
Haringey Schools Forum

THURSDAY 25 FEBRUARY 2016 AT 16.00 HRS PROFESSIONAL DEVELOPMENT CENTRE– DOWNHILLS PARK ROAD, TOTTENHAM, LONDON, N17 6AR

AGENDA

1. CHAIR'S WELCOME

2. APOLOGIES AND SUBSTITUTE MEMBERS

Clerk to report.

3. DECLARATIONS OF INTEREST

Declarations are only required where an individual member of the Forum has a pecuniary interest in an item on the agenda.

4. MINUTES OF THE MEETINGS OF 14 JANUARY 2016 (PAGES 1 - 8)

5. MATTERS ARISING

6. THE SCHOOLS 2016/17 INTERNAL AUDIT PROGRAMME (PAGES 9 - 14)

To advise the Schools Forum of the programme of internal audit work to be undertaken in 2016/17.

7. DEDICATED SCHOOLS BUDGET ANALYSIS AGAINST NEIGHBOUR AND LONDON "PLOWDEN" LA'S (PAGES 15 - 28)

This report sets out budget allocations for primary, secondary and special schools, compared with those for our 'statistical neighbour' (SN) LAs, and 'Plowden' LAs.

8. PROPOSALS FOR BACK TO BUDGET PLAN HIGH NEEDS BLOCK (PAGES 29 - 46)

To describe the actions to be taken to ensure children with SEND have a service that is of high quality and value for money.

9. EARLY YEARS FUNDING BLOCK 2016/17 (PAGES 47 - 68)

To inform Schools Forum members of the 2015-16 budget proposals for the Early Years Block.

10. FEEDBACK FROM WORKING PARTIES (PAGES 69 - 80)

- Early Years (to be tabled)
- High Needs (minutes attached)
- Traded services

11. WORK PLAN 2015/16 (PAGES 81 - 84)

To inform the Forum of the proposed work plan for 2015-16 and provide members with an opportunity to add additional items.

12. ANY OTHER URGENT BUSINESS

13. DATE OF FUTURE MEETINGS

- 19 May 2016
- 30 June 2016

**MINUTES OF THE SCHOOLS FORUM MEETING
THURSDAY 14 JANUARY 2016**

Schools Members:

Headteachers:

Special (1) - *Martin Doyle (Riverside),
Children's Centres (1) - *Julie Vaggers (Rowland Hill),
Primary (7) *Dawn Ferdinand, (The Willow), *Emma Murray for Fran Hargrove (A) (St Mary's CE), *Will Wawn (Bounds Green) *Cal Shaw (Chestnuts), *Julie D'Abreu Devonshire Hill), *Nic Hunt (Weston Park) *Angela McNicholas (OLM)
Secondary (2) Helen Anthony (Fortismere), *Tony Hartney (Gladesmore),
Primary Academy (1) *Sharon Easton (St Paul's and All Hallows)
Secondary Academies (2) Arthur Barzey (Woodside), *Michael McKenzie (Alexandra Park)
Alternative Provision Angela Tempany

Governors:

Special (1) Michael Connah (A) (Riverside)
Children's Centres (1) *Melian Mansfield (Pembury)
Primary (7) *Asher Jacobsberg (Welbourne), *Laura Butterfield (Coldfall), Andreas Adamides (A)(Stamford Hill), *Zena Brabazon (Seven Sisters) *Lorna Walker (Rokesly Infants), Michael Cunningham (A) (Muswell Hill), John Keever (A) (Seven Sisters)
Secondary (3) * Imogen Pennell (Highgate Wood),
Primary Academy (1) VACANT
Secondary Academy (1) *Marianne McCarthy (Heartlands),

Non School Members:-

Non – Executive Councillor - Cllr Wright (A)
Professional Association Representative - * Niall O'Connor
Trade Union Representative -*Pat Forward
14-19 Partnership –* Rob Thomas
Early Years Providers - *Susan Tudor-Hart
Faith Schools - *Geraldine Gallagher
Pupil Referral Unit –*Gordon McEwan

Observers:- **Cabinet Member for CYPS** (*Cllr Ann Waters)

Also attending:

Jon Abbey, Director of Children's Services
Chris Kiernan, Interim Assistant Director, Schools and Learning
Steve Worth, Finance Manager (Schools and Learning)
Katherine Heffernan, Head of Finance - Child, Adults and Schools
Gareth Morgan, Head of Early Help and Prevention
Carolyn Banks, Acting Head of Governor Services
Jonathan Adamides-Vellapah, Haringey Clerk (minutes)

- * Members present
- A Apologies given

TONY HARTNEY IN THE CHAIR

MINUTE NO.	SUBJECT/DECISION	ACTION BY
1	CHAIR'S WELCOME The Chair welcomed everyone to the meeting.	
2.	APOLOGIES AND SUBSTITUTION MEMBERS	
2.1	Apologies: Michael Connah, Andreas Adamides, Michael Cunningham, Cllr Wright	
2.2	Substitutions: Emma Murry for Fran Hargrove	
2.3	Resignations: Liza Sheikh Wali – Primary Academies	
3.	DECLARATION OF INTEREST Pat Forward and Niall O'Connor declared an interest in agenda item:7 contract for trade union facilities time.	
4.	MINUTES OF MEETINGS HELD ON 03 DECEMBER 2015	
4.1	The minutes of the meetings held on 03 December 2015 were agreed as a correct record.	
5.	MATTERS ARISING	
5.1	Noted that the matters arising appeared within the agenda.	
6.	UPDATE ON DEDICATED SCHOOLS BUDGET STRATEGY 2016-17	
6.1	Steve Worth (SW): Finance Manager introduced the paper which updated the Forum on the 2016/17 Schools Budget strategy following the publication of the indicative DSG 2016/17 and 2016/17 pupil data. The Chair and Forum thanked SW for his work in pulling together the indicative budgets and the data underlying the data over the break. The Forum agreed to vote on each proposal accordingly.	
6.2	The Forum noted for the Schools Block Funding (recommendation 1): <ul style="list-style-type: none"> • The increased funding per pupil is £42.49, and needs to cover growth in free schools • There will be pressures on the budget to cover the increase in NI from April 2016 (3.4% to salary bills), an increase of 2.3% to employer's superannuation contribution for teachers introduced from September 2015 and a 1% pay inflation • £7.5m will have to come from existing funding as no additional funding is available • The IDACI figures for 2016/17 v 2015/16 show that deprivation at the highest levels have decreased and in some categories (level 6) show no pupils affected. This is directly linked to the funding Haringey Council will receive • The consultation responses received, showed a majority in favour of option 2 • That the changes in the IDACI figures for 2016/17 will not affect the funding, however the changes to the national funding formula in April 2017 may impact on the funding between schools. 	

6.3	<p>The Forum members noted the following:</p> <ul style="list-style-type: none"> • That in both options many schools were getting increases based on the census • Option 2 allowed greater stability for schools from which to plan for the changes starting in April 2017. • PP is not a factor in calculation the MFG 	
6.4	<p>Forum asked the following questions: Q = Have other metropolitan areas been contacted to ask on the IDACI revision? A = The Forum were notified that approaches have been made. Q = Have letter been sent to the DfE questioning the methodology and seeking answers? A = The Forum were advised that the DfE have been contacted and information will be requested on how the IDACI was achieved.</p>	
6.5	<p>Trade Union Facilities (recommendation 2 and 3) The Forum noted that a separate paper will be presented under agenda item 7 for agreement. Recommendation 2 and 3 will be voted after this discussion.</p>	
6.6	<p>Governors Support (recommendation 8) Chris Kiernan Interim Assistant Director, Schools and Learning presented the update on the request for the allocation following the re-structure of the service. The Forum were advised that the request is for £130k a £5k saving on last year is linked to the cost of staffing.</p>	
6.7	<p>Supplementary schools (recommendation 4) Steve Worth introduced the request for allocation for Supplementary Schools based on the previous formula. The Forum discussed that there should be a review of the bidding process and all providers should be made aware. Supplementary Schools are not OfSTED inspected however they registered with the National Resource Centre for Supplementary Education (NRCSE).</p> <p>ACTION: The Interim Assistant Director, Schools to undertake to review supplementary schools funding, which may include a three-year competitive funding proposal open to new applicants.</p>	CK
6.8	<p>LAC Funding (recommendation 5) Jon Abbey, Director of Children’s Service gave an overview for request of £800k, on how the money is being spent, including placements, the track record of LAC achievement, interventions and support. The LAC figures show that the LA has a good track record of achievement, including the use of the virtual school.</p>	
6.9	<p>The following was noted from the discussions:</p> <ul style="list-style-type: none"> • There is a £200k reduction from the previous year • The funding estimated the needs for the LAC service and provided a small contingency • Could the money be better utilised over the year • The LAC plans were ambitious, but did show results 	

	<ul style="list-style-type: none"> • There will be a review of how the funding is being used • The service is working with partners such as housing, health and social care to support LAC children once they formally leave care and support them through the transition period. 	
6.10	Katherine Heffernan will contact Melian Mansfield on how to access early years funding for this year.	KH
6.11	Early Help The item was considered separately as agenda item 8.	
	<p>RESOLVED:</p> <ol style="list-style-type: none"> 1. The Forum agreed option 2, as the one that will minimise year on year changes 2. The maintained primary school representatives agreed to de-delegate funding for Trade Union Facilities 3. The maintained secondary school representatives agreed to de-delegate funding for Trade Union Facilities 4. Forum agreed to allocate £26.7k for Supplementary Schools in 2016-17 5. Forum agreed to allocate £800k for LAC Residential Places in 2016-17 6. Forum agreed to allocate £350k for Early Help (Family Support) in 2016-17 7. Forum agreed to allocate £192k for Support Cost in 2016-17 8. Forum agreed to allocate £130k for Governor Support in 2016-17 	
7.	CONTRACT FOR TRADE UNION FACILITIES TIME	
7.1	Chris Kiernan: Interim Assistant Director presented the paper, which outlined to the forum the following: <ul style="list-style-type: none"> • De-delegation can only be from maintained schools and not academies or free schools • Letters and contracts have been sent to teacher of all academy schools for their consideration inviting them to purchase a traded service. 	
7.2	The Forum noted for the proposals for 2016/17: <ul style="list-style-type: none"> • The report outlining costs and comparisons against other LAs • The cost to academy schools to buy in • The cost reduction (exemplars) for academy schools to buy in • The per pupil cost in Haringey is £4.69 • If academies do not sign, there will be a shortfall and this will have to be met by the council, which there is no budget • The draft letter was included with the report. 	
7.3	The Forum discussed the proposals and the following was noted: <ul style="list-style-type: none"> • The comparative costs across the various boroughs reflect the pay grade of staff being released to undertake duties • A separate group needs to look at the contracts before next year and report back. Areas to look at include: <ul style="list-style-type: none"> ○ Setting out the remit of the group including terms of 	

