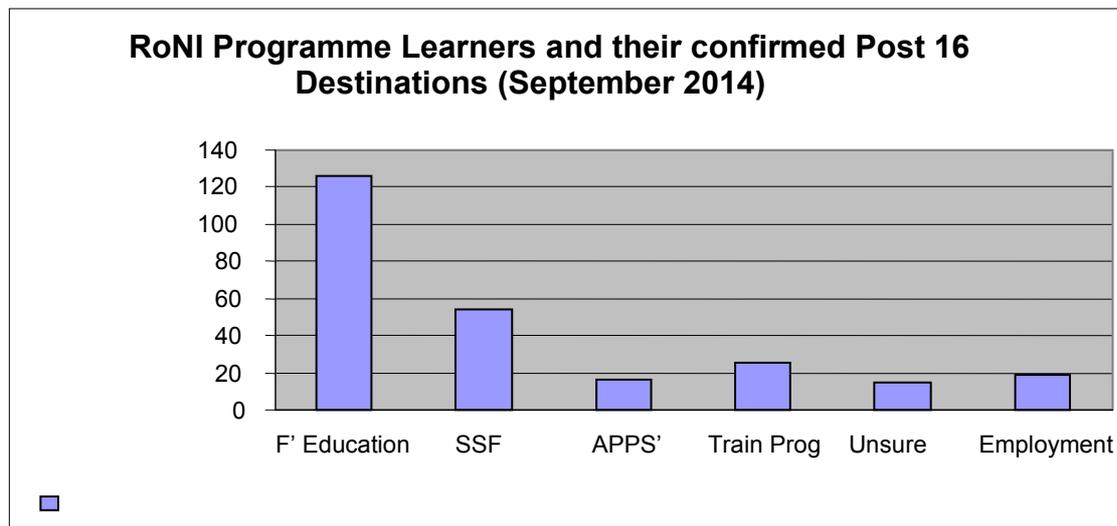
3.3 Alternative provision (offsite) curriculum predominantly featured Construction, Hair & Beauty and Sport sector based provision. Positive feedback received from schools regarding this provision, allowed learner who were at risk of exclusion to be kept on role as their attendance / behavior with the alternative provision provider improved. The choice of alternative provision attended (sector area i.e. construction) by individual learner can be seen to link to post 16 education, employment and / or training offer for September 2014.

### 4.0 Project IMPACT

#### 4.1 Learner Destinations

4.2 Participating schools were asked to provide data regarding the confirmed September destinations for each participant learner. There were some gaps with this data, at the time of writing, which will be gathered in November 2014 as the 14-19 Service confirm the destinations of all year 12 and 13's. Chart 3 below illustrates the confirmed offers received, at the time of writing, for the 2013/14 programme participants:-

**Chart 3. Employment, Education and Training confirmed offers for September 2014**



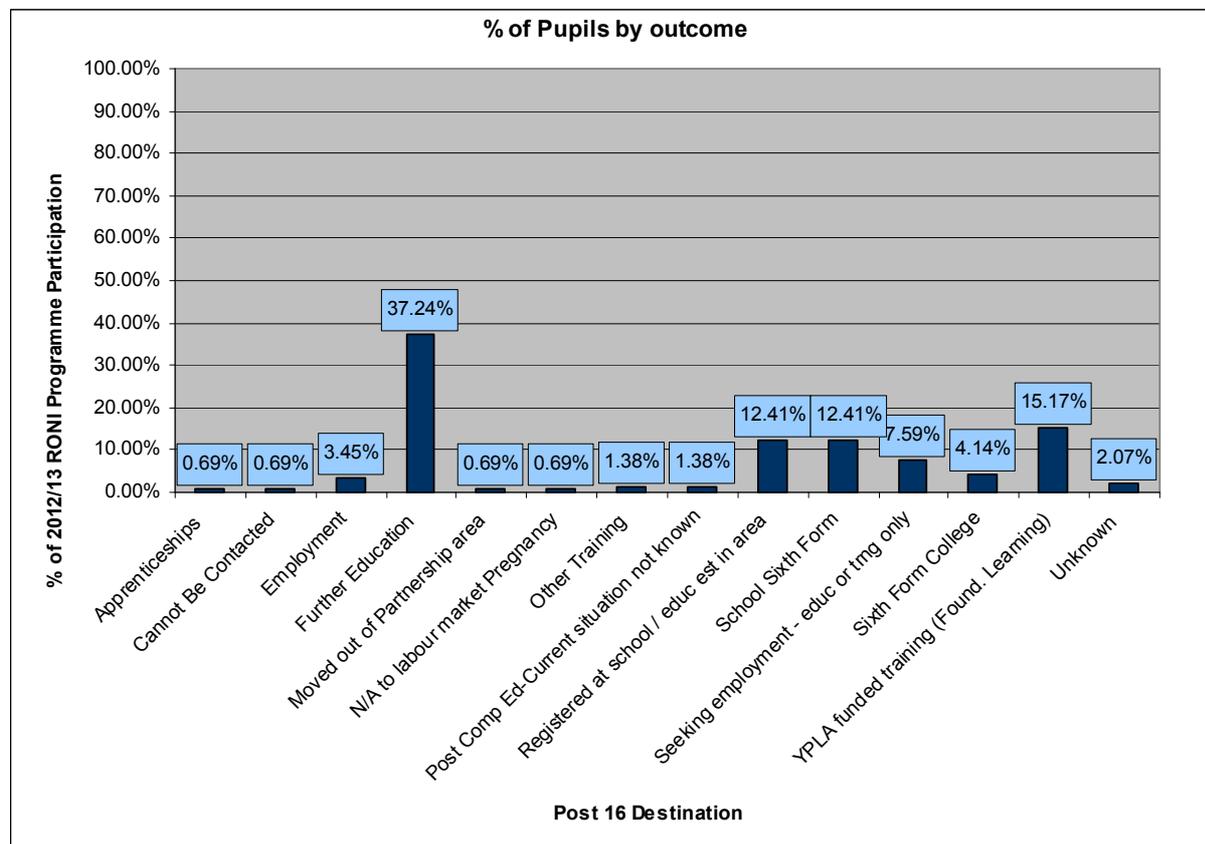
Confirmed Destination	No. of Learners
Further Education (F' Education)	126
School Sixth Form (SSF)	54
Apprenticeship (APPS)	16
Training Programme (Train Prog)	25
Unsure	15
Employment	19

4.3 Some 94.1% of the high risk of becoming NEET learners (240 actual learners) supported by the programme have a positive confirmed offer of a place in a positive post 16 destination, at the time of writing, will be tracked and targeted via the 14-19 Service tracking and monitoring service. They will also receive intervention support from the 14-19 Service Participation and Engagement Service.

**5.0 2012/13 RONI Programme...where are they now?**

5.1 Tracking of the 2012/13 RONI programme participants has been completed by the 14-19 Service data tracking team. The data tracking team has identified and recorded the current destinations (as at 31<sup>st</sup> July 2014) of the 145 participants that are now aged 17 and having completed one full academic year outside of compulsory schooling. The chart below (Chart 4.) illustrates the current reported destinations for the cohort. Overall 89 percent of the 145 most vulnerable young people have been retained in a positive post 16 destination. This serves to illustrate the programmes positive impact on our more challenging and vulnerable young people.

**Chart 4. Analysis of the 2012/13 RONI programme participant destinations 12 months on from leaving the programme (as at 31<sup>st</sup> July 2014)**



## 6.0 Recommendations

6.1 The key recommendations emanating from the 2013/14 programme include:-

1. We acknowledge the sustained post 16 transition learners make from this programme; particularly, if we reflect on the tracked outcomes for the young people that participated in the 2012/13 programme. We also therefore need to reflect on the projected annual cost savings to the council resulting from higher levels of participation and reduced NEET. The annual cost of young people's disengagement and NEET is £3,559 per person per year (L. Macmillion, University of Bristol (2011)).
2. We need to recognise the demand and need for mental health and counselling intervention / support amongst young people in Key Stage 4. This area has seen significantly increased demand since the 2012/13 programme. The Wirral CAHMS service is also reporting (August 2014) significant increases in young people turning up for emergency treatment at hospital following significant incidents of self harming – 30 percent increase in the last 12 months.

3. We should stipulate that schools appoint a non-teaching member of staff to coordinate the programme and liaison with the 14-19 Service. The 14-19 Service programme coordinator found communication with schools difficult due to teaching requirements of some named contacts. Schools that used non-teaching staff as main contact had much more responsive lines of communication.
4. Access to and release of 2014/15 programme funding be tied in to the completion of the Council Alternative Provision (AP) data collection tool (as appropriate). Eight out of the ten schools that participated in the 2013/14 programme used available RONI programme funding to support provision of AP.
5. RONI funding should NOT be used to purchase Careers Education, Information, Advice and Guidance support in the 2014/15 programme. Schools need to recognise and ensure they are fully meeting what is their statutory duty to provide a universal CEIAG offer for young people in years 8 to 13 from September 2014.

## **7. Recommendation**

The Forum notes the report

Julia Hassall  
Director of Children's Services

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## WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM 1<sup>st</sup> October 2014

### REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

#### Minority Ethnic Achievement Service Update

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#### 1. EXECUTIVE SUMMARY

1.1 Schools Forum has de-delegated EAL Funding for 2014-15 to allow a central Minority Ethnic Achievement Service (MEAS) to be provided to all maintained Primary and Secondary schools. This report provides an outline of MEAS activity for the 2013-14 academic year and proposed priorities for 2014-15.

#### 2. BACKGROUND

2.1 Key elements of the Wirral MEAS offer include:

1. Assessment of newly arrived pupils who are learning English as an Additional Language (EAL).
2. Advice and support for schools and settings on meeting the needs of EAL pupils provided by a team of expert EAL staff
3. EAL support networks for school staff
4. EAL, black and minority ethnic (BME), Race and cultural awareness training provided centrally by specialist staff
5. Bespoke support for schools
6. Resources to support EAL learners
7. EAL HUB schools who can provide advice and support on EAL for schools and contribute to training programmes
8. Services provided by MEAS in partnership with organizations and community groups

#### Priorities for MEAS team 2014-15

1. Focus on support needed to support pupils at all stages, identifying priority groups- inc EYFS and KS1 EAL learners to ensure they achieve their full potential
2. Promoting the service and the services offered as widely as possible – to Engage all schools, including selling services as needed
3. Increasing the range of staff in schools trained to effectively support EAL/BME pupils
4. Develop the skills of MEAS staff and areas where services can be extended / Develop the role of TAs /Develop new approaches to engaging with families of early years pupils
5. Respond to new opportunities and challenges - Develop international school links / Develop support for families new to Wirral
6. Partnership working - Develop shared training activities with other Authorities / Monitor services offered to schools in partnership to ensure schools receive standards of service
7. Support schools to address racist incidents and promote race equality and spiritual, moral, social and cultural (SMSC) in schools

## 2.2 MEAS budget for the financial year

	<b>2014-15</b>	
<b>Staffing</b>	207,368	Paid through Children's Centre budget
1 Manager (0.4)		
3 Consultant Teachers		
2.6 Teaching Assistants		
2 Bilingual Project Officers (BPO)		
<b>Resources</b>	6,332	
Transport	1,700	
Supplies		
Hub Schools	27,000	
Partner staffing	5,000	
Contributions	6,700	
Recharges	5,900	
<b>Total</b>	<b>260,000</b>	

## 3. EAL/BME achievements 2013-14 (see appendix 1)

- **EYFS** % Achieving expected learning goals – 50.4% of EAL and 61.6% BME achieved a Good Level of Development compared to 62.9 % Wirral average.  
Some groups of EAL pupils, with little English at home, achieve less in communication and other areas at this stage.
- **Yr 1** Phonics tests 85% EAL and 85% BME children met the required standard compared with Wirral average 76%
- **KS1** EAL pupils (139 numbers steadily increasing (118 in 2012/13) gaps have narrowed and EAL and BME pupils achieved well

	EAL% L2+	BME%	Wirral average %
Reading	87.8	90.8	88.7
Writing	86.3	88.1	85.8
Maths	93.5	93.2	91.4
Speaking and listening	85.6	90.5	89.6

- **At KS2**

	EAL% L4+	BME% L4+	Wirral average %
Reading	88.5	92.2	89.6
Writing TA	86.7	89.6	85.3
Maths	88.5	89.6	85.9
RWM	82.3	84.0	78.3

There is a trend of improvement in reading and writing

## RECOMMENDATIONS

1. Schools Forum note MEAS activity for 2013-14
2. Schools Forum receive regular updates on MEAS activity

**Julia Hassall**  
Director of Children's Services

**Wirral Minority Ethnic Achievement Service  
Summary of Activity and Impact 2013-14**

**1 Coverage**

**Number of schools and settings supported**

	Number			
Schools supported by consultants	118			
Schools with TA training/ support	40			
Schools supported by BPOs	59			
People attending central training	89			
Schools with staff trained in school	54			
Total number of schools supported	Primary 99	Secondary 19	Special 11	Total 129
Early Years Settings supported by BPOs	21			

**OFSTED**

‘Specialist help such as from the local authority helps to ensure pupils that speak English as an additional language do well’ St Anne’s 2014

**2 MEAS support for schools 2013-14**

**Training and support for school staff held in schools**

included Raising Awareness of EAL pupils - new arrivals and the advanced bilingual learner

“The excellent resources modelled to help all children, not only EAL children”

“Clear, concise information presented with enthusiasm”

“Massive amount of ideas for developing the curriculum with international focus for whole school”

**Challenging racism workshops for staff and pupils**

“Many students have had no or little experience of different cultures and are often reluctant to respect viewpoints other than their own. The ‘Challenging Racism’ workshop today has encouraged students to consider issues around racism and to challenge racist stereotypes.”

**Multicultural workshops run by MEAS in schools & settings**

“The pupils particularly appreciated the moral teaching behind the story and the visual aids/artefacts, which enhanced their learning. Children were able to retell the story in an assembly later in the week using the visual aids. Children have now written their own tales using the modelled story presented to them. They will be sharing these with younger children.”

“It enabled the children to see how other cultures aside from our own can be celebrated. They learnt how although cultures can be very different we can appreciate the similarities as well as the differences to our own culture. ”

## **TA Support for schools and training for school support staff**

97% of staff supported stated that the support from MEAS TAs was excellent.

“This programme should be automatically put in place for any school staff not trained in EAL. Advice and resources were so valuable for the children I was working with. Trainer was excellent” Black Horse Hill Infants

“I have learnt so much watching TA interacting with a child (was selective mute), he has turned into a confident active boy. I have used many of the activities and resources with other children and will continue to do so” Greasby Juniors

“Wow! What a fantastic project this was! Really organised and enthusiastic with the children – a great example. A great display was produced to demonstrate all the hard work carried out. A wonderful, informative experience, for the children.” Barnston

### **Central Training:**

MEAS delivered 52 training courses centrally last academic year. Staff attended from primary, secondary school and Early years setting from across Wirral. 93% of respondents thought that the central MEAS training they attended was outstanding or good in meeting the stated objectives.

“An excellent overview of EAL, a whole world of information that has been very enlightening” School Governor

### **Some comments on knowledge and skills gained from the sessions:**

#### EAL level 1- New Arrivals –

- Vocabulary, different methods of teaching English as a foreign language, repetition, group words and never take it for granted that children know things about England. Show cultural awareness
- Promoting their home language is essential for learning a second language
- How important pre teaching is and to try to get all school to do it. Plan with TA to pre teach pupils = confidence
- Information on resources available. Involve the rest of the class – teach them the language

#### Effective Liaison With Parents from the BME Community

- Really good, lots of information and presented in an interesting way

#### Using ICT to support EAL pupils

- How to include children in making dual language PowerPoints for various activities
- Making the story books using a PowerPoint. The value of digital story books and the impact it can have on the children

#### Motivating and Raising Achievement of BME and Dual Heritage Pupils

- Every meeting provides a wealth of information/resources from the MEAS staff as well as other local schools. It is an excellent opportunity to share ideas and good practice
- Thank you for all your input over the past 18 months

**Mosque Visits - Mosque visits benefitted the children in school (spiritual, moral, social and cultural development)**

- It was beneficial for the children to see other children practising a different faith with greater understanding comes tolerance. The children enjoyed the experience of seeing all the things in the mosque for 'real' - not just on appointment
- There was a good link to the Speaking and Listening aspect of literacy, RE, PHSE and certainly to enhancing the social and cultural development of our children, which we feel is very important

**Bilingual Project Officers (BPO)**

140 families supported

More than 200 children supported

Supported more than 90 parents to be involved in learning activities

Evaluations from schools, settings, parents and partner organisations, thought that support given by BPO's was extremely useful.

**Examples of feedback on BPO work**

"Fantastic morning for F2 and yr 1 and 2 children. It has made a huge impact. The BPO is a great role model for parents." Egremont Primary

"Thanks for the great help to our family the BPO helped us to talk to our children's school and to arrange a nursery for our 2 year old. She also encouraged me to learn English and attend an ESOL class at the library. Because of MEAS I have a better knowledge of my area and British community" Parent Birkenhead

**Community language GCSE**

MEAS supported schools with GCSE community language exams for 10 pupils from yrs 8-11 in Polish and Greek 100% passed, 70% A & A\*

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## WIRRAL COUNCIL

Wirral Schools Forum – 8<sup>th</sup> October 2014

Two Year olds Briefing & Early Years Working Group

Report of the Director of Children's Services

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### National Context

Free early education for disadvantaged two year olds was first piloted in 2006. The offer aims to improve disadvantaged children's social and cognitive outcomes so that by the age of five they are as ready as their more advantaged peers to start and fully benefit from school. The programme aims to provide good quality early education combined with support for parents, for example, to improve their confidence in supporting their children's learning and to deal with other challenges in their lives, such as health problems and family difficulties. The programme has grown substantially over the last few years and now covers around 40% of the country's two year olds (this varies from region to region).

