

CUMBRIAN SCHOOLS' FORUM SEN SOCIAL DEPRIVATION ACCESS AND INCLUSION WORKING GROUP

DRAFT Notes of the School Budgets Working Group held on 18 September 2019, Training Rooms A&B, Cumbria House, Carlisle, 9.30pm.

Present: Lisa Balderstone – PRU), Jonathan Logan (PRU), Daniel Hinton (Special Schools), Chris McAree (North Secondary Academy), Amanda McDonald (Nursery Schools), Angela O'Connell (Carlisle College), Sue Sanderson (Cabinet Member – Schools and Learning), Cathy Styles (South Primary and Chair), Kris Williams
Dan Barton (LA), Susan Milburn (LA), Amanda Chew (LA), Nicola Shiels (LA)

Apologies: Steven Holmes, Alan Rutter, Lisa Saunders, Ruth Webster

1. Appointment of Chair

Cathy Styles was appointed as Chair of the group for the forthcoming year.

2. Appointment of Vice Chair

Daniel Hinton was appointed as Vice Chair of the group for the forthcoming year.

The appointments of Chair and Vice Chair would be ratified at the next meeting of the full Forum.

3. Declarations of Interest

There were no declarations of interest.

4. Notes of the Meeting held on 7 June 2019

Subject to some minor amendments, the notes of the meeting held on 7 June 2019 were agreed as an accurate record.

There were no matters arising.

5. SEN Inclusion Funding 2019-20

A report that proposed an increase to the SEN Inclusion Fund to widen the accessibility to the fund to all early years providers, including maintained nursery schools, following a review of the maintained nursery schools' current funding system was presented.

In January 2019 Schools Forum had been informed about two changes to the Maintained Nursery Schools (MNS) sector funding system:

- that from 2019-20 the MNS sector would be paid a universal base rate in line with other nursery providers in Cumbria; and
- that, in line with the DfE HN operational guidance, the resources provision place funding would be withdrawn from 1 September 2019

To support the MNS sector transition to the universal base rate of £4.00 per hour (a reduction of £0.70 against the current MNS base rate) the DfE provided additional supplementary funding. The provisional allocation for financial year 2019-20 was £0.485m and this grant had now been updated to reflect the January 2019 census

data and had increased by £0.048m to £0.533m. The supplementary funding for MNS sector had only been guaranteed by the DfE until August 2020.

Until 2019-20 the MNS were allocated two RP places each at £10,000 per place to use to support their pupils with SEN. However, as the MNS sector did not have designated RP units, the HN operational guidance stated that RP place funding did not apply to nursery schools and to ensure consistency across early years providers the MNS sector had been informed that this funding would be withdrawn from 1 September 2019.

Following the withdrawal of the RP funding there had been strong representation from the MNS who had used the funding available to support children with SEN but without an EHCP.

It was recognised that the schools would need time to adjust their budgets and a period of transitions to the withdrawal of the RP funding from 1 September 2019 and that there needed to be a system in place to manage SEN before assessment that complied with operational guidance and that all early years providers could access and was allocated equitably. The SEN Inclusion Fund was introduced in 2017-18 and was set at £0.260m per year but historically it had been underspent.

It was proposed that the SEN Inclusions Fund should be increased in 2019-20, funded through the Early Years Block. To ensure that all early years providers had access to the necessary funds to support pupils with SEN before the EHCP top-up system activated it was also proposed that the criteria for accessing the SEN Inclusion Fund should be changed to widen the scope of eligibility and increase the number of children supported by the fund.

It was recognised that from 2020-21 there was a significant amount of uncertainty about MNS sector funding levels, in particular, the requirement for the MNS sector to be funded on the same basis as other early year providers despite their higher running costs in terms of the requirement that each MNS must have a full time Headteacher and qualified teaching staff. In light of these changes MNS sector would need to review their budget plans in order to reduce their expenditure and transition to the anticipated lower funding levels in order to be financially sustainable going forward. To assist MNS sector in this process they had been offered the opportunity of a financial health check by an accredited School Resource Management Advisor (SRMA) on a rolling basis, which has been welcomed by the nursery Headteachers.

In discussing the reports and the proposal, concern was expressed at the impact that the changes would have on maintained nursery schools and it was suggested that after a period, the financial impact should be reviewed. It was also noted that children arrive in nursery no support and that early intervention was key but that the changes may result in nurseries being unable to provide the same level of support in future therefore reducing parental choice. It was important to acknowledge the need to assess the potential impact of this as the implications were that there was the significant possibility that this could result in the closure of maintained nursery schools.

The SEN Working Group noted the contents of the report and the proposed increase to the SEN Inclusion Fund from £0.260m by £0.048m to £0.308m. The group also noted the proposed changes to the allocation methodology to widen the number of

children supported by the fund which was being piloted from 1 September 2019 to 31 March 2020 to ensure the criteria met needs before it became policy from 1 April 2020.

6. High Needs Block – Budget Monitoring as at Quarter 1 2019-20

A report was presented that provided an update on the forecast deficit on the High Needs (HN) block as at 31 March 2019 and on how the forecast expenditure as at Q1 on the HN block compared to the HN recovery plan presented to Schools Forum on 20 June 2019.