	<p>reference</p> <ul style="list-style-type: none"> ○ The group should review if the contract should be per pupil or another methodology should be used. <p>ACTION: The group members will include Tony Hartney, Niall O'Connor, Cal Shaw and Nic Hunt.</p>	CK
7.4	<p>RESOLVED:-</p> <p>That members:</p> <ol style="list-style-type: none"> 1. agreed to the de-delegation of £117,039 from the primary and secondary AWPU to provide for authority-wide trades union facility time 2. endorsed the proposed contract for facilities time for consideration by academy schools in Haringey 3. agreed to review the formula governing how costs are calculated and the support that is allocated and provided 	
8.	EARLY HELP AND PREVENTATIVE SERVICES	
8.1	Jon Abbey: Director of Children's Services and Gareth Morgan: Head of Early Help and Prevention, introduced the paper which reported on the impact of the Locality Model and presented a proposal for continued DSG funding as a contribution to the Early Help Service.	
8.2	<p>Members noted that:</p> <ul style="list-style-type: none"> • The model was introduced in 5 October 2015 and the Forum understood that scale and complexity of the vision would be measured over time • The DSG funding was often not distinguishable from the support provided by Children's Social Care casework • Early Help provision is now directly focused on earlier intervention of 'pre-statutory' or Tier 2 support • The request to the Forum is to continue the combined allocation of £1.35m from the Schools and high needs block to support Early Help Service. The funds will be used solely for front line case working staff • The Early Help Service has commissioned the Outcome Star Evaluation Tool to provide evidence for the government's Troubled Families programme • All schools and SENCOs had been contacted about the new service model. 	
8.3	The Forum were made aware of the consequences of funding not continuing at this stage, when the new model was now in operation. Steve Worth advised members that the schools block allocation was £350k and members will be asked to vote on this allocation. The remaining £1m will be allocated by the high needs block.	
8.5	Forum members discussed the Early Help Programme and that there is more communication required to make the service more visible.	
8.6	<p>The following was noted from the forum discussions:</p> <ul style="list-style-type: none"> • There is no indication of the full staffing or structure presented with 	

	<p>the report</p> <ul style="list-style-type: none"> • Questions arose from the speed to which the service could respond to the needs of families • Schools are providing where required their own family support workers • Schools appear to be taking on a social care role and this has to be reviewed • Connections need to be made between all the services, i.e. Health, specialist workers • There is a need to communicate which people are in the new service • There should be more co-location with all education settings • If the service did not exist it will be fragmented across the schools and the new service has only been in operation since October 2015 • There appeared to be a mismatch in specialist advice/support for SEND and disabled children and the specialist advice/support received • Clarity is required to demonstrate what the £350k is being used for as it appears to be generalised within the total funding the Early Help programme receives. Cost should be broken down • Important that the NLCs are contacted and the relationships brokered through this network also • Will any underspends be re-allocated given the stress on budgets. <p>The Forum agreed that the funding of £350 should continue, however there needs to be a full review of expenditure from the allocation, before funding is agreed next year.</p>	
	<p>RESOLVED: -</p> <ol style="list-style-type: none"> 1. The Forum endorsed the proposed DSG funding request for 2016/17 of £350k 2. The Forum agreed the recommendation to note the impact and progress made since the establishment of the Early Help Locality Model. 	
9.	GROWTH FUND 2015/16	
9.1	<p>The Forum received the update from Steve Worth – Finance Manager and noted that:</p> <ul style="list-style-type: none"> • Since April 2013 the funding changes allow the local authority with the approval of the Schools Forum to top slice a contingency for in year increases in pupil number • The Schools Forum agreed to allocate £1.1m to a Growth Fund for 2015/16, with DFE adjustments taken for recoument academies added to the fund • Officers are required to report payments made against the fund at least once a year and any unspent is carried forward to the next financial year • The criteria had been agreed by the Forum previously. 	
	RESOLVED:-	

	The Forum agreed to the allocations set out in Table 1, which demonstrated how the monies will be allocated for the financial year.	
10.	FEEDBACK FROM WORKING PARTIES	
10.1	<u>Early Years</u> An oral update from Melian Mansfield noted that: <ul style="list-style-type: none"> • a report on the early years block will be available • the group is discussing the funding on nursery schools, the 30hrs proposals and free child care • There is no information available being put forward by the DfE on the implementation of the 30hrs, which has a financial impact on the Early Years setting. 	
10.2	<u>High Needs</u> The group has met and a report will come to the next meeting.	
10.3	<u>Traded Services</u> No update was presented as the group had not met.	
11.	WORKPLAN 2015/16	
	Steve Worth noted that additional items may be added to the work plan accordingly.	
12.	ANY OTHER URGENT BUSINESS None	
13.	DATE OF FUTURE MEETINGS <ul style="list-style-type: none"> • 25 February 2016 • 19 May 2016 • 30 June 2016 	

The meeting closed at 6.35 pm

TONY HARTNEY

CHAIR

This page is intentionally left blank

Agenda Item

6

Report Status

For information/note	<input checked="" type="checkbox"/>
For consultation & views	<input type="checkbox"/>
For decision	<input type="checkbox"/>

The Children's Service

Report to Haringey Schools Forum – 25 February 2016

Report Title: The 2016/17 internal audit programme for schools
Author: Head of Audit and Risk Management
Purpose: To advise the Schools Forum of the programme of internal audit work to be undertaken in 2016/17.
Recommendations 1. That the Schools Forum note the planned programme of internal audit work for 2016/17 (Appendix A).

1. Background

- 1.1 The Council's Corporate Finance service issued the Schools Finance Manual to all schools in 2007. The Manual sets out the financial regulations and procedures that schools should follow and covers all key financial and non-financial processes. Whilst some of the content has been superseded, the principles of the financial and non-financial processes and procedures remain valid, including e.g. budgetary control, income and expenditure systems, recruitment and asset management.
- 1.2 In addition, Corporate Finance provides regular guidance and information to all schools in respect of the key financial and non-financial processes at schools.
- 1.3 Internal Audit undertakes a programme of school audit reviews to ensure that schools are complying with the requirements of the Schools Finance Manual and the risks associated with the key financial and non-financial processes are appropriately managed.
- 1.4 Internal audit are not required to audit the School Financial Value Standard (SFVS), where schools undertake a self-assessment of, or provide an opinion of schools' compliance with this standard. However, the programme of routine audit work should assist schools in providing appropriate assurance to Governing Bodies for the SFVS.

1.5 Internal Audit previously circulated the audit test programme to all schools, via the Schools Bulletin. This should not be seen as an exhaustive programme as Internal Audit may undertake additional work or testing if control weaknesses, or compliance issues, are identified during the audit visit. However, ensuring that key processes and controls are in place, should assist schools to prepare for an audit visit.

2. Internal Audit schools audit programme 2016/17

2.1 Internal Audit will continue with a programme of audit work for schools in 2016/17 and the planned programme of audit visits is attached at Appendix A.

2.2 The programme is based on an analysis of the risks, together with a cyclical element to ensure that all schools are visited within an agreed period (maximum every four years). Included in the list for 2016/17 are some schools which received a 'limited', or 'nil', assurance rating and had outstanding recommendations at the time of the follow up audit, so their audit cycle will be less than four years.

2.3 Internal Audit will liaise with the Head Teachers to arrange a mutually convenient time for the audit visit to take place. As is current practice, formal confirmation of the date, together with the areas to be reviewed, audit approach, and documents required for the audit will be provided to the school in advance via email.

2.4 The confirmation will usually be made via email approximately 8 weeks prior to the audit visit. One week prior to the agreed date, Internal Audit will re-confirm the audit visit with the school.

3. Assurance outcomes for previous years' audit programme

3.1 This report summarises the overall outcomes and assurance levels provided to individual schools from 2012/13 to 2015/16. Table 1 below summarises the outcomes for the previous four financial years of all internal audits completed.

Table 1

	Number of audits planned	Substantial Rating assurance	Limited Assurance rating	Nil Assurance rating
2012/13				
Primary Schools (incl. nursery/special)	19	5	13	1
Secondary Schools	1	0	1	0
Sub-total	20	5	14	1
2013/14				
Primary Schools (incl. nursery/special)	15	8	6	1
Secondary Schools	3	1	2	0
Sub-total	18	9	8	1
2014/15				
Primary Schools (incl. nursery/special)	12	5	5	0
Secondary Schools	1	1	0	0
Sub-total	13	6	5	0
2015/16				

Primary Schools (incl. nursery/special)	12	8	1	0
Secondary Schools	1	1	0	0
Sub-total	13	9	1	0
Total	64	29	28	2

3.2 The 2015/16 audit programme has yet to be completed and a further update on the final position will be provided to the Schools Forum later in the year. However, the Schools Forum will note the number and proportion of schools receiving a 'substantial' level of assurance at this stage of the year is significantly improved from the previous three years.

4. Reporting and escalation processes agreed 2015/16

4.1 The Children's Service was concerned with the outcomes of the follow up programme of the 2014/15 audit reports. This was reported to the Schools Forum meeting in July 2015 which advised that 28 out of 58 High Priority (Priority 1) recommendations remained outstanding at the time of the follow up visit. The Council's Corporate Committee also requested action be taken to address the situation.

4.2 As a result, the Interim Assistant Director – Schools and Learning presented a report to the Corporate Committee in November 2015. The report confirmed that the Children's Service and Internal Audit would continue to support schools, but set out the steps that would be taken: firstly, to ensure that audit reports were provided as a matter of routine to each Chair of Governors; and secondly the escalation process that would be followed if schools did not provide an appropriate response to the audit recommendations. This was circulated to schools following approval at Corporate Committee, but is set out below for information. The process will commence if the auditor doesn't receive evidence of compliance that is considered satisfactory. At that point, school governor services will be informed and the following process applied in consultation with the head teacher and chair of governors:

- a) A letter to the head teacher and chair of governors stating the requirement that they offer assurance that appropriate action is being taken to address recommendations made within a specified time, to be specified by the head of governor services (following consultation with the head of audit and risk management);
- b) Should appropriate assurance not be given within the timescale set, an informal warning notice will be sent to the school by the Assistant Director Schools and Learning, stating the requirement for the school to offer assurance of action to comply with audit recommendations within a specified time – this will generally be the same as for a formal warning notice (15 working days), but the Assistant Director, in consultation with the Head of Audit and Risk Management, may vary this;
- c) Should appropriate assurance not be provided within the timescale set in the informal notice, a formal warning notice, under section 60 (2) (b) of the Education and Inspections Act, 2006) will be sent to the head teacher and chair of governors

by the Director of Children's Services, which must be responded to within 15 working days;

d) Should appropriate assurance still not be forthcoming, the Director of Children's Services will consider what action should be taken using powers set out in section 63, 64, 65 or 66 of the Education and Inspections Act, 2006.