Children are eligible if they live in a family claiming:

- Income Support
- income-based Jobseeker's Allowance (JSA)
- income-related Employment and Support Allowance (ESA)
- support through part 6 of the Immigration and Asylum Act
- the guaranteed element of State Pension Credit
- Child Tax Credit (but not Working Tax Credit) and have an annual income not over £16,190
- Working Tax Credit 4-week run on (the payment you get when you stop qualifying for Working Tax Credit)
- Working Tax Credits and earn £16,190 a year or less

From September 2014, Children are also entitled to a place if:

- they're looked after by a local council
- they have a current statement of special education needs (SEN) or an education health and care plan
- they get Disability Living Allowance
- they've left care under a special guardianship order, child arrangements order or adoption order

### Local Update

There are an estimated 3720 two year old children living in Wirral and we are informed by the Department of Work and Pensions that the number of two year olds eligible for free Early Education in Wirral is approximately 1846 under September 2014 criteria (shown above). This is 50% of all Wirral's two year olds.

Although we estimate that there will be 1800 places available at early years settings for eligible two-year-olds on 1 September 2014, these are spread across the Borough and may not meet everyone's needs. There is continued work taking place to raise awareness with targeted families and work continues with schools and private and voluntary providers to develop more places for our most vulnerable children over the next year.

We estimate that approximately 1481 children will be allocated places during the autumn term 2014 and approximately 1600 during the spring term 2015 in total. This means that available places for two year olds will become more difficult to find as traditionally, many available places are not in the geographical areas

that need them most. Central government and the Local Authority are encouraging schools with existing 3 & 4 year old provision to consider whether they have the capacity to expand their provision to take 2 year olds.

Funding was allocated to 1130 two year olds for the summer term 2014 and 1074 two year olds accessed the funding (summer term 2014), giving a drop off rate of 4.96%. This is a considerable improvement compared with the similar period a year ago when the drop off rate was 21%. This is largely due to the introduction of brokerage through Children's Centres for families of eligible two year olds, supporting families to find childcare that suits them.

There will be 137 early years' settings providing places for eligible two-year-olds on 1st September 2014 and 86% of places are in settings judged as good or outstanding by Ofsted, including 12 home based child minders. The remainder of places are provided by either newly registered settings (Ofsted registration assumes a good judgement) or setting judged as "requiring improvement" by Ofsted but working with the Local Authority quality assurance process and in areas of particular sufficiency need.

An on-line application process was introduced in September 2013 which has had a positive impact on the number of applications (parents can now apply themselves rather than having to go through a professional). Support with applications is available through libraries, health settings, Children's Centres and One Stop Shops and a follow up service is provided through the Children's Centres. This service is part of the wider Early Years Review which has taken place during the summer which will be consulted on during October and November. Copies of the full review have been circulated to all primary and nursery schools and colleagues are encouraged to consider their responses as part of the consultation in the near future.

A renewed awareness raising and information campaign is underway with leaflets, posters and a three month local radio campaign taking place in the first half of 2014 and work with professional colleagues continuing to raise the profile of this funding.

In January 2015, payment for 2 year old funding will be based on participation; Local Authority's currently receive an indicative allocation based on 40% of our resident two year olds, rather than our actual number of almost 50%.

In January 2015 payment to local authorities for 2 Year old Funding will be based on participation, those children attending a Early Years place on the census day in January .It is possible that the census return in January may not show a full take up of places, which would mean that funding might not be provided to Wirral for some 2 year olds. Like a number of authorities provision for 2 year olds is continuing to grow and will take time to secure a full take up. Nationally arrangements have been put in place for a second census count in October which would adjust funding and reflect any growth.

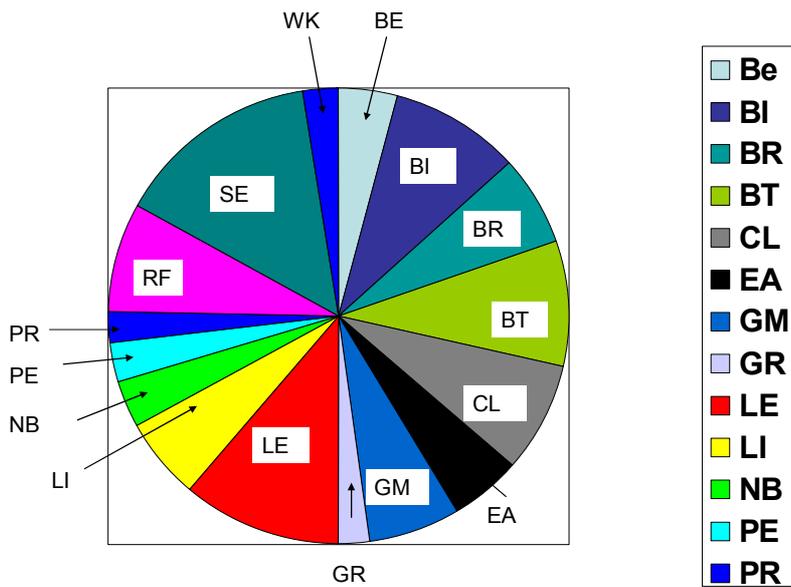
The Early Years Working Group monitors the activity and progress made with two year old funding and consists of:

Richard Longster – Wirral Schools Forum Chair  
Simon Davies – Poulton Penguins Day Nursery  
Denise Macdonald – Kingfisher Day Nursery  
Colin Chow – Wirral Council  
Kath Lloyd – Wirral Council  
Andrew Roberts – Wirral Council  
Cathy Hughes – Leasowe Early Years and Adult Learning Centre  
Janet Devine – School Governor

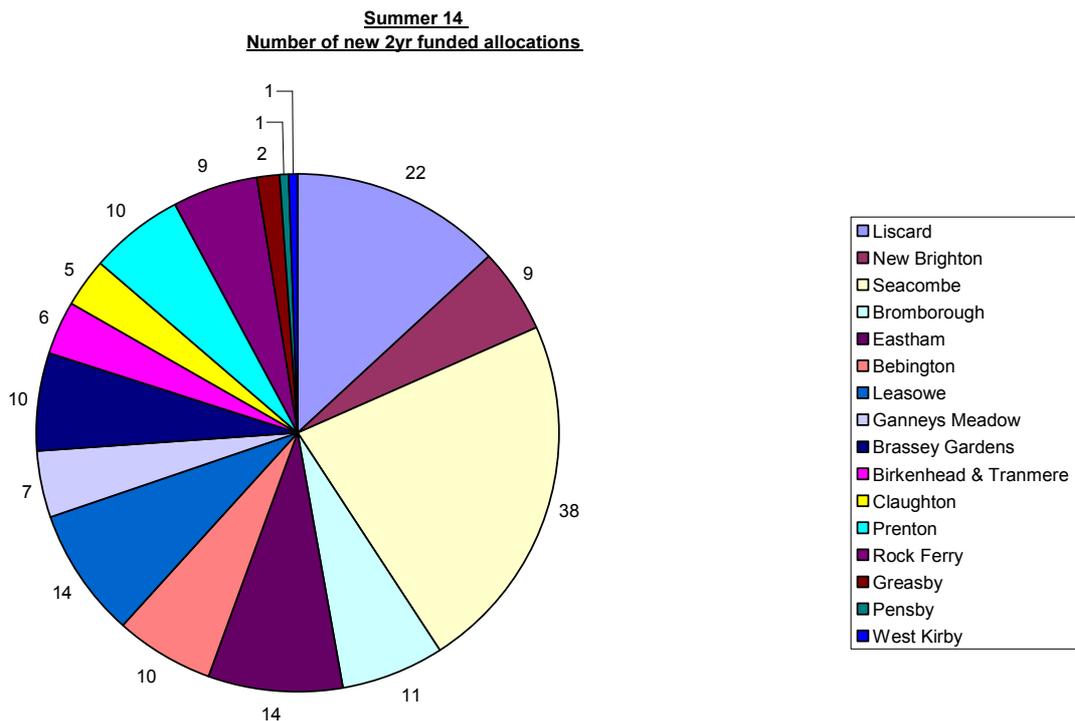
The group last met on 15<sup>th</sup> July and is due to meet again in October – date to be confirmed. At the last meeting, the group were briefed on the numbers of two year olds accessing places and looked in detail at some of the processes that have been put in place to ensure that the funding reaches the most vulnerable. The group also considered the DfE Consultation on Early Years Pupil Premium funding which ran from 25<sup>th</sup> June – 28<sup>th</sup> July 2014 and members were encouraged to respond. The latest information suggests that the Early Years Pupil Premium for 3 & 4 year old children eligible for free school meals will be £300 per child per year.

**An overview of progress made in allocation of two year old places:**

505 children accepted for 2 Year old funding per CC footprint- Summer 13



1002 children accepted for 2Year Old funding - Summer 2014



**Recommendation**

That Forum notes the report

Julia Hassall  
Director of Children's Services

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## WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM 8<sup>TH</sup> October 2014

## REPORT OF THE DIRECTOR OF CHILDRENS SERVICES

### HIGH NEEDS PLACES

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#### 1. EXECUTIVE SUMMARY

This report is in response to a request from the Education Funding Agency for Local Authorities to identify significant changes in High Needs Places in 2014-15 and that as a result would require more funding in 2015-16. Where this is the case a business case should be submitted to the EFA for consideration by 17<sup>th</sup> October 2014.

#### 2. BACKGROUND

In 2013 a new system of funding was introduced for pupils with special educational needs in schools, academies, alternative provision and for students in colleges and post 16 institutions. This system consists of Place Funding - a base budget for schools and institutions giving a core budget income of £10,000 per place - and a system of "Top up funding" giving additional resources to meet needs over and above this amount.

The number of places in each school, academy and college / provider has been agreed in advance each year with the institution and confirmed by the EFA prior to the start of the year.

During July the EFA published the "Fairer Schools Funding Arrangements for 2015 to 2016". This document is included elsewhere in this pack.

The report states that the EFA intends to use the High Needs place numbers used for 2014-15 in 2015-16. Whilst there is still the intention to use data in the school census and individual learner records from the previous autumn, the EFA do not feel that this information is robust enough to make allocations in time for 2015-16. Therefore these plans are deferred.

However the document says "We will continue to seek improvements to the quality of this information so that we can use it for funding purposes in future years." This change may well run alongside the national reform of the High Needs Funding System and the introduction of a formulaic mechanism for the distribution of the High Needs Block.

The guidance document does allow authorities and schools / institutions to identify significant changes in SEN places that require more place funding in 2015-16 compared to 2014-15.

Business cases should demonstrate:

- the actual number of high needs pupils and students in 2014-15 are much higher than the published places and that the place funding is not enough

- there are significant number of new places resulting from infrastructure changes.

In 2014-15 Wirral has 1,602 High Needs places as follows:

Maintained Special Schools	964
Units and Resourced Provision	337
Alternative provision	80
Non Maintained Special Schools	60
Further Education	95
Other providers	66

In addition there are 80 places within Wirral Hospitals School

### **3 PROPOSALS**

The changes suggested in High Needs Provision are as follows:

#### **3.1 Maintained Special Schools**

**Stanley Special School 90 places currently increase by 8 to 98.**

Stanley is a new CLD school. Pupil numbers at the school are currently 98. They have increased in recent years and were 100 in the summer term.

**Elleray Park Special School 90 places currently increase to 98**

The CLD school has been over place numbers in recent years. There are currently 93 on roll.

**Kilgarth and the Observatory School both 50 place schools increase by 5 to 55**

These are Behaviour, Emotional and Social Difficulties Schools (BESD). Both schools often start the year with a number of empty places and fill during the year. However they have started this year either full or over number (Kilgarth 50 and Observatory 56). It is suggested therefore that the place number at each school is increased to 55.

**Orrets Meadow MLD 66 place school with a CLD base increase to 71**

Orrets Meadow is a Moderate Learning Difficulty School with 66 places which includes a 16 place Complex Difficulty Base.

The pupil numbers increase during the year, over the last 2 years the school ends the year over number and have started this year with 71 children.

#### **Units and Resourced Base Provision**

**University Academy of Birkenhead reduce by 10 places from 30 to 20**

The previous Schools Forum meeting endorsed the decision to reduce the UAB's base numbers to 20 (At the end of the summer term there were 16 pupils in the base).

#### **3.2 Alternative Provision**

No change to the number at Emslie Morgan (80 places). EFA guidance indicates that additional places should be met by local authorities, schools or academies from within existing resources.

### **3.3 Non Maintained, FE and Other providers**

This area has been discussed with Wirral Met College (WMC) and the Birkenhead 6th Form College. Although no changes are proposed at this time WMC are considering their position.

### **3.4 Wirral Hospitals School 80 place school**

The school is currently full and is needing to respond to increasing medical needs. At the time of writing this report proposals have not been finalised. There will be a verbal update at the meeting.

## **4. RECOMMENDATION**

That the Forum endorses the application to the EFA for additional places at the schools listed above.

Julia Hassall  
Director of Children's Services

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## WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM 8<sup>th</sup> October 2014

### REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

#### Job Evaluation (JE) – Teaching Assistant Appeals

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#### 1. EXECUTIVE SUMMARY

This is a brief report summarising the latest costs resulting from JE appeals in special Schools and makes a proposal as to how they should be dealt with.

#### 2. Background

JE was implemented in all schools in 2012. Since then there have been a number of appeals made by groups of staff affected by the new salary gradings.

The attached letter has been received from the special Headteachers Group WISpHA for consideration by the Schools Forum. The schools are raising 2 significant issues regarding the appeals settlement for teaching assistants (TA1s and TA2s) in special schools:-

- There are backdated pay costs from 2007-08 which are in the region of £1.4m
- There are Annual costs going forward for schools of £170,000

At this time these costs are estimates of the amount that may be due. The actual costs will be determined by reference to each individual member of staff and their length of service.

The Schools Budget contains a reserve to manage some of the costs due, specifically those relating to the period before April 2011. These are estimated to be £700,000 and the current reserve is sufficient for this purpose.

However, given the size of the settlement the schools are indicating they will have difficulty meeting the remaining £700,000 as well as the new gradings going forward.

#### 3. Proposal

There has been an initial discussion with Headteachers on this subject and the costs involved. A solution may be to fund some of the remaining backdated costs from the High Needs Contingency. Contingencies should be used for significant unplanned/unexpected costs that cannot reasonably be met from the delegated budget. The need described by the Special Headteachers would seem to meet this criteria.

### RECOMMENDATIONS

1. That the Schools Forum advises on the use of the High Needs contingency for part of the backdated Special Schools JE costs.

**Julia Hassall**  
Director of Children's Services

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## Wirral Special Schools



Clare Mount Specialist Sports College  
 Elleray Park School  
 Emslie Morgan Alternative Provision  
 School  
 Foxfield School  
 Gilbrook School  
 Hayfield School

Kilgarth School  
 Meadowside School  
 Orrets Meadow School  
 Stanley School  
 The Lyndale School  
 The Observatory School  
 Wirral Hospitals School and Home  
 Education Service

**Chair**  
**Bob Richardson**  
**[Gilbrook School]**

**Vice Chair**  
**Carolyn Duncan**  
**[Orrets Meadow School]**

**Monday, 29 September 2014**

**Dear Richard,**

Could this be added to the agenda for School's Forum on Wednesday 8<sup>th</sup> October?

### **Job Evaluation Appeals**

Following on from a meeting with the Headteachers of the special schools and Andrew Roberts on Tuesday 23<sup>rd</sup> September, there is considerable concern about the financial impact that the re-grading of Teaching Assistant 1 and Teaching Assistant 2 posts will have on school budgets.

The Teaching Assistant 1's are moving from Band C to Band D and the Teaching Assistant 2's from Band D to Band E. The new salary range came into force on 01.09.14. The re-grading relates to an appeal presented to the Local Authority by the teaching assistants in special schools. They put forward a case that job evaluation had not recognised the differences in the role of a teaching assistant in a mainstream school and in a special school. Following their successful appeal, the differential in their pay has to be backdated to 2007. The LA, as in all other previous cases of job evaluation, has committed to meeting the cost of the pay differential from 2007-2011 with schools having to meet the pay differential from 2011-2014 and to meet the new salary costs. This is going to have a detrimental effect on school budgets.

The total amount payable by schools is as follows:

	Elleray Park	Foxfield	Gilbrook	Hayfield	Lyndale	Meadowside	Observatory	Orrets Meadow	Stanley
TA1	27,500	63,266	0	9,730	1,946	0	4,868	17,032	4,868
TA2	88,662	101,032	41,238	87,632	84,536	88,662	9,280	67,320	97,940
<b>Total</b>	<b>116,162</b>	<b>164,298</b>	<b>41238</b>	<b>97,362</b>	<b>86,482</b>	<b>88,662</b>	<b>14,148</b>	<b>84,352</b>	<b>102,808</b>

Despite the LA being aware of the appeals being lodged in 2011, schools were not presented with an analysis of what the differential may look like if those appeals were successful. In fact HR informed schools that even if the appeals were successful it would not necessarily result in them having enough points to move from one band to another. Schools only became aware that the appeals were successful in July 14 and presented with the figures on 23.09.14. We now understand there is the added issue of Teaching Assistant Level 3's having had their appeals refused, but being told that they can appeal against the appeal decision! Should they win an appeal then the situation for schools would be financially unviable.