As reported to Schools Forum at its meeting on 20 June 2019, a balanced High Needs budget had been set for 2019-20 with no planned transfer to reserves. Although a balanced budget was set for 2019-20 there continued to be specific budget pressure relating to the growth in demand for Education Health Care Plans (EHCPs). A new deficit recovery plan had been shared with Schools Forum on 20 June 2019 ahead of submission to the DfE on 30 June 2019. This plan, despite a number of Invest to Save initiatives, predicted that the deficit on the HN block would increase to £9.591m by the end of financial year 2019-20 and continue to rise to £23.136m by 2021-22.

The main in-year pressures related to the number of top-up payments, the cost of independent placements, top-ups for post 16 and residential placements. Key variances in the high needs recovery plan related to the alternative provisions programme for the north and south, residential provision, and the number of children with EHCPs continuing to rise.

Invest to save initiatives included funding for additional places in special schools and the development of bespoke packages to enable provision to be made within the county rather than in specialist provisions elsewhere. Any underspend against the budget in 2019-20 would transfer to the DSG earmarked reserves to fund Invest to Save initiatives in 2020-21.

In discussing the report it was confirmed that contributions from health should now be an appropriate share from the outset. The group were concerned about the level and of contributions in cases where a youngster had no educational needs and support was primarily related to health needs.

There was also some discussion in relation to ghost places RP; work was ongoing to reduce down to a minimum and phase these out.

Work was also ongoing to assess pilot suggestions that could be incorporated as Invest to save initiatives.

The SEN Working Group noted the report, the current projection for the HN Recovery Plan and the use of the additional HN funding in 2019-20.

7. High Needs Block Deficit Recovery Plan – Update

The group consider a report providing an update on the High Needs (HN) block recovery plan, the funding settlement for 2020-21 and the proposed course of action to address the DSG deficit.

At their meeting on 7 June 2019, Schools Forum had considered a report that provided details of progress towards the HN block deficit recovery plan for the period 2019-20 to 2021-22.

The HN deficit recovery plan showed that although some savings had been identified over the three year period from 2019-20 to 2021-22, significant pressures remained and additional savings would be required.

Further invest to save initiatives relating to alternative provision arrangements in schools were being developed however, further measures were required to bring in-year spending in line with in-year resources within three years and the Schools Forum was asked to consider and support two proposals:

- the ending of the Targeted SEN funding saving £0.993m per year from 2020-21; and
- the transfer of 0.5% or up to 0.75% from the Schools Block into HN Block estimated at £1.427m or £2.141m respectively in 2020-21 and 2021-22.

Following the meeting of the Schools Forum, the DSG Deficit Recovery plan as presented at the meeting was finalised and submitted to DfE, it did not include the proposals outline above but DfE were made aware that the LA was considering these options. DfE have acknowledged receipt of the DSG Deficit Recovery plan and feedback is awaited.

The allocation methodology of the additional £700m for special education needs had not been announced, however, if it was based on the same methodology as the additional £125m provided in both 2018-19 and 2019-20 Cumbria could potentially receive an additional £5.4m in HN funding for 2020-21 compared to the previous year.

However, despite this additional funding, there will still remain a significant pressure on the HN block budget and the additional funding will not address the cumulative deficit on the DSG projected to be £7.899m at the end of 2019-20.

In order to continue to work towards recovering the DSG deficit as required by the DfE it was still necessary to continue to progress the measures put to Schools Forum at the last meeting and consult all schools on the proposals to withdraw the targeted SEN funding and transfer 0.5% or up to 0.75% from the Schools Block. However, as the full details of the schools funding formula for 2020-21 had not yet been published, it was not possible to model the financial impact of the proposals but this would be made available as soon as possible after the required information had been received and ahead of the next meeting of the Schools Forum.

The SEN Working Group noted the contents of the report and whilst the group was not particularly supportive of the proposed changes it did support the proposal to undertake the modelling of the impact of the changes on schools individual budgets.

8. Resourced Provision Consultation – Verbal Update

A verbal update on the Resourced Provision consultation was provided. Responses to the consultation had indicated that the proposed model was not something that colleagues wished to engage with so work was ongoing to develop alternative proposals in light of the responses.

Areas under consideration included re-commissioning RP based on current need and looking at whether specialisms remained appropriate. There was also some expectation around the development of closer working, managing the current budgets and re-focussing how that was utilised. Work was ongoing and conversations were continuing.

There was some discussion in relation to Post 16 and how/if something could be developed in future but at present, schools remained the priority.

Issues relating to funding for youngsters from Scotland was also raised – it was not possible to transfer the equivalent of and EHCP from Scotland to England meaning that a youngster with a significant package of support in Scotland transferring to a school in England have to start process from beginning to get a plan in place.

The group noted the ongoing work in relation to resourced provision.

9. Date of Next Meeting

The next meeting of the Schools Forum SEN Working Group was scheduled to be held on Tuesday, 12 November 2019.

10. Any Other Business

There were no other items of business.

SAA/NS

October 2019