4.3 It is anticipated that, if schools and internal audit can agree the responses and evidence to enable the audit report to be completed, the escalation process will be used infrequently by the Children's Service. The Head of Audit has been requested to include details of any escalation process used in future reports to the Corporate Committee; and will also provide details to the Schools Forum when the outcomes of the 2015/16 audits are reported later in 2016.

5. Training for School staff and Governors

5.1 In addition to circulating the school audit test programme, a workshop session is provided for school staff (head teachers, school business managers, finance staff etc) to further assist schools in identifying key risk areas and control processes. All schools with audits planned during the year are invited to the workshop session.

5.2 A workshop session has been booked for **16 March 2016** and an invitation has been sent to all schools listed at Appendix A, together with any newly appointed Head and Deputy Head teachers. If any other schools, apart from those listed at Appendix A wish to participate in the pre-audit workshop session, please contact Jerry Barton, the Audit Manager, via email at jerry.barton@mazars.co.uk.

5.3 A training session on audit and risk management was provided on 9 February 2016 as part of the annual governor training package. The training session is offered every academic year and covered governor roles and responsibilities in relation to audit and risk management, as well as providing advice and guidance on key risk/control areas. Governors of schools due to be audited in 2016/17 were all invited to attend and the feedback for the session was very positive.

6. Recommendations

6.1 That the Schools Forum note the planned programme of audit work for 2016/17 (Appendix A) and the initial feedback on outcomes following audit work completed in 2015/16.

Internal Audit – Schools Audit Programme 2016/17

		Last Audit Date
		Date
	Primary Schools	
1	Earlham	May 2013
2	Ferry Lane	June 2013
3	Lordship Lane	September 2012
4	North Harringay	November 2012
5	Our Lady of Muswell Hill	October 2012
6	Seven Sisters	July 2012
7	St Aidan's CE	December 2012
8	St John Vianney RC	December 2012
9	St Mary CE	February 2013
10	St Michael's CE (N6)	September 2012
11	Stamford Hill	June 2013
12	Stroud Green	June 2013
13	Tetherdown	December 2012
14	Tiverton	June 2013
15	West Green	July 2013
16	Weston Park	October 2012
	Junior Schools	
17	Belmont Junior	October 2012
18	Infant Schools	
19	Rokesly Infants	July 2012
	Nursery Schools	
21	Pembury	January 2013
22	Woodlands Park Nursery School and C/C	January 2013
	Secondary Schools	
23	Fortismere	May 2012
24	Highgate Wood	October 2013
25	Northumberland Park	September 2013
	Special Schools	
26	Riverside	September 2012
27	The Vale	September 2012
28	The Brook on Broadwater	July 2012
29	Blanche Neville	April 2013

This page is intentionally left blank

Agenda Item	
7	
Report Status	
For information/note	<input checked="" type="checkbox"/>
For consultation & views	<input type="checkbox"/>
For decision	<input type="checkbox"/>



Report to Haringey Schools Forum – 25 February 2016.

Haringey DSG: analysis against statistical neighbour and London's 'Plowden' LAs
<p>Author: Chris Kiernan - interim assistant director, schools and learning Contact: 020 8489 5075 Email: chris.kiernan@haringey.gov.uk</p>
<p>Purpose: This report sets out budget allocations for primary, secondary and special schools, compared with those for our 'statistical neighbour' (SN) LAs, and 'Plowden' LAs. The LA's central budget, and the budget and allocations of the high needs block are also set out, against the same comparators.</p> <p>The report uses funding allocation data from local authorities (LAs), which are required by section 251 of the Apprenticeships, Skills, Children and Learning (ASCL) Act, 2009 to submit statements to the government about their planned and actual expenditure on education in a standardised format.</p> <p>All (English) LAs submit their statements annually to the secretary of state for education. The Department for Education (DfE) uses these data for publishing statistics, constructing benchmarking tables, answering parliamentary questions and responding to other requests for data.</p> <p>The government notes that 'comparing information supplied through Section 251 is important for schools forums and others in their discussions about budget levels and use of funds (in the area)'.</p> <p>This report should be seen in the context of the proposed national formula, about which the government has started its consultation process</p>
<p>Recommendations That members:</p> <ol style="list-style-type: none"> 1 note the report; 2 agree that schools forum finance sub-group convenes, with a remit to: <ul style="list-style-type: none"> • Receive and comment upon proposals from LA officers for reductions in retained expenditure over the 2017/18, 2018/19 and 2019/20 financial years; • Make recommendations to schools forum about the relative funding levels of the primary and secondary sectors in the context of the proposed increase in the secondary pupil / teacher ratio (PTR).

1 Background

1.1 There are four annexes to this report, each containing specific data concerning the overall dedicated schools grant (DSG) and its allocation centrally, to the high needs block and to school 'sectors' – that is, primary, secondary, special and AWPU. The annexes contain the following data:

- annex 1 (DSG) shows the overall schools budget for all statistical neighbour (SN) and Plowden local authorities (PLAs), the budget per 0-19 and 3-19 population (ranked), the central expenditure held by each authority, with the percentage of the overall DSG and ranking by its level;
- annex 2 (HNB detail) shows the overall high needs block (HNB), ranked against SNs and Plowden LAs, and the allocation amount and percentage that is retained, and allocated to mainstream, special, alternative provision, post-16 and independent schools;
- annex 3 shows special school, primary and secondary funding per 0-19 population and per pupil, ranked against Haringey's SNs;
- annex 4 shows special school, primary and secondary funding per 0-19 population and per pupil, ranked against Plowden LAs.

2 Report

OVERALL SCHOOLS BUDGET (ANNEX 1)

2.1 Table 1 of the annex shows that, against the 3-19 population, Haringey is the fifth best funded of 11 SN LAs, and about 1.5 per cent above the median funding level. However, Haringey is third highest in relation to the percentage of the total budget held as central expenditure (8th), 8 per cent above the median.

2.2 The PLA table shows that Haringey is slightly above the mean and median funding level – 3th out of 6 – almost 0.7 per cent above the median funding level. This is 2nd out of 6, although only 0.5 per cent above the median in terms of central expenditure.

2.3 In summary, this should mean that Haringey, all other things being equal, all Haringey's schools – primary, secondary and special – should have per pupil funding just above the median when compared with both SNs and Plowden LAs.

HIGH NEEDS BLOCK (ANNEX 2)

2.4 Table one shows that Haringey allocates much less than the average SN LAs to the high needs block – it is 10th out of 11, and allocates almost 6.5 per cent less than the median (and 9 per cent more than the mean). Table two shows that Haringey is 4th out of 6 Plowden LAs, although only one per cent below the median percentage expenditure.

2.5 The percentage of the HNB allocated to mainstream schools is very high – against Haringey's SNs, it is second highest, at 32 per cent, which is 67 per cent more than the median. Two Plowden LAs – Brent and Newham – allocate more, but Haringey is still 34 per cent higher than the median. This indicates that the proportion of high-needs pupils included in mainstream schools is significantly higher than is the case in other SN and Plowden LAs.

2.6 Haringey allocates a much lower percentage of its overall HNB budget to special schools – 17.7 per cent against a median of 39 per cent and 27 per cent in SN and Plowden LAs. The main reason for this is the high proportion of pupils educated in mainstream schools. While it is the case that Haringey spends more than the median for both SN and PLA in post-16, independent schools and retained funding, the variance is not large in any case.

2.7 Spending on independent schools is higher than SN LAs, but slightly lower against Plowden LAs (due principally to very high spending in two LAs). Haringey spends 17.7 per cent of its HNB on independent schools, against the median of 12.6 per cent – that is, 40 per cent more, or £1.8m more than would be required if its expenditure was on the median.

2.8 Retained funding is marginally higher than the median of SN LAs, two points or 13 per cent higher, meaning Haringey spends about £750,000 above the median. As Plowden LAs retain a

median of only 11 per cent of the HNB, Haringey spends almost 60 per cent more than the median – meaning it spends about £2.3m more than would be the case if it was a median spender compared with these LAs.

2.9 To summarise HNB budget allocations, Haringey spends much more on early years – although still under 2 per cent of the HNB; much more on post-16 – almost four times more than the SN median and over twice the PLA median; almost a third in mainstream schools; more on independent schools and on retained funding, but well under 20 per cent in special schools. Statistical returns are subject to different approaches and it is notable that four authorities report no spend on Post 16 students. This is unlikely and spend in this area may have been allocated under another category.

SCHOOL BUDGETS COMPARED WITH STATISTICAL NEIGHBOURS (ANNEX 3)

2.10 **Special schools** are allocated £10,529 – 6th and therefore on the median but slightly above the mean . The funding is, however, much lower than the average of the SN LAs that are assessed as being ‘close’ – in fact, second lowest (close is indicated by a ‘c’ in the LA name column).

2.11 **Primary schools** are funded at a slightly lower level than the SN average – 7th out of 11, 2 per cent under the median.

2.12 **Secondary schools** are allocated £6,553 - 16 per cent more than the SN median and mean.

2.13 However, the S251 statement, on which the above per-pupil allocations are made, will show all funding including the minimum funding guarantee, special units and post 16 in secondary schools; whereas the primary / secondary ratio calculated in the DfE’s funding allocation summary compares the formula funded element, which is the best comparator to use. .

SCHOOL BUDGETS COMPARED WITH PLOWDEN LAs (ANNEX 4)

2.14 **Special schools** are allocated £10,529 – 3rd and therefore slightly over the median (which is between 3rd and 4th out of 6) but well below the mean (£11,045, which is 5 per cent more). This might be a little misleading in that this is the delegated budget to special schools and is £10,000 per planned place. We would expect some variation around £10,000 as the budget is divided by actual rather than planned numbers in special schools.

2.15 **Primary schools** are allocated 3 per cent above the median, 5.4 per cent above the mean.