I am sure you appreciate that all Wirral Special Schools have significant numbers of Teaching Assistants at all levels, and all will have to plan for the future increased costs of these new contracts, which again are costs that were not planned for meeting the needs of our pupils. However, it is accepted that this is a necessary outcome.

However, the back pay total of **£795,512** has not been planned by schools, as you know any significant underspend in recent years has been subject to severe scrutiny by LA Financiers. Subsequently Special Schools are being asked to find this money in their current budgets. I know you will appreciate the impact this would have on Special School budgets, the necessary severe cuts that would have to be made, and the resulting catastrophic consequences on the future provision for pupils with Special Needs on the Wirral.

The whole situation is causing a financial nightmare for the special school sector and given the huge implications on budgets, schools are requesting support from schools forum. In particular, that the costs for this 7 year long review of contracts can be met by LA funds, accepting that Special Schools will, from this year, have to meet the increased costs to their budget from within their delegated funds for these changes to contracts.

Yours sincerely

**Bob Richardson**

**Chair of WiSpHA**

# Future Council Public Consultation Pack

# Introduction

Wirral Council continues to face major budget cuts as it seeks to serve residents at a time of increasing demand and complexity. Wirral is not alone, every deprived northern authority faces the same hard choices and there are no easy solutions.

The Council's grant funding will have been reduced by around 57% before the end of 2017 and despite already agreeing savings of more than £100 million since 2013, the Council is being forced to reduce its spending by a further £70 million before 2018.

On top of this, there are £57 million of cuts which have already been agreed and are in the process of being implemented during the next two years. All projections show that austerity will continue until at least 2018, but potentially way beyond.

The Future Council project was established to help meet these challenges and the Chief Executive, Graham Burgess, is inviting everyone with an interest in Wirral Council services to comment on a number of proposals he has put forward to make the necessary savings.

The Council has conducted a comprehensive review into all of its services. Every part of the Council has been scrutinised to ensure every pound is spent effectively and every service is as efficient as it can possibly be.

This project is called 'Future Council', and it has identified new ways of delivering services, proposed reduced levels of senior management, and is squeezing the best value for money possible from contracts and the way the Council manages its finances. These proposals would enable us to reduce the budget gap needed to be bridged by service cuts from £18 million next year, to £2.5 million.

We are not proposing huge service cuts and reductions. The proposals put forward by the Chief Executive may be controversial and unpopular in places, but are targeted at those areas which can be cut while greatly limiting the impact on vulnerable people.

# MESSAGE FROM THE CHIEF EXECUTIVE

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**For five years now, deprived Councils throughout the north of England have been forced to make unprecedented cuts as a result of massive funding reductions imposed upon them by central government.** National austerity measures have meant that Wirral Council has had to save over £100 million over the past few years. Despite this, we are still facing a further funding shortfall of £45 million over the next two years. By 2017, our grant from central government will have been sharply reduced by a massive 57% in just five years and this is before further cuts are imposed in 2018.

This has meant that we have had to make some extremely difficult decisions and although it does not get any easier, we have prepared ourselves well by reviewing and strongly challenging how we deliver every Council service. This has enabled us to find the majority of existing savings by proposing to reduce senior management, designing new and innovative service delivery models, evaluating contracts and agreeing to significantly change the size and structure of the authority's workforce. Had these potential savings not been identified, the Council would have had no choice but to make even deeper cuts to vital frontline services. Instead, we have protected as much as possible the front line services residents rely on, by agreeing major changes to how we operate and as an organisation, are now undergoing the biggest transformation in our history. We have already identified around £14 million of efficiency savings for next year that limit the

impact on frontline services, and we are reducing our senior management costs by a further £1.5 million. The Leader of the Council has also been clear that unless Government legislation changes, there will be **no increase in Council Tax** for Wirral residents. We now need the views of residents, community groups, partner organisations and staff on a number of proposals, which aim to achieve our remaining budget shortfall of £2.5 million.

Within this document, you will find an explanation of how the Council's budget is put together including where the money comes from, and where it is spent currently. You'll also see how we are approaching the budget this year; specifically how we are changing as an organisation and transforming services to save money.

The workforce and elected members of Wirral Council are public servants. We are here to serve the people of Wirral and that will not change. What must change is how we serve you. Meeting our duty as public servants means finding the best, most cost effective way of improving residents' quality of life.

We have made huge headway under increasing pressure from central government. A lot of time and effort has gone into limiting the impact on front line services but the scale of the cuts we are facing means that it is inevitable that some changes to services still have to be made. This document contains my options for how we might achieve the savings required of us. We have sought to find fair options that still help our budget position, while continuing to prioritise

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the poorest and most vulnerable residents.

I am asking everyone with an interest in the services that the Council provides, including residents, community groups, partners and staff, to consider these options and share your views so that they can be taken into account by councillors when they make their budget decisions later this year.

I also ask you to understand that we have absolutely no choice but to implement some of these savings; to refuse to do so would result in an illegal budget and would put vital services at risk of closure.

Public feedback has made a genuine difference to the decisions taken in previous years so it is important that you share your views on the proposals. Please visit [www.wirral.gov.uk/futurecouncil](http://www.wirral.gov.uk/futurecouncil) or any One

Stop Shop or library to complete the online survey. The consultation closes on 31st October, when all feedback will be collated into a report for councillors to consider in November.

If anyone has any other ideas for savings that do not appear in this document then we would be happy to hear from you.

Thank you for your contribution.

**Graham Burgess,**  
Chief Executive.



# COUNCIL BUDGET EXPLAINED

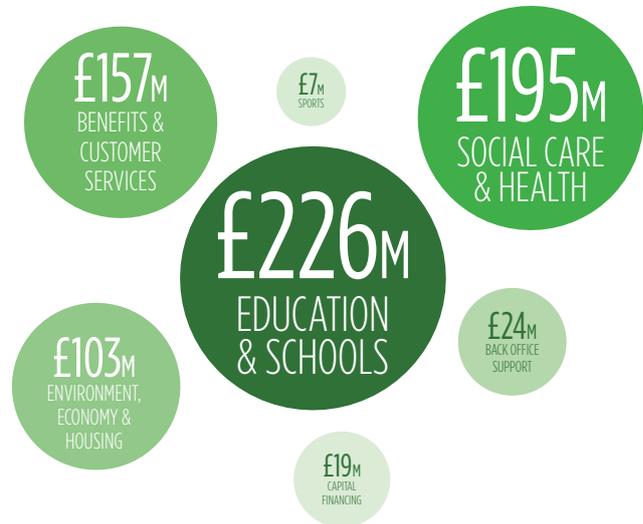
The Council has an extremely complicated budget, with funding coming in from a variety of different sources to deliver a wide range of different services and tasks. This document aims to explain where the money comes from, where it goes and why we need to make £18 million in savings this coming year.

## WHERE OUR MONEY COMES FROM

Many people think that income from Council Tax and Business Rates is used to fund local services. The reality is actually a lot more complex. As you'll see from the diagram - the vast majority of the money comes from the Government, in the form of 'Grants' (£370 million), which is money provided to Councils to provide services mainly for schools and housing, and a 'Settlement' (£128 million), which is divided up among all of the Councils in the country based on need and deprivation. Only 28%, £144 million, of the Council's funding comes from Council Tax and Business Rates. We also make £52 million in income from services and £19 million in 'reimbursements', which is where organisations like the NHS pay us for delivering services on their behalf.



## HOW OUR MONEY IS PLANNED TO BE SPENT:



You will see from this diagram that most of this money is either spent on social care and health (£195 million) or on education and schools (£226 million). We also spend £103 million on services to protect and improve our environment, economy and housing, £7 million on sports and £157 million on benefits and customer services - including libraries, one stop shops and call centres.

We spend £19 million on 'capital financing', which are existing costs associated with financing buildings and other major infrastructure projects, and we spend £24 million on 'back office support', which are those services that you rarely see but are essential to keep the Council running - things like Human Resources, Information Technology and Finance. If you look at both diagrams, you will see that next year our current services plan to spend £18 million more than we receive. That trend continues the following year as well, meaning the total budget gap is £45 million over the next two years.

**If we continue to deliver services in the same way, next year, we will spend £18 million more than we receive. If that trend continues the following year, the Council will have a total budget shortfall of £45 million over the next two years. This is clearly unsustainable and will lead to major service cuts.**

# THE BUDGET GAP

## WHERE OUR BUDGET GAP HAS COME FROM:



**Next year, we are facing Government cuts of around £24 million. We must also provide support to an ageing population, which continues to increase, plus unavoidable inflation, which will cost an additional £14 million.** During last year, as part of the What Really Matters Consultation, we agreed savings of £20 million. This means that despite having already saved over £100 million, Wirral Council must still save an additional £18 million next year and a further £27 million the year after.

We have already been able to find savings of approximately £14 million by making changes to our workforce, getting the best value for contracts and proposing different and innovative ways of delivering services. Added to the £1.5 million we are proposing to save through reducing our senior management. It illustrates how we have managed to find the majority of savings for 2015/16 reducing the impact on front line services.

The budget gap has therefore been reduced from £18 million to £2.5 million. The remaining £2.5 million now needs to be found by changing, reducing or charging for some Council services.

The Council's earmarked reserves are held for specific purposes, including ring-fenced schools' funds, insurance and for the requirements of remodelling the Council. These reserves are regularly reviewed to ensure they are at an appropriate level for the size and activities of the Council. The Council's current reserves are at an adequate, but not excessive, level. Even considering the significant progress which has been made towards reducing the budget gap for 2015/2016, attempting to use one off funding from reserves to address a recurring funding shortfall is irresponsible and short sighted, and only serves to delay dealing with the root financial problem.

**The Chief Executive has proposed budget options within this document which amount to around £4 million. £2.5 million of these options need to be agreed to contribute towards the £18 million in total savings which need to be agreed next year. This means that there is genuine choice as to where the savings can be made.**

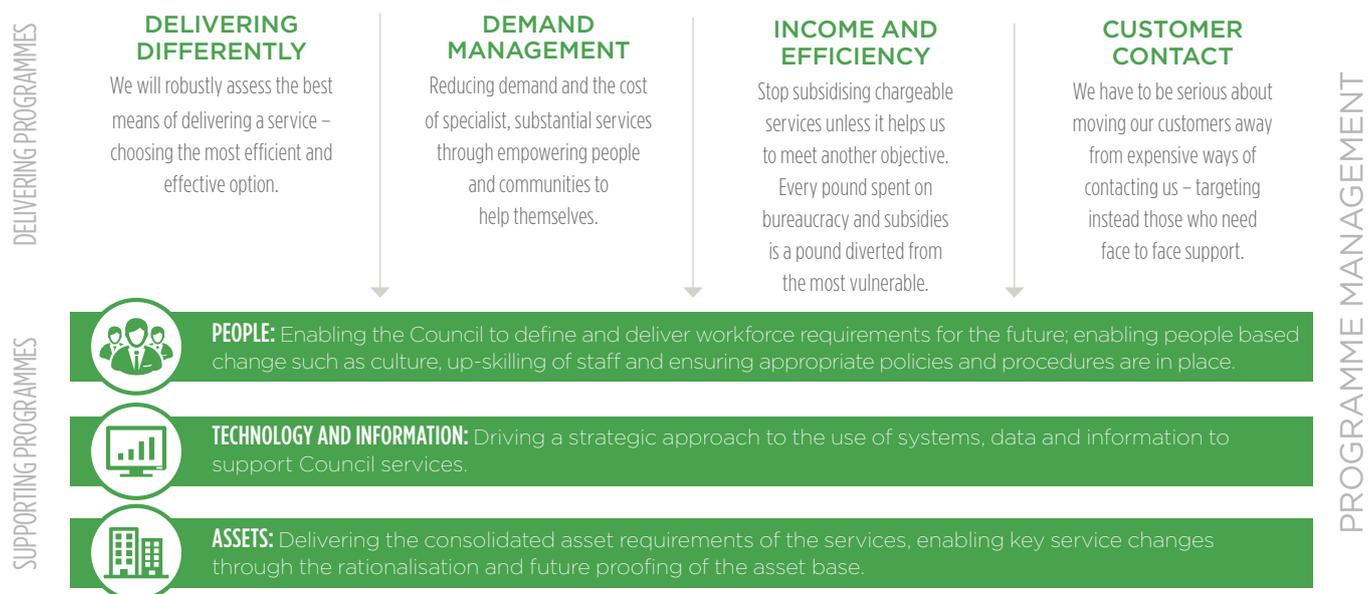
# WHAT IS THE FUTURE COUNCIL PROJECT?

**We have systematically and fundamentally challenged old ways of working – how services operate, what they cost and what they deliver.** We propose to entirely remodel and refocus our so called ‘back office’ and support services to reduce what they cost. We have also agreed to restructure every Council department to reduce our employee costs by almost £10 million, which is part of a decision (and a saving) agreed last year.

While the impact upon residents from these changes will be reduced, saving £10 million in employee costs means, in effect, around 300 Wirral Council jobs will be lost – hopefully mostly on a voluntary redundancy basis. Many more of the changes we are proposing over the next two years will see the organisation shrink even further, as we seek new and innovative ways to provide the same level of services with ever reducing financial support from central government.

**The Future Council project has given us the intelligence and data needed to progress a whole series of major changes and address the funding cuts we face without closing the vital services that residents of Wirral rely on.**

This document explains the initial results of the Future Council project and asks for your views on proposals covering four themes:



# WHAT IS THE FUTURE COUNCIL PROJECT?

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During 2016/17, a greater level of savings than ever before will be achieved by transforming how the organisation operates. However, despite the majority of savings already having been identified without cutting services, the sheer scale of cuts to our funding mean that our Councillors will still need to make some difficult decisions about local services this year.

The rest of this document explains the progress that has already been made to achieve savings through the Future Council project, what we will do over the next twelve months to save more money, and the longer term projects that will be implemented over the next two years to transform Council services. It also explains what areas, services and priorities we will continue to invest in – as it is important to remember that, even in a time of vastly reduced resources, Wirral Council still invests £250 million every year in services for residents. Finally, the document also explains the Chief Executive's budget options that require your feedback, which involve changing, reducing or charging for some Council services.

**We ask you to consider both our long term plans and the shorter-term budget proposals put forward by the Chief Executive to address next year's budget gap of £2.5 million.**

More details on each project and budget proposal are available on the Council's website at [wirral.gov.uk/futurecouncil](http://wirral.gov.uk/futurecouncil) or by emailing [engage@wirral.gov.uk](mailto:engage@wirral.gov.uk).

# WHAT WE WILL CONTINUE TO INVEST IN

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**The Future Council project was established to help the Council meet its financial challenges, but it was also set up to make sure that, in making the cuts which are being forced upon us, we do not lose focus on what is most important and what the Council's priorities are.**

At the end of 2017, Wirral Council will still be in a position to invest around £250 million into services for Wirral residents every year. That is a significant amount of money, and means the Council can still have a real impact in improving residents' quality of life, local environment and future prospects.

The Council Leader has been clear about what the Council's priorities should be, and the Future Council project has ensured that investment and cuts have been targeted to support them. Even in a time of unprecedented financial pressure, we must continue to strive to achieve our goals and improve the lives of Wirral residents. The Council is also investing an additional £14 million into supporting key services, over half of which is towards social care. We are also investing in the future, with a further £5 million in capital works, including investment to improve the efficiency of street lights and car parks.

## PROTECT THE VULNERABLE

As part of the restructuring exercise, a decision was made to exclude a number of Council teams from this process where they had a direct impact on providing services to the most vulnerable – particularly within children's social care.

## TACKLE HEALTH INEQUALITIES

Due to our role in leading on the public health agenda for the borough, we are in the positive position of being able to continue to invest resources in improving the health and wellbeing of Wirral residents. We will continue to invest appropriately in all forms of social care, and drive forward work to further integrate our services with the NHS.

## DRIVE GROWTH IN OUR ECONOMY

We will continue to invest in driving growth in our economy, creating jobs and helping our businesses thrive. An exciting new development is planned for Birkenhead Town Centre, while Wirral Waters remains the UK's biggest regeneration project, with planning permission for a new Wirral Metropolitan College building on the site being approved recently. The number of people claiming Job Seekers' Allowance continues to fall, and we will continue to work hard, and invest, to ensure our economy fully recovers and Wirral residents have access to good jobs.

# WHAT HAS THE COUNCIL DONE TO SAVE MONEY?

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**The Council is organised into three strategic directorates. The following pages show how each has already made significant progress in identifying savings.**

## SENIOR MANAGEMENT

The Council Leader has been clear from the outset that, while we are being forced to make huge reductions in our spending due to Government cuts, those savings should be made in a fashion that, as much as possible, protects front line services to the most vulnerable. We have stuck to that principle, and attempted to ensure that the broadest shoulders bear the greatest burden.

To further mitigate the cuts our front line services will need to make, we are proposing to save an additional £1.5 million through reducing the number of senior managers in our workforce. This will be done in a targeted and strategic manner, to make sure that services suffer as little as possible.