2.16 **Secondary schools** are funded at 12 per cent above the median and 13 per cent above the mean - a smaller differential than is the case with SNs, but still higher than the primary differential.

PRIMARY AND SECONDARY SCHOOL FUNDING DIFFERENTIALS USING LA FUNDING SUMMARIES (ANNEX 5)

2.17 The table in annex 5 contains the primary / secondary ratio for all SN and London Plowden LAs, and the mean for all London and (top tier) English LAs. For ease of reference, the mean and median of SN and London Plowden LAs is set out in the summary table below.

A Name	primary pupil nos	amount per pupil	total primary pupil funding	secondary pupil numbers	amount per pupil	total secondary funding	primary / secondary ratio	% diff
Haringey	21,468	£5,007	£107,484,947	11,142	£6,779	£75,531,808	1.35	n/a
statistical neighbour mean							1.34	1.4%
statistical neighbour median							1.33	1.8%
London Plowden mean							1.32	2.7%
London Plowden median							1.32	2.6%
London LAs - mean							1.31	3.4%
English LAs - mean							1.30	4.2%

2.18 The table shows the amount per pupil for Haringey primary and secondary schools - £5,007 and £6,779 respectively – and the ‘funding ratio: that is, secondary schools are funded 35 per cent more per pupil. The difference between these allocations and those derived from the LA’s section 251 statement are striking – the s 251 primary allocation is £4,595 (8 per cent less) and the secondary allocation £6,553 (3 per cent less). To summarise with some context:

- the percentage differential between Haringey’s ratio and that of its statistical neighbours is low, with a mean of 2.3 per cent and a median of 2.6 per cent – however, the low differential is due to three out of the seven other LAs (Lambeth, Southwark and Waltham Forest) having very high primary / secondary differentials;
- the differential between London Plowden LA’s and Haringey’s is higher, but is affected by one LA – Ealing – having a very high (1:1.41) ratio; and
- in London – where the outliers are fewer – the differential between the average and Haringey’s is greater, at 3.4 per cent; and
- finally, the differential with English LAs is highest of all the comparator groups, as the influence of the few LAs with very high ratios diminishes, and the differential is just over 4 per cent.

2.19 The above is particularly relevant in a context in which national funding will be implemented, coinciding with the review of the secondary pupil teaching ratio (PTR).

HARINGEY RETAINED FUNDING IN THE HIGH NEEDS, SCHOOLS AND EARLY YEARS BLOCKS

2.20 **The Haringey ‘retained’ high needs block** is £18.8m (69 per cent of the retained funding)..

2.21 **The retained schools block holds** funding of £4.66m – 17 per cent of retained funding, and includes budgets for pupil growth (allocations to schools with budget problems due to low numbers but where places are required in future) and contingency funding.

2.22 **The early years block** holds about £4m, about 14 per cent of retained funding, and is used to fund central support for settings.

3 Summary

3.1 To summarise the characteristic features of DSG allocations in Haringey:

- it is slightly better funded compared to the median level of comparator LAs, while it is average in terms of the percentage of the budget held for ‘central’ expenditure (7.2 per cent);
- its high needs budget is relatively low against SN LAs (8th out of 11) and average (6th) but below the median for Plowden LAs;
- it expends a low percentage of its HNB on special schools (10 out of 11 and 9 out of 11 against SN and Plowden LAs respectively, but much more on alternative provision (top and second highest respectively) and on independent school places – 3rd highest in both comparator groups;
- the total budget is exactly the same if special school, alternative provision and independent budgets are added together compared with SN LAs (two thirds of the total) and exactly the same as these groupings plus mainstream when compared with Plowden LAs (as HNB budgets are higher in these LAs region than in Haringey or SNs);
- its special schools are funded at a lower per-pupil level than mainstream primary and secondary schools compared with SNs, but not when compared with Plowden LAs;
- its special school allocation per pupil is relatively low – 14th out of 21 SN and Plowden LAs – and taken together with independent school expenditure, this might indicate that higher levels of need are being met by special schools in other areas;
- the percentage difference between per pupil funding in primary and secondary schools is higher than average, especially compared to all London and English LAs; and
- the implementation of a national formula is likely to cause a redistribution of funding away from secondary schools to primary schools, with the potential for significant challenge in secondary schools as structural expenditure will almost certainly be more than the budget available.

Annex 1

Haringey school budget and central expenditure 2015/16, compared with SN, Plowden and EE LAs

Statistical Neighbours

LA	Schools budget	0-19 pop	£ per 0-19 pop	rank (H-L)	3-19 school pop	£ per 3-19 pop	rank (H-L)	central	% schools budget	rank (H-L)
Hackney (c)	£270,370,474	65,115	£4,152	1	42,656	£6,338	4	20,414,674	7.6%	7
Haringey	£245,140,370	65,275	£3,756	5	40,511	£6,051	5	£17,923,098	7.3%	8
Lambeth (c)	£263,733,653	67,917	£3,883	3	38,347	£6,878	2	18,890,165	7.2%	10
Lewisham (c)	£281,271,836	72,782	£3,865	4	43,141	£6,520	3	23,097,360	8.2%	5
Southwark (c)	£243,888,529	68,244	£3,574	10	46,203	£5,279	9	19,270,304	7.9%	6
Waltham Forest (c)	£257,547,075	70,119	£3,673	7	44,244	£5,821	6	18,568,044	7.2%	9
Croydon (sc)	£314,174,370	101,164	£3,106	11	64,229	£4,891	11	27,462,207	8.7%	3
Enfield (sc)	£326,136,814	89,798	£3,632	9	57,897	£5,633	8	21,867,996	6.7%	11
Greenwich (sc)	£262,439,370	70,970	£3,698	6	45,363	£5,785	7	25,480,866	9.7%	2
Hamm & F(SC)	£134,309,778	36,668	£3,663	8	26,730	£5,025	10	11,352,771	8.5%	4
Islington (sc)	£177,985,507	44,102	£4,036	2	25,263	£7,045	1	20,178,372	11.3%	1
mean			£3,731	-0.7%		£5,933	-2.0%		8.2%	12.3%
median			£3,698	-1.5%		£5,821	-4.0%		7.9%	8.1%

Plowden LAs

LA	Schools budget	0-19 pop	£ per 0-19 pop	rank (H-L)	3-19 school pop	£ per 3-19 pop	rank (H-L)	central expenditure	% schools budget	rank (H-L)
Barking and Dagenham	247,489,715	63,968	£3,869	2	40,220	£6,153	2	18,273,958	7.4%	3
Brent	300,696,926	81,139	£3,706	4	50,142	£5,997	4	21,641,948	7.2%	5
Ealing	312,359,074	87,345	£3,576	5	57,682	£5,415	5	31,800,736	10.2%	2
Haringey	£245,140,370	65,275	£3,756	3	40,511	£6,051	3	17,923,098	7.3%	4
Newham	384,869,606	90,785	£4,239	1	59,341	£6,486	1	23,053,642	6.0%	6
Merton	159,264,083	49,235	£3,235	6	32,873	£4,845	6	18,095,827	11.4%	1
mean			£3,730	-0.7%		£5,825	-3.7%	£21,798,201	8.2%	12.7%
median			£3,731	-0.7%		£6,024	-0.4%	£19,957,953	7.3%	0.5%

This page is intentionally left blank

Table 1: Haringey compared with statistical neighbour LA budgets

LA	Total high needs budget	% total DSG	rank	Early years	% HNB	M'stream schools	% HNB	Special schools	% HNB	Alt Prov	% HNB	Post 16	% HNB	Ind schools	% HNB	Retained	% HNB
Hackney (c)	£38,111,490	14.1%	6	£206,760	0.5	£7,305,550	19.2	£11,750,200	30.8	£4,813,970	12.6	£1,641,890	4.3	£8,123,710	21.3	£4,269,410	11.2
Haringey	£32,450,826	13.2%	10	£606,436	1.9	£10,377,229	32.0	£5,739,965	17.7	£2,020,547	6.2	£2,249,041	6.9	£5,732,018	17.7	£5,725,590	17.6
Lambeth (c)	£37,495,066	14.2%	5	£614,622	1.6	£9,245,324	24.7	£14,498,122	38.7	£3,016,961	8.0	£0	0.0	£4,275,602	11.4	£5,844,435	15.6
Lewisham (c)	£44,528,559	15.8%	3	£0	0.0	£0	0.0	£25,844,098	58.0	£3,480,000	7.8	£2,638,442	5.9	£7,901,792	17.7	£4,664,227	10.5
Southwark (c)	£40,865,768	16.8%	1	£138,899	0.3	£9,215,604	22.6	£20,922,788	51.2	£800,000	2.0	£0	0.0	£4,436,417	10.9	£5,352,060	13.1
Waltham Forest (c)	£35,242,652	13.7%	9	£558,682	1.6	£6,521,884	18.5	£16,063,410	45.6	£3,575,667	10.1	£650,000	1.8	£4,456,256	12.6	£3,416,753	9.7
Croydon (sc)	£52,181,806	16.6%	2	£300,408	0.6	£26,235,123	50.3	£8,154,364	15.6	£2,346,747	4.5	£14,235	0.0	£5,846,892	11.2	£9,284,037	17.8
Enfield (sc)	£38,586,433	11.8%	11	£0	0.0	£6,157,797	16.0	£14,971,032	38.8	£2,141,460	5.5	£804,040	2.1	£5,581,720	14.5	£8,930,384	23.1
Greenwich (sc)	£40,459,108	15.4%	4	£0	0.0	£8,444,971	20.9	£17,044,837	42.1	£2,695,190	6.7	£787,660	1.9	£3,319,370	8.2	£8,167,080	20.2
Hamm & F(SC)	£18,622,000	13.9%	7	£7,900	0.0	£1,729,390	9.3	£8,614,015	46.3	£4,108,200	22.1	£0	0.0	£1,657,495	8.9	£2,505,000	13.5
Islington (sc)	£24,597,760	13.8%	8	£705,480	2.9	£3,896,983	15.8	£9,285,985	37.8	£3,001,071	12.2	£87,097	0.4	£3,352,359	13.6	£4,268,785	17.4
mean		14.5%	6		0.9		20.8		38.4		8.9		2.1		13.5		15.4
median		14.1%	6		0.5		19.2		38.8		7.8		1.8		12.6		15.6

Table 2: Haringey compared with Plowden Las

LA	Total high needs budget	% total DSG	rank (H-L)	Early years	% HNB	M'stream schools	% HNB	Special schools	% HNB	Alt Prov	% HNB	Post 16	% HNB	Ind schools	% HNB	Retained	% HNB
Barking and Dagenha	£27,455,319	11.1%	5	£248,715	0.9	£2,511,510	9.1	£5,959,519	21.7	£9,088,900	33.1	£0	0.0	£6,833,075	24.9	£2,813,600	10.2
Brent	£46,539,011	15.5%	2	£173,603	0.4	£16,525,465	35.5	£13,587,477	29.2	£5,430,823	11.7	£1,870,540	4.0	£7,538,384	16.2	£1,412,719	3.0
Ealing	£41,784,273	13.4%	3	£71,636	0.2	£6,102,649	14.6	£19,940,442	47.7	£2,266,511	5.4	£1,095,389	2.6	£7,364,628	17.6	£4,943,018	11.8
Haringey	£32,450,826	13.2%	4	£606,436	1.9	£10,377,229	32.0	£5,739,965	17.7	£2,020,547	6.2	£2,249,041	6.9	£5,732,018	17.7	£5,725,590	17.6
Newham	£39,074,701	10.2%	6	£0	0.0	£15,075,000	38.6	£12,475,400	31.9	£1,710,000	4.4	£1,212,000	3.1	£1,595,200	4.1	£7,007,101	17.9
Merton	£34,934,511	21.9%	1	£29,093	0.1	£5,504,466	15.8	£8,547,246	24.5	£6,653,370	19.0	£722,694	2.1	£9,936,260	28.4	£3,541,382	10.1
mean		14.2			0.6		24.3		28.8		13.3		3.1		18.2		11.8

median	13.3	0.3	23.9	26.8	8.9	2.9	17.6	11.0
--------	------	-----	------	------	-----	-----	------	------

Annex 3 Haringey special, primary and secondary budgets 2015/16, c/w SNs

LA Name	Spend 15-16	0-19 population Mid14	Spend per 0- 19 population	Rank (H- L)	Number pupils Jan 15	Spend per pupil	Rank (H-L)
Table 1: special							
Hackney (c)	£3,442,100	65,115	£53	10	292	£11,788	3
Haringey	£3,969,404	65,275	£61	9	377	£10,529	6
Lambeth (c)	£4,906,458	67,917	£72	7	438	£11,202	5
Lewisham (c)	£6,660,000	72,782	£92	4	534	£12,472	1
Southwark (c)	£6,755,084	68,244	£99	2	577	£11,707	4
Waltham Forest (c)	£6,880,000	70,119	£98	3	731	£9,412	9
Croydon (sc)	£7,746,667	101,164	£77	6	788	£9,831	8
Enfield (sc)	£6,150,000	89,798	£68	8	606	£10,149	7
Greenwich (sc)	£2,573,333	70,970	£36	11	431	£5,971	11
Hamm & F(SC)	£4,610,000	36,668	£126	1	381	£12,100	2
Islington (sc)	£3,650,000	44,102	£83	5	389	£9,383	10
mean			£79			£10,413	
median			£77			£10,529	
Table 2: primary							
Hackney (c)	£110,329,960	65,115	£1,694	3	20,456	£5,394	2
Haringey	£108,376,762	65,275	£1,660	5	23,588	£4,595	7
Lambeth (c)	£122,616,576	67,917	£1,805	1	22,494	£5,451	1
Lewisham (c)	£122,945,903	72,782	£1,689	4	25,335	£4,853	3
Southwark (c)	£120,986,895	68,244	£1,773	2	24,956	£4,848	4
Waltham Forest (c)	£114,898,282	70,119	£1,639	6	25,525	£4,501	8
Croydon (sc)	£137,095,125	101,164	£1,355	11	33,183	£4,131	11
Enfield (sc)	£141,645,551	89,798	£1,577	9	33,152	£4,273	10
Greenwich (sc)	£112,572,515	70,970	£1,586	8	25,815	£4,361	9
Hamm & F(SC)	£50,681,601	36,668	£1,382	10	10,676	£4,747	5
Islington (sc)	£70,389,274	44,102	£1,596	7	15,018	£4,687	6
mean			£1,614			£4,713	
median			£1,639			£4,687	
Table 3: secondary							
Hackney (c)	£90,300,950	65,115	£1,387	1	12,406	£7,279	1
Haringey	£83,674,027	65,275	£1,282	4	12,768	£6,553	2
Lambeth (c)	£78,420,725	67,917	£1,155	6	12,976	£6,044	4
Lewisham (c)	£82,205,457	72,782	£1,129	8	14,974	£5,490	7
Southwark (c)	£50,482,014	68,244	£740	11	14,473	£3,488	11
Waltham Forest (c)	£78,799,409	70,119	£1,124	9	15,391	£5,120	9
Croydon (sc)	£93,366,664	101,164	£923	10	22,002	£4,244	10
Enfield (sc)	£118,450,073	89,798	£1,319	2	22,535	£5,256	8
Greenwich (sc)	£81,259,138	70,970	£1,145	7	14,684	£5,534	6
Hamm & F(SC)	£47,141,453	36,668	£1,286	3	8,484	£5,557	5
Islington (sc)	£54,411,602	44,102	£1,234	5	8,588	£6,336	3
mean			£1,157			£5,536	

Annex 3 Haringey special, primary and secondary budgets 2015/16, c/w SNs

median	£1,155	£5,534
---------------	---------------	---------------

Annex 4 Haringey special, primary and secondary school budgets 2015/16, c/w Pwn

LA Name	Spend 15-16	0-19 population 13-14	Spend per 0-19 population	Rank	Number of pupils Jan 14	Spend per pupil	Rank
table 1: special							
Barking and Dagenham	£2,668,319	63,968	£42	5	281	£9,496	6
Brent	£6,048,333	81,139	£75	2	570	£10,611	2
Ealing	£6,573,333	87,345	£75	1	647	£10,160	5
Haringey	£3,969,404	65,275	£61	4	377	£10,529	3
Newham	£1,870,000	90,785	£21	6	125	£14,960	1
Merton	£3,470,000	49,235	£70	3	330	£10,515	4
mean			£57			£11,045	
median			£66			£10,522	
Table 2: primary							
Barking and Dagenham	£112,553,662	63,968	£1,760	2	26,111	£4,311	4
Brent	£127,103,275	81,139	£1,566	4	27,538	£4,616	2
Ealing	£131,376,300	87,345	£1,504	5	32,694	£4,018	5
Haringey	£108,376,762	65,275	£1,660	3	23,588	£4,595	3
Newham	£179,699,544	90,785	£1,979	1	35,877	£5,009	1
Merton	£69,732,233	49,235	£1,416	6	19,334	£3,607	6
mean			£1,648			£4,359	
median			£1,613			£4,453	
Table 3: secondary							
Barking and Dagenham	£84,144,722	63,968	£1,315	2	13,535	£6,217	2
Brent	£99,150,676	81,139	£1,222	4	19,161	£5,175	5
Ealing	£99,738,282	87,345	£1,142	5	18,450	£5,406	4
Haringey	£83,674,027	65,275	£1,282	3	12,768	£6,553	1
Newham	£130,353,120	90,785	£1,436	1	21,075	£6,185	3
Merton	£41,439,977	49,235	£842	6	8,809	£4,704	6
mean			£1,206			£5,707	
median			£1,252			£5,796	

This page is intentionally left blank

annex 5 - Haringey's 2015/16 primary and secondary per pupil allocations - statistical neighbour, 'London Plowden', London and national LAs

LA Name	primary pupil numbers	amount per pupil	total primary pupil funding	secondary pupil numbers	amount per pupil	total secondary funding	primary / secondary ratio	% diff
statistical neighbours								
Hackney (c)							1.33	
Haringey	21,468	£5,007	£107,484,947	11,142	£6,779	£75,531,808	1.35	
Lambeth (c)							1.45	
Lewisham (c)							1.33	
Southwark (c)							1.39	
Waltham Forest (c)							1.38	
Croydon (sc)							1.24	
Enfield (sc)							1.27	
Greenwich (sc)							1.31	
Hamm & F(SC)							1.31	
Islington (sc)							1.33	
mean							1.34	1.4%
median							1.33	1.8%
London plowden LAs								
Barking and Dagenham							1.31	
Brent							1.29	
Ealing							1.41	
Haringey	21,468	£5,007	£107,484,947	11,142	£6,779	£75,531,808	1.35	
Newham							1.22	
Merton							1.33	
mean							1.32	2.7%
median							1.32	2.6%
London LAs							1.31	3.4%
National LAs							1.30	4.2%

This page is intentionally left blank



**Agenda Item
8**

Commissioning Unit

Schools Forum – 25th February 2016

Report Status

For information/note
For consultation & views **x**
For decision

Report Title: Proposals for Back to Budget Plan HNB

Author: Vikki Monk-Meyer Head of Service SEN and Disability

Purpose: To describe the actions to be taken to ensure children with SEND have a service that is of high quality and value for money

Recommendations:

1. That Schools Forum notes the contents of the report and agrees the approach

1. Introduction

The introduction of the SEND reforms in September 2014 changed the way that agencies support children and young people with SEND, increasing the choice and control for children and families about how services were delivered, personalising support, and increasing the focus on preparing for adulthood. Authorities were required to

- Publish their 'Special Educational Needs Local Offer' for Families and Young People with SEN and Disabilities on their websites
- Jointly Commission between Health, Education and Social Care
- Replace statements with Education, Health and Social Care Plans, the threshold to remain as the child's significant learning need.
- Extend duty to support the young person in education to 25 years for Young People with an EHC
- Support those young people within Youth Justice System with additional needs and disabilities, both in an out of custody
- Extend the use of personal budgets for services within the Education, Health and Care Plan.

1.1 The population of children and young people with SEND in Haringey

Haringey has 1414 children and young people with Statements of SEN and 499 Young People with Learning Difficulty Assessments. All of the children's statements will be converted into Education Health and Care plans over the next three years, and most of the Young People's Learning Difficulty Assessments (LDD). The conversion of the LDD will depend on whether the Young Person is choosing to stay in Education until 25 years, and their request for a conversion as the SEND code is clear that the request for an Education, Health and Care Plan is required from the Young Person themselves. For Young People who require less adjustment they may choose not to have their LDD converted, however it is expected that most will request a conversion or have a conversion requested by an advocate.

To date 110 draft EHC plans have been issued and 45 finals for EHC's converted from statements, and 163 draft new plans with 67 final new EHC plans issued.