## TRANSFORMATION AND RESOURCES

### Remodelling the Council

Substantial, unprecedented reductions across the Council's back office, support services are being proposed. This includes centralising into one unit administrative and process-based work to create a 'Transaction Centre'. This will deliver significant savings for next year and will enable us to deliver further savings through evaluating the most appropriate way to provide the services in the future.

Proposals for savings will also be made next year across our 'professional services', such as Internal Audit, Human Resources, Finance, Legal and others. Again, this will enable us to find significant savings from delivering these services in an entirely different way in the future. Our ability to deliver what we need will be protected because of the approach we have taken, with centralised, targeted new functions focussed upon income and debt, governance and compliance, and commercialisation and change.

### Cutting Our Costs

Over £2 million in savings within this area will be found without significantly impacting on front line services. Making better use of our 'capital' programme, which is funding that we use to improve and maintain buildings, roads and other infrastructure, will ensure we can free up other resources to make savings. We are also implementing our asset strategy, investing in some buildings and disposing of others to make our use of offices more efficient and less costly.

This includes improvements to Wallasey and Birkenhead Town Halls to allow more staff to be based there, which will have helped to reduce the running costs associated with other office accommodation by around £400,000 by the end of this financial year. The sale of surplus office accommodation, such as Acre Lane in Bromborough and the Municipal Building in Birkenhead, will also generate significant capital receipts for the Council in future years.

We are squeezing every bit of value we can out of various contracts, including telephones, printers, postage and others to make further savings and removing our existing 'cashiers' service. Our One Stop Shops will no longer be able to accept cash payments, which are expensive to process and which we believe is no longer needed as more and more people move to paying for services using credit/debit cards or through our website.

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## REGENERATION AND ENVIRONMENT

### **Remodelling the Council**

This area has been extensively remodelled. The Future Council process has enabled us to propose major savings through combining functions such as Traffic and Transport with Highways. We are also proposing to redesign many of our other teams within this area – creating multi-functional services while achieving major savings.

### **Cutting Our Costs**

We are again making sure that every service which we contract out is as efficient as possible and provides the very best value for the Wirral pound. Income can also be generated through new-build housing, parking and street works, pre-planning advice and implementing small charges for replacement alley gate keys. We will also make savings through our Invest Wirral business support service by making minor reductions and changes to the operation.

The education landscape has changed dramatically during the past five years. Schools are becoming more and more independent from the Council and, in the case of academies, totally independent. This has forced us to redefine our relationship with schools. Currently, the Council provides certain services to schools on a commercial basis – where the school pays for the service we provide. Some of these services, such as grounds maintenance, are provided to schools at a price well below what that service actually costs. In keeping with our principle of only subsidising services that demonstrate wider benefits to Wirral people, we will seek to ensure that all services provided to schools and other organisations ‘break even’.

## FAMILIES AND WELLBEING

### **Remodelling the Council**

We are focussing on reducing the requirement on specialist, costly services through implementing new models of delivery to target those most at need and at risk, particularly across Children’s Services. Our targeted services are already an example of best practice, and we will scale up and embed what works – such as our approach to Troubled Families.

Following the Council Leader’s principle of protecting the most vulnerable, around £16 million of services within Children’s Services were protected, as well as other services which were either fully grant funded, funded through income or had a direct relationship with protecting the vulnerable.

### **Cutting Our Costs**

We will talk, on a one-to-one basis, to every adult receiving a ‘care package’ to make sure the support we provide is targeted to make them more independent, in both their abilities and their living situations. This work will be done sensitively and professionally – ensuring our care packages are appropriate, meet the person’s assessed needs and empower them to become as independent as possible.

Our Leisure Centres will continue on their drive to become more efficient, reducing the subsidy the Council provides to maintain them through implementing different working practices, pricing models and products.

# DELIVERING DIFFERENTLY

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## WHAT IT MEANS

**We will robustly assess the best means of delivering a service – choosing the most efficient and effective option.** This theme focuses on fundamentally changing the way the Council delivers services. The scale of the budget reductions we are facing means that, inevitably, we will commission more services than we provide in the future – either through private companies, the voluntary sector or through another type of arrangement, such as a shared service with another Council or public sector agency.

This does not mean we will ‘outsource’ services for the sake of it.

We will analyse, model and research the best, most appropriate and cost effective way of delivering every Council service in the future – using a fair, systematic and consistent approach.

To make this work, we will use our influence to make sure that all public services in the borough work together, acting as ‘one team’ to make sure we get the maximum value for public money. We will make sure money isn’t being spent on similar things by different organisations when we can get better value through doing things together. We will also support partners and develop the skills and capacity within the community, voluntary, faith and private sectors so that the services we need to commission externally can be delivered to the standard that we need.

## OUR FUTURE PLANS

Throughout the organisation, we will continue to review every service area to assess and evaluate the best way of delivering that service in the future. We are in the process of implementing the biggest change, and reduction, in our back office services we have ever completed, which will bring a big impact on our workforce. We will go further in the future, and find a new, more cost effective and equally as efficient way of delivering all of our back office services, making sure as much public money as possible is invested directly into the front line.

All of our professional services, such as Internal Audit, Finance, HR and Legal, will be further reviewed and a project will be established to explore new ways of delivering those services for 2016-17, delivering significant savings. A similar approach will be taken to the ‘Transaction Centre’ which we are in the process of establishing.

On the ground, we will be investing in new technology to provide LED Street Lighting. Cheaper to operate, better for the environment and, crucially, brighter – this investment will see us make long term savings in this area without switching off, dimming or otherwise reducing the street lights on the borough’s highways.

## CHIEF EXECUTIVE'S BUDGET PROPOSALS

### OPTION: WEST KIRBY MARINE LAKE

15/16	16/17	Total
£000s	£000s	£000s
25	0	25

This option would see us transferring the day to day operations of the site to another organisation – keeping the facility open but removing some of the financial burden to the Council.

### OPTION: ALL AGE DISABILITY SERVICE

15/16	16/17	Total
£000s	£000s	£000s
600	0	600

This option would involve a holistic review and redesign of the way we deliver services to disabled children and their families, including overnight short breaks at Willow Tree and the interface between children's and adults services. It would mean a redesign of how support is delivered, with greater integration with other service areas, in particular early help and adult social care.

Detailed consultation with children and families accessing services will take place before any changes.

### OPTION: YOUTH AND PLAY

15/16	16/17	Total
£000s	£000s	£000s
450	0	450

The Council has committed to making a major capital investment in a state of the art new Youth Zone, to be built in Birkenhead. This option would see the Council reduce the funding associated with the existing youth service while that facility is developed. Initially, this option would involve closing four satellite youth centres, and reviewing the location of the four remaining youth 'hubs', currently located in Birkenhead, West Kirby, Wallasey and Eastham. The option would also see the Council stop the funding associated with the current 'Play Scheme'.

# MANAGING DEMAND

## WHAT IT MEANS

**We will reduce the demand and subsequently the cost of specialist, substantial services through empowering people and communities to help themselves.** We will place a major emphasis in the future on working with people, and communities, to both improve their aspirations and achievements and also limit the resources needed for costly, specialist services. We will also focus on improving people's living situations, aspirations and general family life across a whole range of areas - reducing the demand on Council services, enabling the money saved to be better invested elsewhere.

This will involve a complete redesign of the way outcomes are achieved for children, young people and vulnerable adults in Wirral. The focus will be on increasing independence, and reducing demand on Council resources, as well as joining up our work with partners, such as the NHS - which will provide major savings but also a more integrated service for people receiving support.

## OUR FUTURE PLANS

We are in the process of reviewing our entire approach to delivering both children's and adults' social care - making sure we tackle potential problems early, before they require costly, specialist support services. We will place more emphasis, and resources, into services for early intervention and prevention - making sure people stay independent for longer and that specialist services are needed less. We will work particularly with our younger people to increase their independence through raising their aspirations and ambitions for the future.

We will also implement a full programme of behaviour change activity, targeted at problem issues in the borough which drain significant public resources sometimes unnecessarily. This will focus on reducing issues such as litter, dog fouling, criminal damage such as graffiti and other forms of vandalism such as fly tipping.

## CHIEF EXECUTIVE'S BUDGET PROPOSALS

### OPTION: PREVENTATIVE MAINTENANCE

15/16	16/17	Total
£000s	£000s	£000s
570	0	570

The vast majority of the funding the Council uses to maintain highways comes in the form of grants from national government. Wirral is one of only a few Councils in the country to put extra, local money into this fund to carry out 'preventative' work, across both our highways and our parks. This option would see us removing this additional investment, and focussing our maintenance work where there is a safety implication.

### OPTION: SCHOOL CROSSING PATROLS

15/16	16/17	Total
£000s	£000s	£000s
90	65	155

Last year, the Council worked alongside all schools in the borough in an effort to share the costs of providing school crossing patrols. Unfortunately, only a few schools agreed to pay towards their costs. Therefore, this option would mean we review the school crossing patrols which are currently at 47 sites across the borough where there is already a pedestrian, pelican or puffin crossing in place. Initial estimates are that out of the 47 sites, a total of 41 school crossing patrols would be removed. We believe that, due to the crossing facilities which are in place 24 hours a day, the demand and requirement for a school crossing patrol is greatly reduced. Before this option is implemented, a full risk assessment will be completed on every crossing site.

# INCOME AND EFFICIENCY

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## WHAT IT MEANS

**We will not subsidise chargeable services unless it helps us to meet another objective. Every pound spent on bureaucracy and subsidies is a pound diverted from frontline services.** The work in this theme will make sure the Council is efficient when it comes to charging and collecting income for services; it will focus on improving and streamlining the way in which we operate and collect funding and bring a commercial approach to the Council's business where it is appropriate.

Many of our services are also chargeable – both in terms of residents paying for them but also other organisations such as schools, housing associations and other partner agencies. We will focus on making sure those charges are appropriate and, importantly, cover what the service costs us to deliver.

## OUR FUTURE PLANS

We will, over the course of the next year, place a much bigger emphasis on how we buy services and goods, how we collect income and how we charge for certain services. We will become, in the appropriate areas, a much more commercial organisation. Our procurement and change teams are being combined into one unit with a specific remit to focus on driving down costs on contracts, making the Council operate more efficiently, reducing duplication and streamlining processes.

We also operate a series of 'service level agreements', where we provide services to other agencies for a cost. We will review all of these agreements and make sure what we are charging is appropriate, and covers what the service is costing the Wirral taxpayer. Our enforcement teams will focus on community issues such as fly tipping, litter, dog fouling and graffiti.

We are not proposing to close any Leisure Centres. We believe that by modernising them, targeting marketing and promotion, and changing working practices we can drive up income to a level where we can keep our centres open, either managed by the Council or through another arrangement. We also believe we can generate more income through selling advertising space to businesses on Council land and other sites.

## CHIEF EXECUTIVE'S BUDGET PROPOSALS

### OPTION: COUNCIL TAX OVER 70S DISCOUNT

15/16	16/17	Total
£000s	£000s	£000s
600	0	600

Wirral Council is the only Council in the UK which offers households a discount on their Council Tax based purely on their age and the Council Tax band of their home. The discount is not means tested, people receive it regardless of their personal financial circumstances, and our residents with the lowest income already receive Council Tax Support and therefore either pay no, or only a proportion of, Council Tax. We therefore propose this option, which would remove that discount for all current recipients to achieve a saving of £600,000.

### OPTION: COMMEMORATIONS, REGISTRATIONS AND MEMORIALS

15/16	16/17	Total
£000s	£000s	£000s
100	100	200

It is proposed to merge the current births, deaths and marriages registrar team with the crematorium and burials registrar team, co-locating the merged team within one office. It is also proposed to raise burials and cremation fees to closer match those of neighbouring authorities, while not affecting our ability to offer a competitively priced service.

### OPTION: CHARGING FOR ALLOTMENTS, BOWLING GREENS AND FOOTBALL PITCHES

15/16	16/17	Total
£000s	£000s	£000s
35	0	35

This option proposes that the charges associated with using Council allotments, bowling greens and football pitches are raised over the next two years, to ensure the income collected more closely covers the costs associated with providing maintenance. We will also pursue transferring the management and ownership of Bowling Green sites to the bowling clubs themselves.

### OPTION: CAR PARKING - COUNTRYSIDE PARKS

15/16	16/17	Total
£000s	£000s	£000s
50	15	65

This option would introduce pay and display parking charges into the Parks and Countryside car parks at Arrowe Country Park, Eastham Country Park, Wirral Country Park and Royden Country Park. The option will generate income, but requires some investment in providing cash payment ticket machines. The income generated will assist in continuing the maintenance of the park.

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#### OPTION: CAR PARKING - FORT PERCH ROCK

15/16	16/17	Total
£000s	£000s	£000s
25	10	35

This option would introduce pay and display parking charges into the Fort Perch Rock car park at New Brighton, where there are presently no charges. The option will generate income from a well utilised car park and requires some investment in providing cash payment ticket machines. There are currently traffic problems developing around the successful New Brighton redevelopment, which it is thought would be eased through this approach – before implementing this option the Council would work closely with all businesses involved.

#### OPTION: LITTER AND DOG FOULING ENFORCEMENT

15/16	16/17	Total
£000s	£000s	£000s
70	0	70

Littering and dog fouling offences can impact adversely on the local environmental quality of Wirral. The Council has saved £1 million per year by targeting our street cleansing resources more efficiently. Many community groups have also risen to the challenge and play a significant role in keeping our borough clean and tidy. However, unfortunately, there are a minority of people that persist in discarding their rubbish irresponsibly. The Council proposes to launch a joint dog fouling and litter patrol team to target such offenders. A more generic team will maximise the limited resources available to tackle these problems.

#### OPTION: COLD CALLING ZONES

15/16	16/17	Total
£000s	£000s	£000s
80	60	140

This option proposes that we implement a small charge of £10 per household where a community wishes to implement a 'No Cold Calling Zone' in their street or area. Residents within No Cold Calling Zones will benefit from rapid response to reported instances of 'cold caller' activity, a designated coordinator, link to 'Ringmaster' messaging and alerts, advice and other services.

#### OPTION: PEST CONTROL

15/16	16/17	Total
£000s	£000s	£000s
65	0	65

This option proposes, alongside some staffing changes, a 10% increase in charges for all domestic and commercial services provided by Environmental Health, and the introduction of a charge for the element of the Pest Control service related to rats and cockroaches.

#### OPTION: PUBLIC CONVENIENCES

15/16	16/17	Total
£000s	£000s	£000s
140	0	140

The Council manages ten public convenience facilities which are located mainly in retail and coastal areas across the borough. The provision of public conveniences is not a statutory function and there is no legal obligation on Wirral Council to provide this service. This budget option would be to seek out community organisations that may wish to take on the full delivery, maintenance and operational costs of running the facilities in their area. If no suitable organisations could be identified then it is recommended that the facilities be permanently closed.

#### OPTION: ROADSIDE GRIT BINS

15/16	16/17	Total
£000s	£000s	£000s
55	0	55

The Council installed 100 roadside grit bins, which were strategically located throughout the borough – to help residents living on hills, and other areas where ice and snow caused more dangerous problems. Following the success of this programme, the Council agreed to install extra bins at residents' request, 198 in total. This option proposes that, while the winter maintenance and gritting routes would remain unaffected, the Council would no longer fill 198 roadside grit bins from the highway. Communities are welcome to continue filling the bins with salt themselves should they wish to. We will continue to provide precautionary salt spreading to the 10 priority routes, the clearance of ice and snow from these routes and major shopping areas and 100 grit bins which have been installed in accordance with the criteria for the statutory provision of grit bins.

#### OPTION: GIRTRELL COURT

15/16	16/17	Total
£000s	£000s	£000s
385	0	385

Girtrell Court is a 'short break', respite service for adults with disabilities. The service has 20 beds, of which 15 are 'respite' and 5 are designated as permanent. At the moment, 130 people are registered to access respite through Girtrell Court, and all use it for a certain number of weeks per year. This option would explore the possibility of using this facility more widely. This could potentially see Girtrell Court being invested in, and its capabilities expanded to enable the NHS to use the centre on a joint basis for patients who either do not need hospital care or who are being prepared for discharge following treatment. A full review of all the options available will be undertaken and will require full consultation with those people directly impacted by any proposed changes.

# CUSTOMER CONTACT

## WHAT IT MEANS

**We have to be serious about moving our customers away from expensive ways of contacting us – targeting those who need face to face support.** ‘Customer Contact’ means, basically, all of the different ways residents contact the Council or access services – either over the phone, online, through letters or emails or face to face at one of our hundreds of buildings. This work will conduct a thorough review of all those access channels, and make sure they are as cost effective and targeted as possible.

We will focus on moving as many services as possible entirely online – removing back office administrative costs, and making processes much easier for customers to complete. The Council also spends millions every year on various forms of information, advice and guidance – both directly providing it and also through contracts. We will again review all of this spend to make sure that we are getting the best value for money possible.

## OUR FUTURE PLANS

Wirral Council operates more libraries and One Stop Shops than any other borough in the region. We also have a fully integrated call centre, many buildings with reception desks, a website, social media channels and hundreds of phone numbers and email addresses which people use to access services and contact the Council.

Clearly, this is hugely expensive to maintain. Over the next twelve months we will implement a new customer access strategy – applying a strategic, whole-Council approach to how resources are invested in dealing with residents who contact us and access our services. This will completely remodel our approach to our call centre, how our website is used, our library operations and our one stop shops. We will also, over the next few months, implement an appointments system at many one stop shops – making the services more efficient, less costly and hugely reducing waiting times for customers.

## CHIEF EXECUTIVE’S BUDGET PROPOSALS

### OPTION: COMMUNITY LIBRARIES

15/16	16/17	Total
£000s	£000s	£000s
411	0	411

We are one of the only Councils to not close any libraries. We believe this is the right decision as libraries play a hugely important role in any community. However, maintaining 24 libraries in their current form in a borough as small as Wirral is clearly not possible in the current financial climate. This option would see our community libraries, which are smaller and less well used, 15 in total, reduce their opening hours to an alternating 2 or 3 days per week, 10am-2pm. This option would NOT affect central libraries or libraries with One Stop Shop facilities included.

These hours would be implemented on an alternate basis – so that on any given day, at least one library in a constituency area would be open. This option brings the benefit of major savings, while at the same time keeping all 24 of Wirral’s libraries in operation. It also gives us the opportunity to actively seek community involvement to potentially increase the libraries opening times and use in the future – rather than closing the facilities permanently.

Analysis confirms customer demand across these sites currently peaks during 10am – 12pm and 2pm – 4 pm with a significant reduction in demand outside of these periods. It is anticipated that the removal of the lunchtime closure at these sites will encourage more uniform and focused usage across a proposed 4 hour day.

# HOW TO TAKE PART

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We want everyone to be able to take part in this consultation. The options are difficult, they are important, and we know they are tough choices. They have been put forward because other options would have a major impact on some of the most vital services that Wirral residents, particularly vulnerable people, rely upon. We have tried to make it as easy as possible for everyone to take part.

Over the next few weeks, we will be visiting hundreds of community organisations across Wirral to talk about the changes and options in more detail. You can find more information about the budget options in this document from our website, at [www.wirral.gov.uk/futurecouncil](http://www.wirral.gov.uk/futurecouncil). You can also call into any Council building and ask for copies.

If you would prefer an easy read version of this, or one of the other consultation documents, then they are also available online - or you can contact us via email at [engage@wirral.gov.uk](mailto:engage@wirral.gov.uk) or call into any Council building and we will be happy to send you a copy.

## WHAT HAPPENS NEXT?

This consultation is open until 31st October 2014. After that point, Councillors from all of the Council's Policy and Performance committees will look at the results and provide their views.

The Council's Cabinet will then, on November 6th, consider the results of the consultation and make a recommendation on what budget proposals they think should be accepted, based on your feedback. This recommendation will then be debated and voted on by all Councillors when they meet to set the budget.

If you take part in the consultation, please remember to give us both your post code and your email address and we will keep in touch with you as decisions are made over the next few months.



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Department  
for Education

**Launch date 8 August 2014**  
**Respond by Friday 17 October 2014**  
**Ref: Department for Education**

## **School and Early Years Finance (England) Regulations 2014**

# School and Early Years Finance (England) Regulations 2014

The Department for Education is seeking views on the proposed changes to the School and Early Years Finance (England) Regulations. The regulations put in place the new arrangements for local authorities to set school budgets for the financial year 2015 to 2016.

**To** Chief finance officers and finance officers at local authorities; chairs and clerks of schools forums; and other interested parties.

**Issued** 8 August 2014

**Enquiries** If your enquiry is related to the policy content of the consultation you can contact the Department on 0370 000 2288

e-mail:

[2014SchoolFinanceRegulations.Consultation@education.gsi.gov.uk](mailto:2014SchoolFinanceRegulations.Consultation@education.gsi.gov.uk)

## Contact Details

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the Ministerial and Public Communications Division by e-mail: [consultation.unit@education.gsi.gov.uk](mailto:consultation.unit@education.gsi.gov.uk) or by telephone: 0370 000 2288 or via the Gov.UK ['Contact Us'](#) page.

# 1 Summary

- 1.1 The Department is proposing to amend the Schools and Early Years Finance (England) Regulations 2013. Some of the changes had previously been published as part of the [Fairer schools funding arrangements for 2015 to 2016](#) and [Schools revenue funding 2015 to 2016 – operational guide](#) published on 17 July 2014. The proposed changes will come into force in January 2015 and shall be applied for the financial year 2015 to 2016.

## 2 Proposed changes to the school and early years finance regulations

- 2.1 The Regulations have been updated throughout to make them relevant to the financial year 2015-16.

A number of amendments have been made to take account of the new provisions relating to special educational needs in the Children and Families Act 2014. Much previous legislation has been re-enacted with amendments. There will be a period of transition from statements of special educational needs (SEN) and learning difficulty assessments to Education Health and Care (EHC) plans, and the drafting of the regulations allows for this.

Some other changes to the regulations are as a result of the Fairer schools funding arrangements for 2015 to 2016 and its supporting operational guide published on 17 July 2014.

Below is a brief explanation of the policy behind the changes to the regulations.

- 2.2 **Regulation 3** makes amendments to the Schools Forums (England) Regulations 2012.

The principal changes to membership of the forum are:

- That if there are any special academies in the local authority's area, there must be at least one member representing them;
- That if there are any alternative provision (AP) academies in the local authority's area, there must be at least one member representing them.

The purpose of these changes is to strengthen the representation on the forum of special provision and AP respectively.

In addition, more specificity is added to the provisions for the forum to discuss SEN and AP matters. In both cases, the forum must discuss places to be commissioned by the local authority – and in the case of AP also by schools – and the arrangements for paying top-up funding. The purpose of these changes is to ensure that the forum discusses the detail of local SEN and AP arrangements.

- 2.3** In **Regulation 14(1)** the transitional provision in last year's regulations for separate levels of place funding for sixth form places in special schools has been removed. Since 1 August 2014 the value of all such places has been £10,000. We have also clarified that the provision does not include hospital places or those aged over 19 years of age.
- 2.4** **Regulation 14(1) and paragraph 18 of Schedule 2 - these changes would mean the dedicated schools grant must not be used to fund places or top-up for 19 to 25 year olds in maintained special schools and special academies.** This reflects the current position that young people with statements cannot remain in special schools beyond age 19. Without these changes, the introduction of EHC plans would otherwise create an anomaly under the existing funding regulations for maintained special schools.

The SEN reform programme is a significant culture change. We want to allow time for the SEN reforms to bed in and for local authorities and existing further education and training providers to respond to these challenges. We consider that there are a number of risks associated with extending special school provision up to 25 which may cause uncertainty and volatility in the market as the SEN reforms are introduced.

Young people with EHC plans may need longer in education or training in order to achieve their outcomes and make an effective transition into adulthood. However, this position does not mean that there is an automatic entitlement to continued support at age 19 or an expectation that those with an EHC plan should all remain in education until age 25. For those that do need more time, the core aim of this further education must be on preparing them for adulthood within an adult orientated environment. This should include opportunities to experience the world of work and to develop as far as possible independent living skills and the ability to make independent choices and decisions in an adult context.

Special schools can still set up provision for 19 to 25 year olds that is a legally separate entity from the school through the Education Funding Agency's (EFA) market entry process. This ensures the policy objectives are embedded fully in new provision and helps manage the market.

As the reforms bed in we will keep the provision for 19 to 25 year olds with EHC plans under review.

- 2.5 Regulation 14(3)** implements, with transitional provision, the change in value for an AP place from £8,000 to £10,000 a year. Regulation 14(4) makes clear that places in pupil referral units include those to be commissioned by schools as well as directly by the local authority, and that the local authority is responsible for including the appropriate sum in the pupil referral unit's budget share for all such places. This was always the Government's intention but has not happened in all authorities in previous years.
- 2.6 Regulation 16 and Schedule 2, paragraph 15(c)** require local authorities to pay the early years pupil premium (of 53p per hour) to all early years providers that are delivering Government-funded early education to eligible three- and four-year-olds. Children will be eligible if: they meet the eligibility criteria for free school meals; they have been looked after by the local authority for at least one day; they have been adopted from care; they have left care through special guardianship; or they are subject to a child arrangement order.
- 2.7 Regulation 21(2)** makes revised provision for the determination of budgets for new maintained schools and for schools that have opened in recent years and are still adding year groups. Such schools are to be funded on the basis of estimated rather than actual pupil numbers. Any difference between estimated and actual numbers may be corrected for in the following financial year. The purpose of this change is to allow more discretion to local authorities in funding such schools, rather than requiring them to apply to the Secretary of State for a variation in every case. Local authorities will be expected to follow the same principles in setting budget shares for new and recently opened academies and free schools.
- 2.8 Schedule 1, paragraph 10(e) and Schedule 2, paragraph 13:** we have noticed that the previous regulations split local authority functions in relation to remission of boarding fees between the two schedules. We have put all these provisions in Schedule 2 to indicate that we regard expenditure on them as falling within the schools budget.

- 2.9** The former **paragraph 26 of Schedule 1**, relating to teachers' emoluments in circumstances where they have failed to complete induction satisfactorily, has been deleted. We no longer regard this expenditure as falling outside the schools budget.
- 2.10** **Schedule 2, paragraph 14** has been extended so that early years expenditure held centrally cannot relate to an excluded provider. An excluded provider is defined as an independent school that: does not meet the spiritual, moral, social and cultural development of pupils set out in the Independent School Standards; does not actively promote fundamental British values; or promotes, as evidence-based, views and theories which are contrary to established scientific or historical evidence and explanations. A definition of excluded provider has been added to **Regulation 1**.
- 2.11** **Paragraph 18 of Schedule 2** has been amended to reflect the provisions in the Children and Families Act. It now includes persons aged between 19 and 25 years of age with an EHC plan, but not where they are attending schools or academies.
- 2.12** **Schedule 3, paragraphs 14 and 15** have been amended to reflect our new policy for 2015-16 of setting thresholds for average year-group size rather than school size to decide whether a school should receive funding through the sparsity factor. Detail of the new policy is in chapter 3 of Fairer schools funding arrangements for 2015 to 2016.

### **3 Proposed changes to the conditions of grant**

- 3.1** The dates in the conditions of grant will be updated by one year so that they relate to the financial year 2015-16. There are no other proposed changes.

## **4 How to respond**

- 4.1** Consultation responses can be completed online at: <https://www.education.gov.uk/consultations/>

by emailing:

[2014SchoolFundingRegulations.Consultation@education.gsi.gov.uk](mailto:2014SchoolFundingRegulations.Consultation@education.gsi.gov.uk)

or by downloading a response form which should be completed and sent to:  
Department for Education  
Beth O'Brien  
Department for Education  
Great Smith Street  
London  
SW1P 3BT

## **5 Additional Copies**

- 5.1** Additional copies are available electronically and can be downloaded from the [Gov.UK](http://www.gov.uk) website.

## **6 Plans for making results public**

- 6.1** The Department will publish our response to the consultation on the [Gov.UK](http://www.gov.uk) website and lay the Regulations before Parliament by early December 2014.

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Department  
for Education

# Fairer schools funding

Arrangements for 2015 to 2016

July 2014

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## Introduction

There is widespread recognition that the current schools funding system is unfair and out of date. We are committed to addressing this so that, across the country, schools have a fair funding allocation that equips them to provide a world-class education.

Over the past three years, we have introduced a number of important changes to how local authorities distribute funding to schools. These changes have led to a more transparent funding system with more money being allocated based on the needs of pupils. For 2014-15, local authorities are allocating around 90% of schools funding based on the needs of pupils, compared with 71% in 2012-13.

While we have introduced these changes, we have protected schools from unmanageable changes to their budgets through the minimum funding guarantee (MFG). We will continue to provide this protection in 2015-16 and as we confirmed in March, we will retain the MFG, which has been in place over several years and which dictates that for the vast majority of schools, funding per pupil cannot drop by more than 1.5% per year<sup>1</sup>.

This document sets out a number of further reforms that we will make to the schools funding system for 2015-16.

In March, we consulted on a proposal to provide additional funding to the least fairly funded authorities in 2015-16. Our proposal was first to ensure that all local authorities will be funded at least at the same cash level per pupil as in 2014-15; then to allocate an additional £350m for 2015-16 to fund schools in the least fairly funded authorities.

We have listened carefully to the full range of views expressed during the consultation period, and are now confirming how we will allocate additional funding for 2015-16.

This is a big step towards fully fair funding. The approach set out in this document will mean that, for the first time in a decade, funding is allocated to local areas on the basis of the actual characteristics of their pupils and schools rather than simply their historic levels of spending.

Through the additional funding we are making available, every local area's allocation of funding will reflect a minimum basic per pupil amount and minimum amounts reflecting other pupil and school characteristics. In every local area, this will mean for example that the most deprived pupils in primary schools will attract at least £4,454; in key stage 3 at

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<sup>1</sup> Some funding is excluded from the calculation of the minimum funding guarantee. Details of this are in [Schools revenue funding 2015 to 2016: operational guide](#).

least £5,820; and key stage 4 at least £6,372, and this will continue to be supplemented by further direct funding through the pupil premium.<sup>2</sup>

In chapter one of this document, we confirm how we will provide additional funding to the least fairly funded local authorities in England by ensuring that every local authority attracts a minimum funding level for the pupils and schools in its area. We will allocate an additional £390m to the least fairly funded authorities using this approach – £40m more than the £350m we proposed in March. This chapter should be read alongside the [Government response](#) to the department’s recent consultation on fairer schools funding.

In chapter two, we outline our intentions for future reform of the systems for funding high needs and early years pupils.

In chapter three, we set out the findings of our recent review to understand how effective the sparsity factor has been in helping local authorities to target additional funding to small schools that are needed in sparsely populated areas. We describe two changes to the operation of this factor.

In chapter four, we set out how we will move to a single system for the funding of academies and how we will amend the funding of local authorities for pupils in free schools. We consulted on both these issues in May. This chapter should be read alongside the [Government response](#) to the department’s consultation – Academies Funding: Simplifying the Administration.

In chapter five, we describe how we will make minor technical changes to how schools will contribute towards meeting obligations under the Government’s carbon reduction commitment.

Finally, in chapter six, we describe a small number of changes we are making to high needs funding arrangements for 2015-16.

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<sup>2</sup> These amounts are for any pupil who is eligible for free school meals or has been at any time in the past 6 years and lives in an area covered by IDACI Band 6.

## Chapter 1 – Fairer funding for schools

The Government's consultation on [Fairer Schools Funding in 2015-16](#) was launched on 13 March 2014.

We have considered carefully to the views of 578 respondents and to the views of members of the Education Select Committee and other stakeholders before finalising our approach for 2015-16. We have welcomed the debate that this proposal has generated.

We set out here our approach to allocating the additional funding we have available for 2015-16. This should be read alongside the [Government response](#) to that consultation, which sets out a summary of the views we have heard and our response to concerns that have been raised.

### **Making school funding fairer**

Our proposal in March was to allocate an additional £350m to the least fairly funded areas by setting minimum funding levels that every local area should attract for its pupils and schools in 2015-16.

We proposed that where a local authority already attracted at least these minimum funding levels, we would not make any change to the amount of funding per pupil that it received. If a local authority attracted less than these minimum funding levels for the pupils and schools in its area, we would increase its budget so that it met those levels.

We proposed to set a minimum funding level for five pupil characteristics. The characteristics we identified were those we believe matter most to the attainment of pupils. They were:

- a basic per pupil amount ('age weighted pupil unit');
- pupils who are from deprived backgrounds;
- pupils who have been looked after<sup>3</sup>, for example in foster care;
- pupils with low attainment before starting at their primary or secondary school; and
- pupils who speak English as an additional language.

In addition to these pupil characteristics, we proposed setting a minimum funding level for two school characteristics currently used by local authorities to allocate money to schools:

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<sup>3</sup> Pupils who are being looked after on 31 March 2013. This is the same measure that has been used in local formulae in 2014-15.

- a minimum funding level for each school on top of its per pupil funding ('lump sum'); and
- a minimum funding level for small schools that are essential to serving rural areas ('sparsity sum').

We also proposed to raise the minimum funding levels for local authorities in areas with higher salaries in line with a 'hybrid area cost adjustment'. This takes account of both teacher salaries and the general labour market.

We proposed to set the minimum funding levels for the basic per pupil amounts ('age weighted pupil units') at the average that local authorities allocate to schools through the age weighted pupil units in their local funding formulae at present. We then proposed to set the minimum funding level for each of the other characteristics as close as we could afford to the respective local authority average.

In our consultation, we used data from 2013-14 to provide indicative values for the minimum funding levels and an indication of how individual local authorities' budgets might change. We used 2013-14 data because the right 2014-15 data was not available at that time. We were very clear that it was our intention to use 2014-15 data in our final allocations and that, as a result, the distribution of additional funding to local authorities would almost certainly be different from the indicative allocation set out in the consultation.

Our proposal in March was not a national funding formula. We intend to implement a national funding formula when the government has set spending plans over a longer period of time, allowing us to give schools and local authorities more certainty about how the formula will affect them over a number of years.

### **Views from the consultation**

The consultation has confirmed that there is an overwhelming consensus that the allocation of schools funding to local authorities across England is unfair.

We asked whether there was agreement that our proposed methodology was fair and that each of the minimum funding levels was set at an appropriate value. The majority of respondents (excluding those 'not sure') agreed that we had selected the right characteristics to which to apply minimum funding levels. For each question about the value of the minimum funding level for a particular characteristic, a majority of respondents (excluding those 'not sure') agreed that the proposed level was correct.

Despite the many positive responses to our proposal, we recognise that there are mixed views on some aspects of the proposed methodology. Our responses to concerns are set out in full in the [Government response](#) to the consultation.