1.2 The Young People with Statements of SEN have identified on their statement the following primary needs:

- Autism - 525 children and young people
- Moderate learning difficulties - 309 children and young people
- Communication Difficulties - 184 children and young people
- Emotional and Behavioural difficulties - 161 children and young people
- Physical Disabilities - 87 children and young people

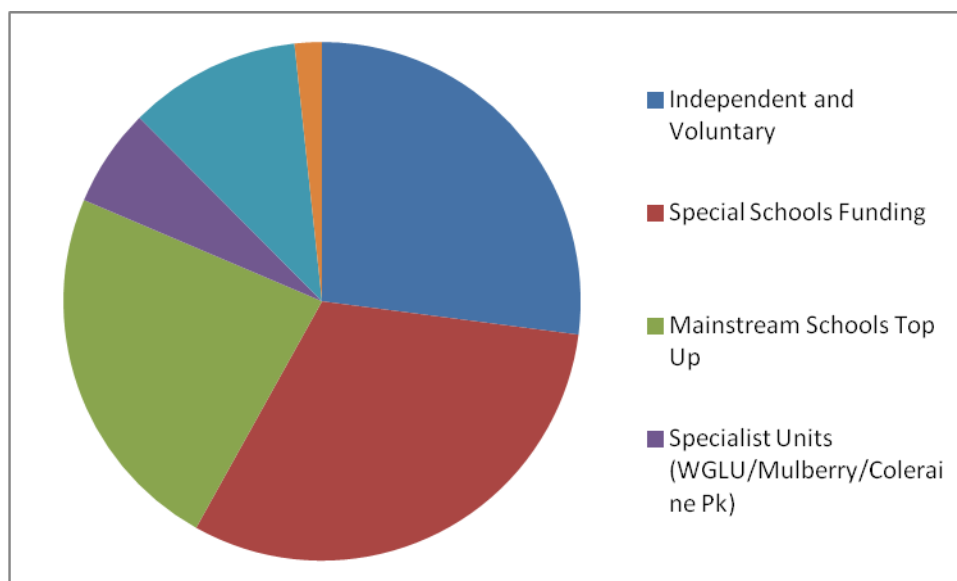
- Severe learning difficulties (e.g. associated with Down Syndrome, William’s Syndrome, epilepsy) - 36 children and young people
- Profound and Multiple Learning difficulties – 34 children and young people
- Profound Hearing impairment - 33 children and young people
- Specific literacy difficulties – 30 children and young people
- Visual Impairment - 22 children and young people

Two children and young people have medical needs without a special educational need. Some children have more than one diagnosis.

2. 0 High Needs Block Budget

The high needs block budget is designed to meet the needs of children and young people with Special Educational Needs and Disabilities across the age ranges and settings. The budget should be used for services that are child specific and facilitate good outcomes for a child with additional needs.

The following shows the proportionate spend in the highest spend areas for support for children with SEND.



2.1 Early Years

The SEND reforms have reduced the age at which families can request an EHC on behalf of a child who they may feel has an SEN or disability. This has slightly increased the volume of requests for an EHC. The SEND reforms occurred shortly before the move to increase the number of hours that families can request free child care, from 15 hours to 30 hours. This will encourage the take up of child care places for all children, but may also be a challenge for settings who have high numbers of children with additional

needs as they will need to provide a higher level of support over a longer period of time, when the need for places is increasing rather than decreasing. Children’s needs can be thoroughly assessed and identified at a young age, however they often change quickly with intervention and as a result, their needs are not always stable enough to be described within a statutory framework . Support should be offered in a timely way that does not delay interventions, and as a result the statutory timescales can inhibit meeting the needs of very young children effectively.

2.1.1 Pathways to Support in Early Years

To ensure that we are able to meet children’s needs flexibly, offering support without having to finalise the full 20 week statutory assessment process, and also provide suitable childcare for children with significant SEN and disabilities, across a range of service providers, we have introduced the Pathways to Early Support budget. This budget can be accessed for children both in maintained childcare settings and with private and voluntary providers. Thresholds and the pathway will be described in a separate paper.

2.1.2 The original budget put aside for this service was 395K and is based on the numbers of children outlined below:

Age of Child	Moderate/High Level of Need	High/Complex Level of Need
2-3 years	30	34
3-4 years	70	36

Thresholds and mechanisms for accessing the support will be described in another paper, however it is anticipated that this will function in a similar way to requests for Education Health and Care plans. In this year (14/15) the top up funding has not been fully used, however it has been utilised for children with Autism and a small number of children with EHC’s initiated under 5 years old. The remainder of the budget has offset the overspend in the rest of the block.

2.1.2 Portage Service

In addition to the Pathways to Support in Early Years, the introduction of a Portage Service to those children and babies with complex disabilities who are too young to attend a setting, or parents do not want them to attend child care settings, will ensure children’s needs are met at an early age.

This would be a new budget line of 200K and provide budget for 4 staffs delivering a service to 40 children at any one time.

2.1.3 The purpose of this service is to provide support, modelling and direct educational intervention for very young children with complex disabilities from the point of identification through to when the child starts in a more formal setting e.g. a child care provider. The service is delivered in the child’s

homes, and the outcomes of the service are to establish skills with parents around playing and interaction with a child with disabilities, ensuring strong attachment and parenting for the disabled child, and also scaffold small steps learning for the child.

2.1.4 The use of Portage will give a clearer picture of how children respond to direct intervention at an early age, and will assist in identifying which children will be able to attend mainstream with support, and those who will require specialist education.

2.1.5 The Portage workers offer weekly visits for 6 weeks with each family, establish a programme and then allow a break of 6 weeks. The service would be run by staff in Haringey, who would then be paired with another borough for supervision. The Portage charity offer the initial start up training for workers and related staff without cost due to direct government funding.

3. Mainstream Schools

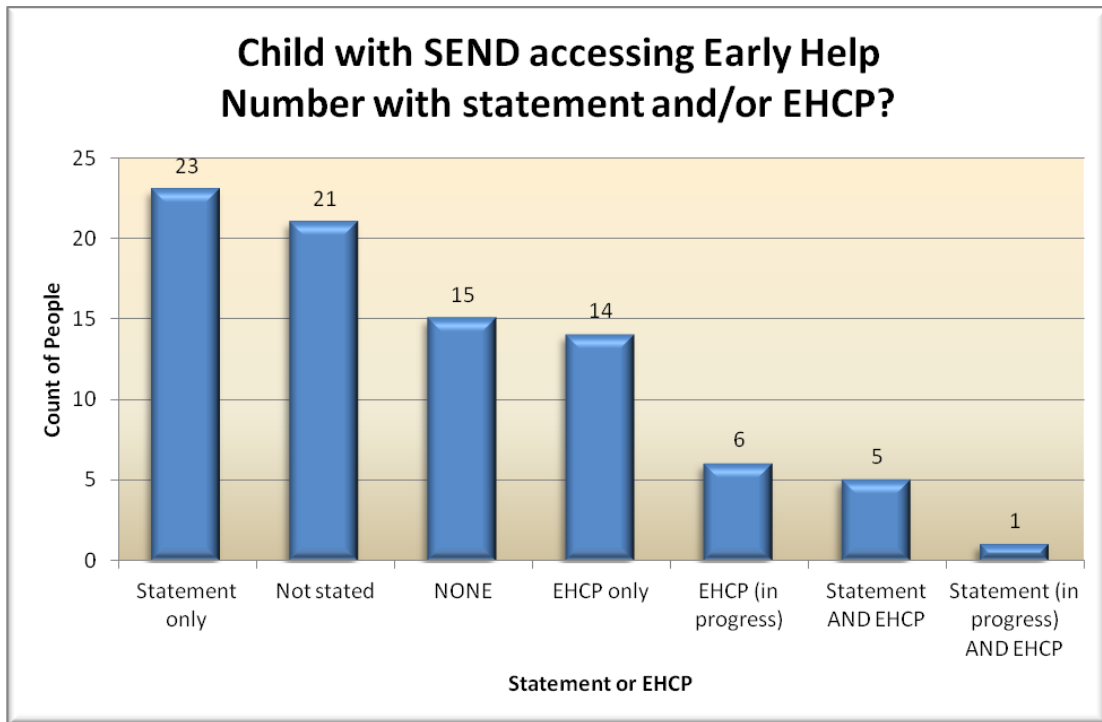
Overall the requests for EHC's has remained stable over the year, at approximately 16 per month agreed, however there is an increase in diagnosis of Autism and ADHD in the general population that it reflected in the needs of the children with an EHC. The move to ensure that more children are able to access education in mainstream school means that both the resourcing for the mainstream schools, and their skill set, has to increase. Over the next two years the services from the Language Support Team, Autism Team and Speech and Language Therapy, need to be reviewed to ensure the services increase capacity in schools and settings so that staff are sufficiently skilled to meet the children's needs.

3.1 The diagnosis of Autism is becoming prevalent to the point where it could become a variation of the neuro-normal population rather than a smaller of population of people with a disability. The increased incidence of some types of Special Educational Needs has an impact on both parents and siblings of children with additional needs. The needs of the children with SEND affect the family dynamic as a whole, with means that other support service, such as Early Help, need to be equipped to support the families and siblings of children with SEN and Disabilities. Early Help is a service comprising family support and targeted interventions such as Youth Justice Services.

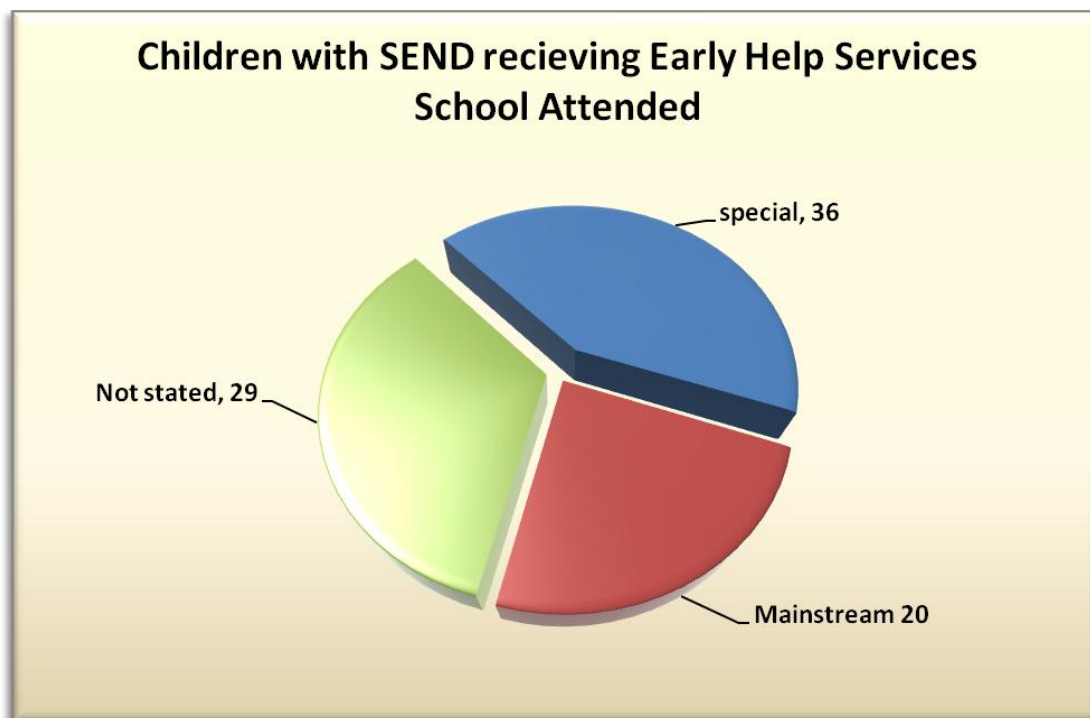
3.2 From a first discussion with Early Help practitioners there are circa 100 children known to Early Help Services who have a Special Educational Need or Disability. Many of these young people are in mainstream schools in the borough or special schools both in the local borough and out borough (see below) and were referred due to parental difficulties in managing a child's behaviour, often associated with SEN, or due to the behaviour and school performance of the sibling of a child with disability

3.3 This is a key aspect of EH provision, supporting parental capacity and managing behaviours and developing coping strategies. This supports a range of outcomes including increased family and individual resilience, educational attendance/attainment, employability, and emotional well being.

The following is data from Early Help about the population of children they are working with:



The majority of children known to Early Help with SEN attend a Mainstream or Early Years provider school, however 30% attend a special school in the borough or in an independent and voluntary school setting.



Given the significant number in independent special schools, some analysis is required of the children's services to see if the schools commissioned are meeting the children's needs.

3.4 In the Early Help Service, children and young people known to Youth Justice are working with a specialist Education, Health and Social Care Co-ordinator. This is to convert their statements to plans, and to write new EHC plans, for those young people who are identified as having significant additional needs. These young people have unmet needs in their learning profile, such as Specific Learning Difficulties, ADHD and Autism. There are 25 young people with an SEN or Disability working with SEND and the Early Help Youth Justice and Targeted Team.

4. 0 Special Schools (In Borough and Out-borough Maintained)

4.1 Increasingly the local special schools are taking only the most complex children with Disabilities; bringing children back to borough or accommodating children who might otherwise be in hospital rather than at school. The school's budgets needs to allow them to support these children within their establishment. Currently their capacity to increase their school roles, and manage within their budgets, is limited by:

- Space for additional support staff (therapies)and children
- Budget for support staff

Consequently if we are going to be able to follow build on our existing resources we should ensure that there is sufficient budget and space to keep the child local. To do this we need to:

- Review the complexity of the children in the schools and ensuring that the banding of top up reflects the needs of the children. This will also reduce the use of agency on these lines for 'emergency' support.
- Ensure there is a local skill set for some of the children who tend to be school in special schools out borough e.g. high level autism and ADHD and/or mental health needs
- Identify where short term spends are needed to be made to make accommodation suitable and maximised our local resources e.g. use of tuition, and increase the role of The Brook to 108 places from 103.

5.0 Use of Independent and Voluntary Schools

The aim is to reduce the usage of independent and voluntary schools, and re-direct resources back to borough by maximising the use of in-borough places, and identifying and addressing gaps in local resource.

- 1) Opening of The Grove. This will allow approximately 26 additional places per year over a 3 year period for those with Autism. We have had a shortfall of 15 places per year over the last two years. If these 15 children/young people accept the 16 places , the remaining 6 places can be used for children to come back to borough. Each child brought back to borough represents a 38K saving for the HNB
- 2) Use of tuition. Currently tuition has some children on a long term basis with SEN. Their funding is provided through agency staffing. It is proposed that this funding is moved into the establishment for the tuition centre, giving a more stable staffing structure and also allowing for 1 or 2 children with complex needs who require a more bespoke curriculum to be returned to borough.
- 3) The establishment of a strategy and broader services for children with SEMH. Initially this would be pre-commissioning 5 places over borough boundaries for this group of children, moving to exploring opening an SEMH special school within the next three years for 25 children with SEMH needs.

6.0 Higher Education Top Up

The increased spend on this line is due in part to the absorption of the cohort of children and young people with Learning Difficulty Assessments, at approximately 500 children, and the increased request for top ups on this line. Top ups tend to be higher for the post 16 group than those below.

The strategies to be applied are:

- Ensure colleges use the proper processes for applications
- Establish banding of top ups for this group, with an agreed hourly rate for workers

- Application of the appropriate thresholds to make sure that the Young People are receiving the right services and achieve good outcomes that are educational, by working closely with Adult Services.
- Maximise local providers, both in borough and out, to reduce the use of independent services.
- Pre commission specialist college places from other boroughs for those with the most complex needs whom will stay within education.

7.0 SEN staffing changes

One vacancy in the DSG has been used to create a post on a fixed term contract to visit and review out borough places to look at outcomes and quality of the child's educational experience. The purpose of this post will be to visit schools for both children and young people with a view to identifying whether resources are being used appropriately for the children, and if local services can be effectively offered.

8.0 Budget Overspend

The High Needs Block is overspending by circa 600K with 200k required for Portage. The special schools banding review may show that an uplift is required, and the full impact of the reforms has not yet been explored in Early Years and Youth Offending. Back to budget plans therefore need to include a level of flexibility in how spend is deployed, and some headroom for forward planning in 2018.

9.0 Back to Budget Plan

Local resources need to be maintained to ensure local capacity e.g. Early Years, Mainstream Schools and Special Schools. The areas where spend has more variability per child are in the Independent and Voluntary settings, and specifically in the post 18 year group. These will be the areas targeted for reducing spend or spending differently. Please see appendix 1 for the breakdown of the actions and impact.

Vikki Monk-Meyer

Head of Service SEN and Disabilities

This page is intentionally left blank

High Needs Block Budget monitoring statement - Financial Year to December 2015 (Period 9), with forecast requirement for 2016/17

Profit Centre/Group	Annual Budget £	Period 9 Projection £	Variance £	2016/17 requirement £	Comment
E30000 Indiv Schools Mgr	4,179	4,179		4,260	Total 426 places at £10k each for maintained mainstream and special schools: -Blanche Neville 71 -Vale 96 -Riverside 125 -The Brook 108 -West Green Primary 8 -Mulberry Primary 18
E41110 Head of Standards (DSG)	9	9		9	Contribution to School Improvement. No change
E41210 Behav.&Alt Prov Man.	196	196		196	The codes have changed, but the money is still the same.
E41215 Simmons House (DSG)	180	194	14	180	No change. This is the cost of the hospital tuition service. The original sum allocated through the DSG for hospital tuition was £0.220m, but it was agreed that the £40k difference would contribute to support and management costs of operating within the local authority.
E41217 Tuition Service (DSG)	504	504		550	Haringey Tuition Centre 55 places at £10k per place forms part of delegated budget because they are now classed as a school. Note that the full year impact of the switch from top-up to place funding (ie to get AP to the same £10k per place as other HN) takes effect. This increases the place, but should reduce top-ups by the same part-year effect (cost neutral).
E41234 Alternative Prov Com	1,102	1,102		1,137	Top-up funding for Octagon places and at other AP providers, including the Tuition Service. Based on 2015/16 position adjusted for the reduction in top-ups for AP plus a transfer from SEN budgets for £130k contribution that was met from a different line in 2015/16
E41239 Visual Impairment Provision (DSG)	177	177		177	Team costs to be contained within the same budget allocation.
E41240 SEN Strategy Manager - (DSG)	143	143		143	Retained SEN Support Service. No change
E41241 Language Support Team (DSG)	458	383	-76	458	Team costs to be contained within the same budget allocation.
E41243 SEN - Admin Team	183	183		183	Retained SEN Support Services. No change
E41247 Hearing Impairment Team (DSG)	163	120	-43	163	Team costs to be contained within the same budget allocation.
E41248 SEN - Transport - (DSG)	500	500		500	Fixed contribution to the transport of children with SEN.
E41250 LOVAAS (DSG)	28	28		28	One placement continues.
E41251 Speech & Language Therapy (DSG)	460	460		460	Retained SEN Support Services. Based on the current level of support.
E41252 Parent Partnerp Mark	99	99		99	Markfield Project contract costs
E41254 Autism Support Team (DSG)	190	160	-30	190	Team costs to be contained within the same budget allocation.
E41260 Indepndt&VoluntarySc	5,396	5,882	487	5,879	This is based on the schedule of individual payments, rolled forward case by case for Setpember 2016, then taking into account of a proportionate share of 16 new cases per month and allowing for leavers in the older yeargroups.
E41283 Special Schools Top Up (DSG)	6,112	6,440	328	6,394	This is based on the schedule of individual payments, rolled forward case by case for Setpember 2016, then taking into account of a proportionate share of 16 new cases per month and allowing for leavers in the older yeargroups.
E41284 Mainstrea. Schools Top Up (DSG)	4,465	4,860	395	4,653	This is based on the schedule of individual payments, rolled forward case by case for Setpember 2016, then taking into account of a proportionate share of 16 new cases per month and allowing for leavers in the older yeargroups.
E41285 Special Units Top Up (DSG)	768	768		676	This is based on the schedule of individual payments, rolled forward case by case for Setpember 2016, then taking into account of a proportionate share of 16 new cases per month and allowing for leavers in the older yeargroups.
E41286 Higher Education Top Up (DSG)	2,148	2,245	97	2,139	This is based on the schedule of individual payments, rolled forward case by case for Setpember 2016, then taking into account of a proportionate share of 16 new cases per month and allowing for leavers in the older yeargroups.