A particular concern regards our proposal to apply minimum funding levels only to the schools block unit of funding, rather than across the entire dedicated schools grant (DSG), which also includes funding for high needs and early years pupils.

We understand this concern, but, after careful consideration, we continue to believe that it would be wrong for us to alter the allocation of high needs and early years funding without sufficient evidence on how the need for funding varies between different areas. We say more in the next chapter about our next steps to getting this evidence.

### **Approach for 2015-16**

After careful consideration of the views we have heard through the consultation, we have concluded that the methodology we proposed is the fairest way of distributing the funding we have in 2015-16.

In March, we said that we would be able to allocate an additional £350m to the least fairly funded areas in 2015-16. We are pleased to say that we can now allocate £390m.

The list of pupil and school characteristics that will attract minimum funding levels is the same as we proposed in March. However as set out in our consultation, the size of each minimum funding level will be based on 2014-15 data rather than on the 2013-14 data we used to produce indicative minimum funding levels in March<sup>4</sup>.

The minimum funding levels for 2015-16 will be:

- a per pupil amount ('age weighted pupil unit') – primary: £2,880; key stage 3: £3,950; key stage 4: £4,502;
- deprivation – between £882 and £1,870 – full breakdown in Annex A;
- looked-after children – £1,004;
- low prior attainment – primary: £669; secondary: £940;
- English as an additional language – primary: £466; secondary: £1,130;
- a lump sum for every school – primary: £115,797; secondary: £125,155;
- additional sparsity sum for small schools vital to serving rural communities – primary: up to £44,635; secondary: up to £66,656; and

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<sup>4</sup> In order to calculate the minimum funding levels we have used final 2014-15 data – [Schools block funding formulae 2014 to 2015](#). To calculate the average per pupil amounts for a particular characteristic, we have only included local authorities that allocated funding to that characteristic. The average amounts are calculated as a pupil weighted average.

- an [area cost adjustment](#) to increase minimum funding levels in areas with higher labour market costs<sup>5</sup>.

The list above includes seven of the characteristics used in local formulae. As we made clear in our proposal in March, local authorities will not be obliged to use all these factors in their local formulae in 2015-16 (with the exception of the basic per pupil amount and the deprivation factor, which are mandatory). Nor will a local authority that chooses to use any of these seven factors be obliged to set that factor at or above the minimum funding level. It will remain for the local authority, working with its schools forum, to decide how best to design its local formula to meet local circumstances. Local authorities will have the same freedom to set local formulae for their schools in 2015-16 as they did in 2014-15 (with the exception of the minor revision to the sparsity factor described in chapter three). Individual schools should therefore not expect that their funding will necessarily be at or above the minimum funding levels.

The minimum funding levels set out above are based on the average amounts that local authorities allocated to these characteristics in their 2014-15 local formulae. The minimum funding level for each of the basic per pupil amounts ('age weighted pupil units') is the same as the respective current local authority average. We have then set the other minimum funding levels as close to the current local authority average as we are able to afford.

In order to calculate whether a local authority will attract additional funding to reach the minimum funding levels, we have applied the same methodology as we proposed in March. First, we have looked at what each local authority will receive in 2014-15 (schools block unit of funding only). We have then applied the minimum funding levels described above (and in more detail at Annex A). This has been done by:

1. multiplying each of the minimum funding levels by the relevant number of eligible pupils or schools in the local authority<sup>6</sup>;
2. summing each of the totals in (1) to create a new funding amount for the local authority;
3. applying the area cost adjustment to the total in (2);

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<sup>5</sup> We will use a hybrid area cost adjustment. This is described in full at [Annex C](#) of the consultation document we published in March. In calculating an area costs adjustment in the methodology for 2015-16, we have updated the calculation so we are using the most up to date data that is available. We are now using the autumn 2013 school workforce census for teacher pay (we previously used the 2012 census) and the 2012-13 section 251 data on local authority expenditure on education for split between teacher and non-teaching staff pay (we previously used 2011-12 data).

<sup>6</sup>To identify the relevant number of eligible pupils or schools, we have used the [2014-15 schools block dataset](#).

4. dividing this total by the number of pupils in the local authority<sup>7</sup>;
5. if the result of (4) is more than the local authority's per pupil funding in 2014-15, increasing the local authority's funding to reach this new level;
6. if not, keeping the level of funding per pupil the same.

The table at Annex B confirms the new level of funding per pupil for 2015-16 for those local authorities that currently attract less than the minimum funding levels<sup>8</sup>. No other local authority's level of funding per pupil will change as a result of minimum funding levels. They will receive the same cash level of funding per pupil in 2015-16 as in 2014-15 (other than very minor adjustments to reflect the decision on the carbon reduction commitment set out in chapter five<sup>9</sup>).

We are fixing the schools block unit of funding for 2015-16 for every local authority now, so that local authorities can begin to develop their local formulae for 2015-16 with certainty about how much they will receive for each pupil in their area. We are not confirming total funding allocations yet for every local authority. To do this, for each local authority we will use the schools block unit of funding we have set out at Annex C of this document and multiply this by pupil numbers taken from the October 2014 schools census.

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<sup>7</sup> For the calculation at 4, the number of pupils in the local area is also taken from the [2014-15 schools block dataset](#)

<sup>8</sup> The table at Annex B shows local authorities that will gain more than £1 per pupil. Final allocations in December will be calculated to the nearest penny.

<sup>9</sup> A table setting out all these changes, by local authority, is provided at Annex C.

## Chapter 2 – Long-term reform of high needs and early years funding

The dedicated schools grant (DSG) is divided into three blocks: the schools block, the high needs block and the early years block. Our proposal in March on fairer schools funding was concerned only with the schools block. However, almost a third of responses to the consultation expressed the view that the funding system can only be considered truly fair when reform is carried out across the entire DSG.

We agree that this is a vital next step. We are determined to move as quickly as possible to a fully fair allocation of the whole DSG. We cannot do this for 2015-16 because we do not know enough about the genuine cost of high needs and early years provision and how this varies between different areas. This chapter sets out how we will get that knowledge.

### High needs funding reform

The current high needs block funding levels are based on past allocations and local spending decisions. We know that there is wide variation between different areas in how much they spend on high needs pupils (and probably also in how they identify high needs pupils) but we do not yet have reliable information on the degree to which that variation in spending reflects genuine variation in need and incidence. Consequently, we have not been able so far to reach a conclusion about how to identify those authorities that are the least fairly funded for high needs pupils. If we tried to make adjustments without such information and understanding, we would have no reason to believe that the allocation was any fairer than it is now.

This means that we do not have sufficient evidence to make any substantial change to the distribution of high needs funding in 2015-16. It will of course remain the case that local authorities can move funds between the three funding blocks of their DSG allocation if they consider that local priorities are best served by such transfers.

Our longer term aim is to move to a more formulaic way of distributing high needs block funding as soon as this can be done on a basis of adequate knowledge and understanding. We are undertaking a substantial research project, which will help to fill some of our information gaps, inform a wider debate, and contribute to the ultimate decisions on how to move forward in this direction. This research will begin this autumn, starting with a review of all the available data and including some fieldwork with a representative number of local authorities and providers. It will also look at potential formulae for distributing high needs funding. We hope to have conclusions from this research by spring 2015.

Following the research, and informed by its conclusions, we expect to conduct a very wide and deep consultation exercise on the way that high needs funding should be

distributed, both from central government to local authorities and from local authorities to institutions.

We are not planning significant changes to high needs funding arrangements for 2015-16 because we want the reforms we introduced in 2013 to embed fully in all local areas. We are though making a small number of minor changes for 2015-16 that we think will help local areas as they continue to implement the place based system. These changes are set out in chapter 6.

### **Early years funding reform**

We also want to look carefully at the distribution of funding between local authorities for government funded early education for three and four year olds. As we said in 2012<sup>10</sup>, a fair distribution of early years funding would be best achieved by putting in place a national early years funding formula and we remain committed to achieving this.

As is the case with high needs funding, we cannot make progress with this until we have done further work on how to introduce a formulaic approach, including giving careful consideration to how this would be implemented, the transitional protections that would be required, and how to minimise disruption for early years settings. We also need to know more about the different approaches local authorities currently take over discretionary spend, for example early years services delivered by local authorities and funding for additional hours over and above the statutory entitlement.

For 2015-16, we will be providing additional funding for early years, through a new early years pupil premium – an additional £50m to provide nurseries, schools and other providers of government funded early education with additional funding for disadvantaged three and four year olds. We published our consultation on this – [Early Years Pupil Premium and Funding for 2 year olds](#) on 25 June 2014.

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<sup>10</sup> [Next Steps Towards a Fairer System](#), Department for Education, March 2012.

## Chapter 3 – Refinements to arrangements for funding schools serving sparse areas

### Funding small schools in sparsely populated areas – the sparsity factor

In June last year, we introduced a new sparsity factor for local authorities to use in their local formulae for school funding in 2014-15. The purpose of this factor is to enable local authorities to provide an additional sum to small schools serving sparsely populated areas where those schools may not be able to operate on the basis of per pupil funding alone.

Schools that are eligible for sparsity funding meet two criteria: first, they are located in areas where pupils would have to travel a significant distance to an alternative should the school close; and second, they are small schools.

A sparsity distance is calculated by the department for every school in England. To calculate this value, for every school we look at the pupils for whom the school is the closest, and measure the distance (as the crow flies) from their postcode to their second nearest school. A school's sparsity distance is the average of these distances.

A school attracts an additional sum where:

- it has 150<sup>11</sup> or fewer pupils in primary or 600 or fewer pupils in secondary, middle and all-through schools; and
- it has a sparsity distance of two miles or more for primary, middle and all-through schools and three miles or more for secondary schools.

Local authorities can choose to apply the sparsity sum as either a fixed lump sum, up to a maximum of £100,000 (separate amounts can be set for primary and secondary) or an amount that is tapered in inverse proportion to school size<sup>12</sup>.

Prior to the consultation, we had heard specific concerns from local authorities about the school size criteria and that, for example, an infant school of 140 pupils in three year groups could meet the school size eligibility criteria, while a primary school with 160 pupils in seven year groups would not. We asked through the consultation whether an approach that used average year group size, rather than the total number on roll, would be helpful.

We had also heard specific concerns from a small number of local authority areas about the funding that very small secondary schools can currently attract. The concern was that

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<sup>11</sup> Local authorities may narrow the criteria for the sparsity factor in their local formulae by setting a lower pupil number threshold or a higher sparsity distance threshold.

<sup>12</sup> The way in which the current factor operates is set out in full the [operational information for 2014-15](#).

even after applying the maximum lump sum and the maximum sparsity sum, these schools might not attract enough funding to guarantee their long-term viability. These concerns relate to the very smallest secondary schools in England that serve particularly sparsely populated areas.

### **Views from the consultation**

The Government's response to the points raised by respondents on changes to the sparsity factor is included in the [Government response](#) to the fairer schools funding consultation, which should be read alongside this chapter.

For school funding in 2014-15, 24 local authorities have chosen to use the sparsity factor while 34 local authorities that have eligible schools have chosen not to include the factor in their local formula. We wanted to understand how helpful local authorities had found the sparsity factor in targeting additional funding to small schools if they are essential to serving sparsely populated areas. We also wanted to understand whether small changes to the operation of the factor would be helpful. Responding to the concerns that had already been raised, we also wanted to seek views on using average year group size criteria, in place of the current approach that looks at the total number on roll in a school.

Of the respondents that had a view on how useful the sparsity factor has been, around half suggested that it has been helpful in their authority or for their school. Of those that had a view on whether moving to a year group size approach would be helpful, just less than half thought it would. Of those that thought the year group size proposal was unhelpful, more than a third of the responses were from within a local authority area where the sparsity factor is not used. Those respondents said that the proposal added too much additional complexity, and that local discretion to identify small schools could avoid the need for this change.

We also asked for suggestions for other changes. The most common suggestion was moving away from using distances as the crow flies and instead using a measure that reflects road travel time. Other suggestions included: reducing the sparsity distance criteria so that the factor supports more small schools; measuring the distance between schools rather than between pupils and schools; and requiring the sparsity sum to be applied using a tapered approach rather than as a single lump sum.

### **Changes for 2015-16**

We have carefully considered the views expressed during the consultation and have discussed them with a number of local authorities.

We received over 30 responses that expressed concern at the use of distances as the crow flies in the sparsity calculation. We recognise that using distances as the crow flies causes some anomalies in areas served by poor road infrastructure, and with natural obstacles such as hills and rivers, but there is no dataset currently available to us that can perform the sparsity calculations for every school in England using road travel distances. We have permitted local authorities to apply to the Education Funding Agency

(EFA) to include, on an exceptional basis, schools where the actual road travel distances are likely to exceed a school’s sparsity distance using the crow flies measure and the school would not otherwise be eligible. We will apply a light touch approach in reconsidering applications approved for school funding in 2014-15.

We have carefully considered the other suggestions for change that we have heard. Our response to these suggestions is set out in the [Government response](#). We have been particularly mindful that a number of respondents do not want to see further complexity added to the operation of this factor. Taking into account all these views, we are proposing two minor changes for 2015-16.

### Average year group size

We think it is right to move towards a size measure that assesses school size relative to school type.

For 2015-16, local authorities will be required to use new average year group size thresholds in place of the number on roll criteria that apply for school funding in 2014-15. This change will enable local authorities to target sparsity funding to the schools in their area that are small relative to their school type. The average year group sizes that will apply for 2015-16 will be:

Phase	Average year group threshold	Rationale
Primary	21.4	Current total number on roll (NOR) threshold of 150, divided by 7 (the number of year groups in a primary school)
Secondary	120	Current total NOR threshold of 600, divided by 5 (the number of year groups in a secondary school)
Middle <sup>13</sup>	69.2	A weighted average of the primary and secondary average year group thresholds in middle schools <sup>14</sup> .
All-Through <sup>15</sup>	62.5	A weighted average of the primary and secondary average year groups in all-through schools <sup>16</sup> .

**Table 1: Average year group size thresholds in 2015-16**

<sup>13</sup> Defined as all schools that provide for at least one primary and one secondary year group but are not all-through schools

<sup>14</sup> Average number of primary year groups (2.48) and secondary year groups (2.33) in all middle schools, each multiplied by respective average year group threshold (21.4 and 120) and then divided by average total year groups (4.81)

<sup>15</sup> Defined as all schools that provide for at least 12 year groups

<sup>16</sup> 7 x primary average year group threshold + 5 x secondary average year group threshold; then the total divided by 12

These are maximum thresholds. A local authority will be free to choose to set lower (though not higher) thresholds. A school will meet the size criterion for the sparsity factor where the average number of pupils in its year groups is equal to, or less than, the relevant local threshold. Where a local authority chooses to apply the sparsity amount as a tapered sum, this will be calculated in inverse proportion to the relevant year group size.

For 2015-16, local authorities will be permitted to set a differentiated sparsity amount for each of the school types in their area (primary, middle, secondary and all-through schools). Each amount must be no higher than the current maximum of £100,000.

Full details on how the average year group thresholds will work are provided in the 2015-16 [operational guide](#) published alongside this document.

### **Small secondary schools serving sparsely populated areas**

We recognise that there is a small group of secondary schools that stand out both because they are significantly smaller than the average secondary school and because they serve very sparse areas of the country. We are aware that local authorities have experienced difficulties in ensuring that these schools attract sufficient additional funding, while also ensuring that less rural secondary schools do not, as a consequence, attract an inefficient amount of lump sum funding.

For 2015-16, we will allow local authorities to make an application to the EFA to include an exceptional factor for these schools, and, where that is approved, will allow local authorities to apply an additional sum of up to £50,000 for each school. Local authorities will only be able to apply for an exceptional factor where schools have:

- pupils in years 10 and 11;
- 350 pupils or fewer; and
- a sparsity distance of 5 miles or more.

### **Implementation**

The full details of how these changes should be implemented are set out in the 2015-16 operational guide published alongside this document.

## Chapter 4 – Simplifying the administration of academies funding

Funding for most academies is currently included in the dedicated schools grant that we give to each local authority to fund its schools. As the Education Funding Agency (EFA) funds academies directly, it recoups the academies' share of the dedicated schools grant from each local authority. However, funding for around 10% of academies – known as 'non-recoupment academies' – is not included in each local authority's dedicated schools grant allocation and is therefore not recouped.

The arrangement for free school funding is similar to that for a non-recoupment academy: funding is not recouped from a local authority's dedicated schools grant when a free school opens. Free schools are funded directly by the EFA based on estimated pupil numbers. This is because new free schools would not have completed a census, as they would not have been open at census time, and census data on expanding free schools would only show pupils in year groups that were present at the time of the previous census. To overcome this, during the period of expansion free schools provide estimates of the pupil numbers they expect to be in the school in each year and are funded on those estimates. This means, until the following pupil census is complete, the department funds a local authority and a free school for the same pupils for seven months.

We consulted on two proposals in May: a) turning non-recoupment academies (including free schools) into recoupment academies, bringing together our two different approaches to funding academies; and b) amending the funding of local authorities for pupils in free schools to reduce the amount of double funding the department pays.

### Views from the consultation

There was generally a positive response to our proposals to convert non-recoupment academies into recoupment academies, with 57% of respondents in favour. However, a number of respondents were concerned that our proposed method for working out how much extra dedicated schools grant each local authority should receive for former non-recoupment academies did not include central expenditure (such as funding for high levels of pupil number growth) on those academies.

The majority of respondents did not agree with our approach to amend the funding of local authorities for pupils in free schools. Respondents were critical about the impact this would have on local authority budgets and that they were being asked to fund pupil growth that was not necessary to meet basic need.

Concerns were also expressed about schools close to a border between local authorities. Some pupils could leave a school in one local authority to attend the free school in a neighbouring local authority. Then in the first year after the pupil moves, funding would be recouped from the free school's local authority even though those pupils were not in the pupil number count used to calculate that local authority's dedicated schools grant.

Other concerns expressed were about the use of free school estimates: if free schools over-estimated pupil numbers, that would result in incorrect funding being recouped from the local authority. However, respondents generally acknowledged that, if we were going to proceed with amending the funding of local authorities for pupils in free schools, our proposal not to recoup funding for the first year of a free school was helpful

Our response to the points raised through this consultation are set out in detail in the [Government response](#).

### **Approach for 2015-16**

We have listened carefully to the views expressed through the consultation and we will make two changes for 2015-16.

### **Converting non-recoupment academies to recoupment academies**

We have modified our approach from the one on which we consulted to reflect the additional burden for local authorities of central expenditure on former non-recoupment academies.

As in our original proposal, we will:

- work out how much the EFA would recoup for former non-recoupment academies in 2015-16 if the local authority's formula remained the same as in 2014-15;
- increase this amount in line with the local authority's percentage gain from minimum funding levels.

Then, as a modification from our original proposal to reflect concerns about central expenditure, we will add to this the greater of:

- the amount of central expenditure<sup>17</sup> the EFA paid to non-recoupment academies in the local authority's area in 2014-15;
- the amount of central expenditure the local authority pays to former non-recoupment academies in 2015-16.

We will add the resulting total to the local authority's dedicated schools grant in 2015-16<sup>18</sup>.

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<sup>17</sup> A list of the relevant items of central expenditure is set out in [Calculating schools block units of funding 2015 to 2016: technical note](#)

<sup>18</sup> We will publish further details later this year of the mechanism for calculating and paying this additional funding for central expenditure. For the purposes of this calculation central expenditure includes only spending that EFA pays to non-recoupment in 2014-15, but local authorities will pay to former non-recoupment academies in 2015-16. A list is in the technical note which accompanies this announcement.

This means that, unless a local authority changes its local funding formula in 2015-16 in a way that is especially favourable to the former non-recoupment academies, the local authority will receive at least as much addition to dedicated schools grant in 2015-16 for its former non-recoupment academies as it will then pay out in respect of them through recoupment or directly to the academies.

The table below shows an example of how we will calculate funding, including the new policy on central expenditure.

#### **Example of how we will calculate funding**

Academy X is the only non-recoupment academy in local authority Y.

On the basis of local authority Y's 2014-15 funding formula and academy X's pupil numbers and characteristics from the October 2014 census, the Education Funding Agency calculates initial funding of £1m.

Local authority Y is due an increase of 5% to its schools block unit of funding in 2015-16 due to minimum funding levels, so this £1m also increases by 5% to £1.05m.

Academy X received no central expenditure from the EFA in 2014-15 but receives £40,000 in 2015-16 from local authority Y. The EFA takes the greater of the 2014-15 and 2015-16 spending, in this case £40,000. It adds this to local authority Y's 2015-16 funding.

Therefore in total local authority Y receives an extra £1.09m added to the schools block of its dedicated schools grant in 2015-16 census.

The [operational guide](#) and [technical note](#) set out detail on the operation of converting non-recoupment academies to recoupment academies.

#### **Amending the funding of local authorities for pupil in free schools**

Our proposal was to recoup what the relevant local authority would have provided in funding for the pupils in the free school if it had been a maintained school or a recoupment academy, except in the first year of opening for a new free school.

The purpose of this change was to ensure consistency with all other schools. Currently a new recoupment academy is funded on estimated pupil numbers and recoupment is calculated on the same basis: this will be true for all new academies when we have implemented the change discussed above that all academies should be recoupment academies.

We have considered local authorities' concerns that free schools places may not be meeting basic need. On balance we do not think that this justifies continuing to fund free

schools differently from other schools. Free schools are making a major contribution to delivering basic need and are delivering good quality places in areas where these are needed. Seven in ten open mainstream free schools have been set up in areas where there was need for additional school places.

Following consultation, we have therefore decided to implement our proposal – with one modification. Many respondents objected that it would be unfair to local authorities to base recoupment on pupil number estimates made by the free school itself. We now propose instead to recoup based on free school pupil numbers estimated by local authorities, on the same basis as they would use for other new schools.

This modification will not have an impact on the way free schools are funded by the EFA. The calculation of funding by the EFA and the calculation of a notional budget for recoupment purposes by the local authority are two separate processes.

We will also, as originally proposed, allow local authorities to make retrospective adjustments the following financial year to address any variation between estimated and actual pupil numbers. We will consult shortly on how this should be done as part of our consultation on the School and Early Years Finance Regulations for 2015-16.

This change should make it easier for local authorities to plan for the amount of recoupment to expect from the second year onwards.

We understand the concern about cross-border movement, but we are satisfied that our decision maintains consistency with the rest of the schools system. At present, where pupils move from a maintained school or recoupment academy in one local authority to a maintained school or recoupment academy in another, funding follows those pupils in the year after they move. This is because a local authority's funding for each financial year is calculated using the school census from the previous October. We are not planning anything different for free schools.

Apart from the changes set out above, the detail of our final policy on converting non-recoupment academies to recoupment academies and on amending the funding of local authorities for free schools pupils is as in the consultation. The [operational guide](#) and [technical note](#) set out this final policy detail.

## Chapter 5 – Carbon reduction commitment

The carbon reduction commitment (CRC) scheme is a UK-wide trading scheme, introduced in April 2010. It is designed to reduce emissions in the public and private sectors by incentivising the uptake of cost-effective energy efficiency opportunities. Before 2014-15, local authorities bought CRC allowances for their schools directly from the scheme.

Following the Department for Energy and Climate Change's consultation in 2012 on the simplification of the scheme, the Government removed schools from the main scheme for 2014-15. Instead, the Department for Education reduced each local authority's dedicated schools grant (DSG) in order to pay for schools' contribution to the CRC scheme. We calculated the deduction for each local authority on the basis of their spending in 2013-14 on CRC allowances for schools, as declared in their 'section 251' returns to DfE<sup>19</sup>. These deductions totalled £51m – around 0.15% of the DSG.

### Approach for 2015-16

For 2015-16 we will revise this method. We will deduct funding for the CRC scheme from the DSG on a simple per pupil basis. We will first adjust per pupil funding to take account of minimum funding levels (as set out in chapter one), then we will reduce each local authority's per pupil funding by £7.51. This will reduce the cost of the dedicated schools grant by £51m, the same as the amount by which DfE reduced local authorities' DSG in 2014-15.

The table below shows an example of this:

2014-15	2015-16
Local authority X has a total dedicated schools grant (DSG) of £10m before deductions for CRCs.	Local authority X has a schools block unit of funding of £5000 after its increase from minimum funding levels. It has 1000 pupils.
On the basis of 'section 251' on its 2013-14 CRC spending, data EFA calculates that local authority X should contribute £10,000 to CRCs.	To reflect CRC reductions, we reduce LA X's schools block unit of funding (SBUF) by £7.51 per pupil. Its final SBUF is £4992.49. In total the LA therefore receives £7510 less as a result of CRCs (£7.51 multiplied by 1000 pupils).

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<sup>19</sup> Details of how EFA calculated each local authority's contribution on the basis of section 251 data are in annex A of the [technical note](#) for 2014-15 dedicated schools grant allocations.

2014-15	2015-16
Local authority X receives £9,990,000 of dedicated schools grant in 2014-15.	We do not make any further reductions to local authority X's dedicated schools grant: unlike in 2014-15 the CRC deduction has been reflected in the SBUF.
LA's contribution to CRCs: £10,000	LA's contribution to CRCs: £7,510

**Table 2: Example of funding deductions for CRC**

We are changing to this approach in 2015-16 because we do not want to continue to rely on data on local authorities' CRC spending in 2013-14, while actual levels of carbon emissions change over time. (2013-14 is the last year in which schools were part of the main scheme and therefore the last year for which data is available on each local authority's CRC spending for schools). Pupil numbers are a simpler and fairer way to work out a local authority's CRC contribution.

The impact of this change, for every local authority, is set out at Annex C.

## Chapter 6 – Changes to high needs funding for 2015-16

In chapter two, we set out our aims for the next stage of reform of the high needs and early years funding system. We have started to plan for this now. We do not want to make other major changes to the high needs funding arrangements while we do this work, but in this chapter we describe minor changes we will make for 2015-16 to improve the operation of the current system.

In 2013, a new system of funding was introduced for pupils with special educational needs (SEN) in schools, academies and alternative provision and for students in colleges and other post-16 institutions. This was intended to achieve more consistency, to replace the previous funding mechanisms that varied considerably between local authorities and institutions, and ensure a more efficient use of limited resources. High needs funding is predominantly for children and young people who need a higher level of additional support to participate in education, and where the costs of that support are high.

Since 2013 high needs funding has consisted of:

- ‘Place funding’ – funding for places in specialist institutions where the vast majority of pupils have high level needs (maintained and non-maintained special schools, special academies, pupil referral units and alternative provision academies) and for students aged 16 to 25 with high needs in all institutions. This place funding provides a base budget for institutions which gives them a greater degree of certainty on a proportion of their income for the year.
- ‘Top-up funding’ for institutions that follows individual pupils and students, reflecting how much it costs to meet their needs in the institution, and taking into account the funding already in the institution’s base budget.
- Funding for SEN support and other high needs services provided centrally by the local authority. We do not differentiate between this funding and top-up funding in the allocations we make to local authorities.

We believe the arrangements for place funding and top-up funding achieve a reasonable balance for institutions: some guaranteed funding for the year, and some funding that is more closely aligned to the needs of actual pupils and students, for the period they are on roll.

It is taking time for both local authorities and institutions to adjust to these new arrangements, depending on how different their funding arrangements were before 2013. We are therefore not proposing to make significant changes for 2015-16. However, there are a small number of improvements that we think will help the system work better.

## **Distribution of high needs funding to local authorities**

When we knew that we were in a position to distribute more funding in 2014-15 than we had distributed in 2013-14, we decided to use it first to meet the additional demand for high needs places, and then to allocate the remainder to local authorities by distributing a flat rate amount per capita of population aged 2 to 19. We saw this as the simplest and fairest way of distributing additional funding without making any premature judgement about whether the current distribution of high needs funding between different local authorities was right. We adopted a different approach to the distribution of additional high needs funding in respect of students in colleges and post-16 institutions other than schools – as explained in the EFA's technical guide – [Dedicated Schools Grant 2014-15](#).

In 2015-16 we expect to distribute some high needs funding in addition to the funding allocated in 2014-15 and in doing so, we will use the same methodology as in 2014-15 and do so for both pre- and all post-16 funding. We will first allocate funds for additional places identified as a result of the process outlined below, and then distribute what is left to local authorities using a flat rate per capita calculation in the same way as we did in 2014-15. We will confirm the amount to be allocated when the schools block allocations are notified to authorities in December 2014.

As in previous years, the amount of additional funding available will be limited, and if more additional places are funded than are needed, this will mean we have less to distribute on a simple per capita basis. We intend to conclude this process in time for the December 2014 DSG allocations, which will give more certainty to local authorities at an earlier stage than was possible in the previous two years.

## **Funding for high needs places**

The following principles will apply to the process that the EFA will operate to determine the number of places for which funds will be allocated:

- **The place numbers used for the academic year 2015/16 will be the published numbers for 2014/15, subject to the exceptions indicated below.** We are aiming in future to update the place numbers on the basis of the number of high needs pupils and students occupying the places in the prior academic year. But we are not confident that the quality and timeliness of the data that will be available from the school census and individualised learner record (completed by colleges) in the autumn of 2014 will allow us to make accurate and timely allocations for 2015-16. We will continue to seek improvements to the quality of this information so that we can use it for funding purposes in future years;
- **Local authorities and institutions will be able to identify significant changes in SEN places that require more place funding,** including places in new special free schools. We will put in place a process for this in the autumn term, and a similar process in respect of hospital education.

- **The scope for changes to local authorities' high needs allocations on account of changes to alternative provision will be more limited.** There is a wide range of locally determined approaches to the operation and funding of alternative provision. Whereas in future we expect pupil data to drive the SEN place funding, so more places in one institution will be matched by fewer elsewhere, it is unlikely that we will be able to rely on pupil data to the same extent in calculating funding for alternative provision places, because the pupil population in this type of provision is much more fluid. Our view is therefore that the fairest approach is for changes to the scale and nature of alternative provision to be met by local authorities, schools and academies within their existing funding envelope. This will mean that local authorities and their schools bear the cost of any increase in alternative provision places for pupils who would otherwise be in mainstream schools but for the placement decisions they have made.
- **Alternative provision places in free schools will be funded from a central departmental budget for the first and second year the free school is open.** From the third year the cost of the place funding will be met by deductions from the relevant local authorities' DSG, in the same way that their DSG bears the cost of all other alternative provision places, so that the alternative provision offered by free schools is fully integrated into local planning and funding arrangements.

### **Place funding for alternative provision**

When we introduced the new high needs funding arrangements in 2013 we said that we would keep the level of funding for alternative provision places under review. Two years on we have reflected on whether the current level of place funding provides the right balance between stability for providers of alternative provision places and flexibility for commissioners to identify the right provision for an individual pupil. We have concluded that changing the balance of place and top-up funding in favour of the former will give pupil referral units, and academies and free schools offering alternative provision places, more stability by increasing their guaranteed budget for the year.

Accordingly, we will consult over the summer on draft regulations, which will include an increase in the funding of alternative provision places from £8,000 to £10,000 per place per annum from September 2015. If this change is confirmed in the final regulations, it will be applicable to all alternative provision places, and must include those that schools can commission directly as well as those that the local authority can commission. We will also expect to see reductions in the top-up funding for alternative provision, so that this adjustment is cost-neutral for local authorities and schools.

### **Independent special schools and other post-16 institutions**

We are planning to bring some independent special schools and new special post-16 institutions within the high needs funding system of place and top-up funding. Those on a new list of approved institutions, established under section 41 of the Children and

Families Act 2014, will be in scope, and the EFA will provide more information about the next steps to those institutions and local authorities.

**Further details of all these changes are set out in the 2015-16 [operational guide](#).**

### **Schools forum changes**

The changes set out above will be supported by small changes to the regulations on the operation of schools forums to increase the representation of special and alternative provision academies and ensure that important issues concerning SEN and alternative provision funding are discussed in the forum. We will consult over the summer on amendments to regulations to effect these changes in time for 2015-16.

## Next steps

### Authority Proforma Tool (APT) and timing

In the previous chapters, we have outlined important changes to school funding for 2015-16. These changes are likely to mean that many local authorities, working with their schools forum, will need to undertake a further review of their local formula, drawing on the information in this document and the supporting [operational guide](#).

We will shortly issue the Authority Proforma Tool (APT), which will enable local authorities to model formula changes before submission. Local authorities should submit their provisional formula to the Education Funding Agency at the end of October, with a final return due in January. The full timetable for 2015-16 is provided in the accompanying operational guide.

Where necessary, we will consult over the summer on amendments to regulations to effect these changes in time for 2015-16.

### Minimum funding guarantee

We confirmed in March that we will retain the minimum funding guarantee (MFG) for 2015-16, which has been in place over several years and which dictates that for the vast majority of schools, funding per pupil cannot drop by more than 1.5% per year<sup>20</sup>.

For local authorities that will receive a higher amount of funding for pupils and schools because of the changes set out in chapter one of this document, the operational guide provides further details on how this additional funding should be taken into account in MFG calculations.

### Delegation

We want school leaders to have maximum choice over how they spend their budgets. For this reason, most services in the notional schools block and the funding for them should be delegated to schools in the first instance. The purposes for which local authorities can centrally retain funding will not change for 2015-16 and are re-stated in the operational guide. Our expectation is that local authorities look to delegate any additional funding they receive for 2015-16 to schools and academies<sup>21</sup>.

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<sup>20</sup> Some funding is excluded from the calculation of the minimum funding guarantee. Details of this are in [Schools revenue funding 2015 to 2-16: operational guide](#).

<sup>21</sup> Academy budgets will reflect the impact of any additional funding provide to local areas from September 2015. This is because academies are funded from September to August. Similarly, maintained schools budgets will reflect the impact of any additional funding provided to their local area from April 2015 because maintained schools are funded from April to March.

## Annex A – The 2015-16 minimum funding levels

		Minimum funding levels		
		Primary	Secondary	
Age weighted pupil unit		£2,880	Key stage 3: £3,950 Key stage 4: £4,502	
Pupils who have been eligible for free school meals in the past six years		£882	£1,052	For a pupil who is both eligible for free school meals and lives in an IDACI band 1 to 6 area, the local authority will attract both the FSM and relevant IDACI band minimum funding levels
Pupils who live in an area that is in one of the income deprivation affecting children index (IDACI) bands	IDACI 1	£209	£289	
	IDACI 2	£260	£379	
	IDACI 3	£347	£470	
	IDACI 4	£422	£554	
	IDACI 5	£477	£614	
	IDACI 6	£691	£819	
Looked-after children		£1,004	£1,004	The same measure will be used as is currently set out in the 2014-15 school funding arrangements. The minimum funding level will apply to the children who are reported to the department through the annual children looked after return and who are looked after children for one day or more at the census point.

Pupils with low prior attainment	£669	£940	For the primary measure, this will apply to pupils who did not reach the expected level of development on the new Early Years Foundation Stage Profile or who achieved fewer than 78 points on the old EYFSP. For secondary pupils the minimum funding level applies to pupils not reaching level 4 at key stage 2 in either English or maths.
English as an additional language	£466	£1,130	This minimum funding level will apply to pupils with EAL who entered the English state school system in the past three years.
Lump sum	£115,797	£125,155	Middle schools will attract a minimum lump sum weighted by their ratio of primary to secondary year groups in the school. All-through schools will attract the secondary amount.
Sparsity sum	£44,635	£66,656	A taper will apply, whereby the size of the sum is in inverse proportion to the size of the school. The criteria for attracting the minimum funding level are the same as the criteria for the sparsity factor in local formulas for 2014 -2015. Details of this are in <a href="#">Revenue funding arrangements for 2014-15</a> .

**Table 3: Minimum funding levels**

## Annex B – Changes to local authority funding for 2015-2016

The following table shows changes to schools funding as a result of distributing an additional £390m using the approach set out in chapter one of this document. This table does not reflect deductions of funding for the CRC scheme from the dedicated schools grant, which are shown at Annex C for every local authority. In this table we have estimated total funding, and the total increase in funding, by using 2014-15 pupil numbers. We will apply pupil numbers from the October 2014 census when final allocations are made in December.

Local authority	Actual 2014-15 funding		Fairer schools funding 2015-16		Increase in funding	
	Funding per pupil	Total funding	Funding per pupil	Estimate of total funding (based on October 2013 pupil numbers)	Percentage	Estimate of total increase in funding (based on October 2013 pupil numbers)
Bromley	£4,082	£169.6m	£4,553	£189.1m	11.5%	£19.5m
Cambridgeshire	£3,950	£294.3m	£4,261	£317.5m	7.9%	£23.2m
Sutton	£4,360	£124.7m	£4,678	£133.8m	7.3%	£9.1m
Northumberland	£4,244	£166.2m	£4,551	£178.3m	7.2%	£12.0m
Shropshire	£4,113	£143.6m	£4,410	£154.0m	7.2%	£10.4m
Merton	£4,534	£98.6m	£4,832	£105.1m	6.6%	£6.5m
Buckinghamshire	£4,040	£275.4m	£4,305	£293.4m	6.5%	£18.0m
Croydon	£4,559	£208.6m	£4,837	£221.3m	6.1%	£12.7m
Leicestershire	£3,995	£339.7m	£4,237	£360.2m	6.1%	£20.6m
Brent	£5,066	£190.7m	£5,357	£201.7m	5.8%	£11.0m
South Gloucestershire	£3,969	£137.5m	£4,196	£145.3m	5.7%	£7.9m
Warwickshire	£4,079	£281.3m	£4,302	£296.7m	5.5%	£15.4m
Cheshire West and Chester	£4,129	£173.6m	£4,351	£183.0m	5.4%	£9.4m
Surrey	£4,096	£548.8m	£4,308	£577.1m	5.2%	£28.4m
Bury	£4,230	£111.1m	£4,441	£116.7m	5.0%	£5.6m
Poole	£4,007	£68.3m	£4,194	£71.5m	4.7%	£3.2m
Devon	£4,156	£358.1m	£4,350	£374.8m	4.7%	£16.7m
Norfolk	£4,334	£432.9m	£4,514	£450.9m	4.2%	£18.0m
Derbyshire	£4,245	£405.0m	£4,417	£421.3m	4.0%	£16.3m
Rutland	£4,087	£20.9m	£4,250	£21.7m	4.0%	£0.8m

Local authority	Actual 2014-15 funding		Fairer schools funding 2015-16		Increase in funding	
	Funding per pupil	Total funding	Funding per pupil	Estimate of total funding (based on October 2013 pupil numbers)	Percentage	Estimate of total increase in funding (based on October 2013 pupil numbers)
North Lincolnshire	£4,316	£95.0m	£4,483	£98.7m	3.9%	£3.7m
Gloucestershire	£4,203	£316.0m	£4,365	£328.2m	3.9%	£12.2m
Westminster	£5,663	£88.3m	£5,872	£91.5m	3.7%	£3.3m
Central Bedfordshire	£4,144	£145.7m	£4,297	£151.0m	3.7%	£5.3m
Swindon Windsor and Maidenhead	£4,102	£117.7m	£4,251	£121.9m	3.6%	£4.3m
Herefordshire	£4,325	£77.5m	£4,464	£80.0m	3.2%	£2.5m
Herefordshire	£4,306	£90.9m	£4,443	£93.8m	3.2%	£2.9m
North Yorkshire	£4,338	£316.5m	£4,473	£326.4m	3.1%	£9.8m
Cheshire East	£4,083	£187.0m	£4,209	£192.7m	3.1%	£5.7m
Redbridge	£4,668	£199.7m	£4,806	£205.6m	3.0%	£5.9m
Cumbria	£4,449	£269.2m	£4,577	£276.9m	2.9%	£7.8m
Suffolk	£4,241	£370.1m	£4,362	£380.6m	2.8%	£10.5m
Stoke-on-Trent	£4,507	£145.1m	£4,622	£148.8m	2.5%	£3.7m
Northamptonshire	£4,189	£395.2m	£4,293	£405.1m	2.5%	£9.9m
Bracknell Forest	£4,187	£62.6m	£4,291	£64.2m	2.5%	£1.6m
Bournemouth	£4,154	£79.2m	£4,254	£81.1m	2.4%	£1.9m
Salford	£4,551	£131.2m	£4,657	£134.3m	2.3%	£3.1m
Wiltshire	£4,213	£249.1m	£4,310	£254.8m	2.3%	£5.7m
Worcestershire	£4,231	£291.5m	£4,328	£298.2m	2.3%	£6.7m
Torbay	£4,305	£69.8m	£4,399	£71.3m	2.2%	£1.5m
Blackpool	£4,459	£80.2m	£4,538	£81.6m	1.8%	£1.4m
Somerset	£4,278	£273.2m	£4,351	£277.9m	1.7%	£4.7m
Cornwall	£4,397	£285.0m	£4,472	£289.9m	1.7%	£4.9m
Hertfordshire	£4,320	£670.3m	£4,392	£681.5m	1.7%	£11.1m
Durham	£4,573	£281.1m	£4,648	£285.8m	1.7%	£4.7m
Telford and Wrekin	£4,367	£97.0m	£4,435	£98.5m	1.6%	£1.5m
Dorset	£4,167	£202.3m	£4,230	£205.4m	1.5%	£3.1m
Solihull	£4,188	£130.2m	£4,237	£131.8m	1.2%	£1.5m
Lincolnshire	£4,329	£392.0m	£4,379	£396.6m	1.2%	£4.5m

Local authority	Actual 2014-15 funding		Fairer schools funding 2015-16		Increase in funding	
	Funding per pupil	Total funding	Funding per pupil	Estimate of total funding (based on October 2013 pupil numbers)	Percentage	Estimate of total increase in funding (based on October 2013 pupil numbers)
Oxfordshire	£4,274	£333.1m	£4,320	£336.6m	1.1%	£3.5m
East Riding of Yorkshire	£4,258	£177.9m	£4,301	£179.7m	1.0%	£1.8m
Isle of Wight	£4,489	£69.6m	£4,531	£70.3m	0.9%	£0.6m
Wokingham	£4,125	£88.2m	£4,158	£88.9m	0.8%	£0.7m
Bedford	£4,466	£101.0m	£4,501	£101.7m	0.8%	£0.8m
Peterborough	£4,490	£124.7m	£4,520	£125.5m	0.7%	£0.8m
Plymouth	£4,364	£140.1m	£4,389	£140.9m	0.6%	£0.8m
Bath and North East Somerset	£4,336	£95.9m	£4,356	£96.3m	0.5%	£0.5m
Warrington	£4,219	£119.7m	£4,236	£120.2m	0.4%	£0.5m
West Berkshire	£4,359	£95.2m	£4,375	£95.6m	0.4%	£0.4m
Milton Keynes	£4,440	£167.3m	£4,455	£167.9m	0.3%	£0.6m
Medway	£4,352	£161.1m	£4,365	£161.6m	0.3%	£0.5m
Hillingdon	£4,820	£187.0m	£4,832	£187.5m	0.2%	£0.4m
West Sussex	£4,196	£414.5m	£4,206	£415.4m	0.2%	£0.9m
Nottinghamshire	£4,351	£436.2m	£4,360	£437.1m	0.2%	£0.9m
Barnsley	£4,459	£126.9m	£4,468	£127.1m	0.2%	£0.2m
Bolton	£4,536	£188.1m	£4,541	£188.3m	0.1%	£0.2m
Trafford	£4,232	£139.4m	£4,235	£139.5m	0.1%	£0.1m
Sheffield	£4,429	£290.8m	£4,430	£290.9m	0.0%	£0.1m
Staffordshire	£4,310	£455.7m	£4,311	£455.8m	0.0%	£0.1m

## **Annex C – Local authority schools block units of funding 2015 to 2016**

[Annex C Local authority schools block units of funding 2015 to 2016](#) is published as a separate document on GOV.UK.



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## WIRRAL SCHOOLS FORUM - 8<sup>th</sup> October 2014

### School Revenue Funding 2015-16 Operational Guidance – Summary

The EFA published guidance for school revenue funding in 2015-16 in July 2014. The document can be found using the link below:

<https://www.gov.uk/government/publications/fairer-schools-funding-arrangements-for-2015-to-2016>

The following is a summary of the main points:

- The Schools Block funding per pupil unit will be the same value in 2015-16 as 2014-15.
- Funding for 2 year olds will be based on participation
- There are some small changes to the funding for High Needs
- A Minimum Funding Level (MFL) will be introduced, providing additional resources to those authorities that are seen as being least fairly funded.

### Delegated School Funding

There are no changes to the permitted funding factors in the local funding formula for schools. These are:

Basic entitlement, deprivation, prior attainment, looked after children, English as an additional language, pupil mobility, sparsity, lump sum, split sites, rates, PFI, London fringe, Post 16 and specific exemptions.

Wirral formula does not use mobility, sparsity, PFI, Fringe or Post 16.

There are minor changes to how the sparsity and lump sum factors may be used. In future amalgamating schools may be able to claim an 85% allowance on the lump sum lost following amalgamation for a 2 year period (currently this is one year only).

### Early Years

2 year old funding will be based on participation and census counts, rather than a proxy calculation. For 2015 only there will be 2 census counts to take account of the expected growth in numbers during the year.

A Pupil Premium will be introduced for 3 and 4 year olds in Early Years. This grant will have similar eligibility criteria to schools. The rate will be £300.

### Schools

The rate for Universal Infant Free School Meals (currently £2.30) is still to be confirmed as is the 2015-16 Pupil Premium.

The Minimum Funding Guarantee will be maintained at minus 1.5%

There are no changes to de-delegated budgets or controls around centrally managed schools budgets.

### Non Recoupment Academies

Funding for all schools will be included in the initial DSG Settlement to local authorities. From 2015-16 this will include non-recoupment academies and

Free Schools within local authority areas, previously the funding for these schools was held centrally by the EFA. This adjustment will bring the pupil numbers and funding for Birkenhead Girls into the overall DSG for Wirral. This change is intended initially to be cost neutral, since Wirral's DSG will be uplifted, academy budgets will still be deducted and paid directly by the EFA (as currently).

### **High Needs**

The final high needs block allocations should be announced in December 2014.

Place numbers used in 2014 will roll forward into 2015. It is thought unlikely that autumn 2014 census and individualised learner records will be completed in time for the DSG settlement.

Exceptional cases to increase place numbers or Hospital School provision may be made by 17<sup>th</sup> October.

Any additional funding in the High Needs DSG Block will be distributed after taking the place changes into account.

Alternative provision places will increase in value from £8,000 to £10,000. It is expected that this change will see matching reductions in top up funding.

Top up rates in Special Schools and Academies must continue to be set at rates that are no lower than a rate that if the school were full the funding would reduce by no more than 1.5%.

## WIRRAL COUNCIL

WIRRAL SCHOOLS' FORUM 8th October 2014

### REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

#### Wirral Schools Forum Membership

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#### 1. EXECUTIVE SUMMARY

This report summarises the representation on Schools Forum, and advises on terms of office, current vacancies and arrangements for electing new members.

#### 2. Schools Forum Current Representation

The schools forum has 31 members made up as follows:-

Table 1

5	Primary Headteachers
5	Primary Governors
2	Secondary Headteachers
1	Secondary Governors
1	Special Headteacher
1	Special Governors
1	Nursery Representative
1	Pupil Referral Unit (EMAP)
<b>17</b>	<b>Total Schools Membership</b>
6	Academy Representatives
<b>6</b>	<b>Total academy Membership</b>
1	Wirral Governors Forum
1	Non-teacher representative
1	Teacher representative
1	Catholic Diocese
1	Church of England Diocese
1	Further Education
2	PVI Early Years Providers
<b>8</b>	<b>Total Non-Schools Membership</b>
<b>31</b>	<b>Total Membership</b>

#### 3. Membership changes

Regulations governing the forum requires school/academy membership to take account of pupil weighting. Therefore Table 2 below details the total pupils in each school phase and the required number of school and academy forum members. Taking account of Wallasey School and Townfield Primary converting to Academy during the autumn term this will reduce the number of secondary representatives to 2 and increase the number of academy representatives to 7as follows:-

Table 2

Phase	Pupil Numbers (Jan 2014 Census)	Forum Representatives
Primary	23,824	10
Secondary	5,886	2
Academy	15,683	7
<b>Total</b>	<b>45,393</b>	<b>19</b>

#### 4. Schools Forum Terms of Office

Generally forum members are elected to serve a 4 year term of office. The table below identifies when the current terms of office expire.

Table 3

	2010- 2014	2011- 2015	2012- 2016	2013- 2017	2014- 2018	Total
<b>Total Schools Membership</b>						
Primary Headteachers		3		1	1	<b>5</b>
Primary Governors	2		2	1		<b>5</b>
Secondary Headteachers	1			1		<b>2</b>
Secondary Governors		1				<b>1</b>
Special Headteacher					1	<b>1</b>
Special Governors	1					<b>1</b>
Nursery Representative			1			<b>1</b>
Pupil Referral Unit				1		<b>1</b>
<b>Total Academy Membership</b>						
Academy Representative	1		2	3		<b>6</b>
<b>Total Non-Schools Membership</b>						
Wirral Governors Forum	1					<b>1</b>
Non-teacher representative	1					<b>1</b>
Teacher representative	1					<b>1</b>
Catholic Diocese		1				<b>1</b>
Church of England Diocese		1				<b>1</b>
Further Education			1			<b>1</b>
PVI Early Years Providers			2			<b>2</b>
	<b>8</b>	<b>6</b>	<b>8</b>	<b>7</b>	<b>2</b>	<b>31</b>

#### 5. Arrangements to Elect New Members in 2014

There are 8 positions that come to an end by 31<sup>st</sup> December 2014. The arrangements that will be put in place are as follows:-

##### Primary Governor representatives – 2 positions

A letter will be e-mailed to all primary schools on behalf of the Wirral Governors Forum asking for nominations from all primary governors. If there are more nominations than required a ballot will be carried out.

##### Secondary Headteacher representative

This position will no longer be required due to the conversion of Wallasey School and Townfield Primary to Academies as detailed in table 2.

Academy Representatives – 2 positions

A letter will be e-mailed to all academy schools asking for nominations from principals, senior staff, governors or representatives from proprietor bodies. If there are more nominations than required a ballot will be carried out.

Teacher Representative – 1 position

The teacher representative is nominated through the Wirral Teachers Panel. Ian Harris has recently been appointed.

Non-teacher Representative – 1 position

A letter will be e-mailed to all schools inviting nominations from non-teaching school staff. If there are more nominations than required a ballot will be carried out.

Wirral Governors Forum – 1 position

The 4 year term of office is due to expire for the chair of the Governors Forum. It is proposed that a further nomination is sought.

Special Governor Representative

It is proposed to extend the term of office for the special governor representative for 8 months to 31<sup>st</sup> July 2015, following which the member will retire and an election will take place.

**RECOMMENDATIONS**

1. The Forum notes the report.
2. Forum agrees to the changes discussed.

**Julia Hassall**  
**Director of Children's Services**

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## WIRRAL SCHOOLS FORUM – 8<sup>th</sup> October 2014

### WORK PLAN

Meeting Date	21 <sup>st</sup> January 2015	29 <sup>th</sup> April 2015	8 <sup>th</sup> July 2015	Autumn 2015
				Elect chair & vice chair Membership
Budget	Schools Settlement Schools Budget Budget monitoring update Pupil Premium De-delegation of budgets	Schools Budget update 2015-16 School Budget Monitoring 2014-15	Schools Budget Outturn School Balances and Reserves	Budget monitoring update Combined budgets Early Years
Consultation	School Funding Outcome from local consultation	National Fair Funding Formula for schools National proposals for high needs and early years		
DfE Regs & guidelines	School Finance Regulations		Scheme for Financing Schools	
Working Groups	School Formula High needs Early years Traded services	School Formula High needs Early years Traded services	School Formula High needs Early years Traded services	School Formula High needs Early years Traded services
Other	Excess balances Home tuition	School Admissions High needs review Early years budget	De-delegated services	Membership Combined budgets PPM and PFI budgets High needs places and alternative provision

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