High Needs Block Budget monitoring statement - Financial Year to December 2015 (Period 9), with forecast requirement for 2016/17

Profit Centre/Group	Annual Budget £	Period 9 Projection £	Variance £	2016/17 requirement £	Comment
E41287 SEN contingency (DSG)	500	500		1,462	This a formula allocation that goes to schools. This funding is contingency for those schools with a disproportionate no of statements. Secondary schools have agreed that £0.962m should be transferred from the Schools Block to meet the cost of an increased SEN allocation to secondary schools for this factor. This extra cost is matched by an increase in the HNB from a transfer from Schools Block.
E41288 High Needs in Early Years (DSG)	255	255		255	Funding for under 5s pupils in Nursery Schools. Needs to be reassessed and combined with
E42002 Integ. Work.&Fam.Sup	1,000	1,000		1,000	Contribution towards the Early Help Service. As proposed to Schools Forum in Jan 22016
E30000 Overheads (DSG)	800	800		800	Accommodation and property support costs and administrative and corporate costs for HNB services.
E41234 IYF Alternative Provision	338	338		338	Newly created In Year Fair Access Panel Budget for hard to place secondary pupils.
E43311 TU Representation	2	2		2	Contribution towards TU representation for special schools.
E30000 Contingency for Schools in Financial Difficulty	14	14		14	As per 2015/16
Portage				200	To assist with the support for under 5s
E42186 Pathways to Early Intervention	395	226	-169	395	Funding for under 5s pupils other than those in Nursery Schools.
E41261 Bring in Fund	456	130	-326	267	The only requirement so far is a provision for additional need for therapies as part of the Grove initiative from September 2016 (ie £100k in a full year) and a provision of 1% for unavoidable inflationary costs (£200k)
Total	31,218	31,897	678	33,206	

Total available funding 32,579

Variance 627

Available funding 2016-17

Component	Schools	High Needs	Early Years	Total
DSG	195,540	31,690	15,455	242,685
Recoupment	-52,205	-1,428		-53,633
Previous Inter Block Transfers	-1,369	1,355	14	
New inter Block Transfers (Secondary SEN)	-962	962		
Totals	141,004	32,579	15,469	189,052

APPENDIX 2

Consideration of the 3 year recovery plan for the High Needs Budget from 2016/17

	2016/17	2017/18	2018/19
	£'000	£'000	£'000
High Needs Budget - Three year budget plan			
Brought forward cumulative overspend	678	807	464
Total forecast spending 2016/17	33,206	33,206	33,206
Proposed actions and other factors affecting future spend			
Factor in expected profile of top-up costs without any action - natural changes		255	352
Tuition funding for 2 staff members	-38	-38	-38
6 Children per year at Grove from Sept each year	-133	-361	-589
Tighten procedures and criteria for 19+ year olds	-73	-125	-125
Review of top-ups in out-borough places	-50	-100	-100
Pre-commission 5 places for complex YP with a saving of £25k each	-73	-125	-125
Pre-commission 5 places for SEMH with a saving of £25k per place	-73	-125	-125
Review and amalgamate funding for Under 5s		-250	-250
Commissioning savings? £100k per year	-58	-100	-100
Revised spending plan	32,708	32,237	32,106
Total Available Funding Forecast	32,579	32,579	32,579
In-year variance	129	-342	-473
Cumulative position	807	464	-9

Basis of calculation of top-up requirements for the 5 main top-up budgets in the High Needs Budget for 2016/17 financial year

Sector	Known April - Aug 2016	Cost of known April - August 2016	Known Sept-Mar 2017	Cost of known Sept - Mar 2017	Unknowns through the year 2016/17 fy impact	Costs of unkown in 20016/17 fy	less leavers	cost of leavers 2016/17 fy	GRAND TOTAL FORECAST 2016/17 fy
Higher Education Top Up	170	873,883	257	1,446,291	26	81,325	-44.75	-262,356	2,139,143
Independent & Voluntary Schools	163	2,403,638	163	3,354,046	30	294,047	-8.25	-172,932	5,878,798
Mainstrea. Schools Top Up	746	1,919,066	687	2,577,854	57	178,591	-8.5	-22,937	4,652,574
Special Schools Top Up	333	2,536,210	334	3,564,314	31	310,265	-1.75	-16,605	6,394,184
Special Units Top Up	36	270,953	36	379,334	8	25,215		0	675,501
	1,448	8,003,749	1,477	11,321,839	152	889,442	-63	-474,830	19,740,200

Note on the leavers calculations

Leavers based on 25% of the 19-26 cohort leaving for 7/12ths of the year and 10% of 16-17 year olds leaving each year at some point before they become 18.

Three year forecasts		compared to 2016/17
2016/17	19,740,200	
2017/18	19,995,029	254,830
2018/19	20,092,177	351,977

Portage in Haringey

What is Portage?

Portage is a home visiting service for pre-school children with additional needs and their families.

The Portage model of learning is characterised by the following attributes:

- regular home visiting;
- supporting the development of play, communication, relationships and learning for young children within the family;
- supporting the child and family's participation and inclusion in the community in their own right;
- working together with parents/carers within the family, with them taking the leading role in the partnership that is established;
- helping parents/carers to identify what is important to them and their child and plan goals for learning and participation;
- keeping a shared record of the child's progress and other issues raised by the family;
- responding flexibly to the needs of the child and family when providing support.

Why have Portage in Haringey?

Haringey has an established Early Support Programme which aims to bring existing services together to provide a better coordinated service to families who have babies or children with complex health needs or a disability.

The programme is available to children who are:

- under 5 and who have complex health needs or a disability
- over 5 who are new to the borough and have a disability
- Over 5 who develop a disability following an accident or illness

Through the Early Support Programme, professionals work with families to plan services to meet their children's individual needs. It encourages regular multi-agency planning meetings and reviews with families. These meetings enable families to get together with professionals to discuss their involvement and plan for the future.

Parents/carers are the first educators of their children and this aspect of their role may appear more challenging if their child has additional needs because of a disability or severe/complex developmental delay. A child learns from birth and Portage can help parents/carers by providing activities and games that are best suited to their child at each stage of their development. Portage takes place in the children's homes because this is where they spend most of their time.

Portage will be used as an early intervention with these children with the following aims.

- Work with families to help them develop a life and experiences for themselves and their children in which they can learn together, play together, participate and be included in the community in their own right
- Play a part in minimising the disabling barriers that confront young children and their families
- Support the national and local development of inclusive services for children

Criteria for Access to Portage

A similar criteria for eligibility to the Early Support programme will be used for the Haringey Portage Service, i.e.:

1. The child lives in the Borough of Haringey.
2. The child is under 5 and has complex health needs or a disability from one of the following groups:
 - Neurodisability (i.e.: cerebral palsy, chromosomal and genetic conditions and syndromes)
 - Neurodevelopment disorders (i.e. autism)
 - Severe physical and/or learning difficulties/developmental delay
 - Profound and multiple disabilities
 - Severe sensory impairment (blind or deaf)
 - A degenerative illness or complex and severe health problems that are life limiting
3. The child is receiving or has been referred for multi-agency input from 3 or more disciplines as outlined in the table below.

<u>Health</u>	<u>Other</u>
Physiotherapy Service	AND worker
Speech and Language Therapy Service	Social Worker (Disabled Children’s Team)
Occupational Therapy Service	Visually Impaired Service
Dietician	Hearing Impaired Service
Children’s Community Nursing Team	Children’s Centre or Special School
Clinical Psychologist	Early Years inclusion team
Consultant Community Paediatrician	Family Support workers
Hospital Consultant	Autism Team
Specialist Health Visitor	Educational Psychology Service
Life Force	Markfield
	Other voluntary groups

Outline of Portage Service in Haringey

- Portage Workers to be allocated children through the IASP meeting for delivery of the Portage programme.
- The Portage intervention will start with a Team Around the Child meeting involving the parents/carers, allocated Portage worker and any other professionals known to the family.
- Long and medium term outcomes will be agreed and set for the child at this meeting. (Long term = up to 2 years; medium term = 1 year) The overall aim of the outcome setting will be to narrow the gap between the child's current development and that of a typically developing child. Short term objectives for the Portage Worker will also be agreed.
- Portage to be offered in six week blocks to families with the Portage Worker visiting the home for about an hour each week.
- The Portage Worker will then stop the home visits for four weeks while the family continue to carry out the activities and consolidate the learning with their child.
- The Portage Worker will then review the child's progress and introduce the next set of targets for the next six week period.
- This cycle of six weeks of input and 4 weeks of consolidation will continue until either the child has achieved the long term outcomes or is ready to transfer to an early years setting.
- It may be judged that an alternative visiting schedule is more appropriate for meeting the families needs.
- Three times a year, a Team Around the Child meeting will be convened to review the progress of the child against the original outcomes and agree new ones, as appropriate.
- If the child is transferring to an Early Years setting, the setting will be invited to a Team Around the child meeting to support a smooth transition for the child.

Training

- 4 Workers to receive the 3 day Portage training and form the core of the Haringey Portage Service.
- Portage training to be offered to the following:
 - Educational psychologists – to enable them to provide Portage casework supervision for the Portage Workers
 - Autism specialist teacher – to enable autism specialist Portage casework supervision for the Portage Workers
 - Children Centre workers – to enable them to apply the principles and approaches in the centres so that there is continuity for the children
 - Autism support worker – to enable continuity for the children on entry to school

Evaluation

The Haringey Portage Service will use the following tools to evaluate the impact of the service:

- Parental feedback of service using a standard questionnaire
- Progress of individual children measured against the Development Matters Areas of Learning Month Bands

Yvonne Wade

Principal Educational Psychologist, Education Lead Inclusion Services

February 2016

Agenda Item 9

Report Status

For information/note	<input type="checkbox"/>
For consultation & views	<input checked="" type="checkbox"/>
For decision	<input checked="" type="checkbox"/>

Commissioning

Report to Haringey Schools Forum – 25th February 2016

Report Title: The Early Years Funding Block 2016-17.

Author:

Ngozi Anuforo, Early Years Commissioning Manager
 Contact 020 8489 4681 Email: ngozi.anuforo@haringey.gov.uk

Purpose: To inform Schools Forum members of the 2015-16 budget proposals for the Early Years Block.
--

Recommendations:

1. That Schools Forum notes the indicative funding for the Early Years Block in 2016-17 and the funding profile as set out in Appendix 3
2. That Schools Forum agrees the proposed allocation of the Early Years Block for 2016-17 as set out in Appendix 4.

1. Introduction

- 1.1 This paper sets out, for approval by Schools Forum, proposals for the use of the Early Years Block (EYB) contained within Haringey's Dedicated Schools Grant (DSG) allocation for 2016-17.
- 1.2 In addition, the paper will outline how the proposals for use of the EYB are intended to meet the required statutory duties placed on the Council and support improvements in outcomes for children in the borough.
- 1.3 It is a requirement of the School and Early Years Finance Regulations that the Schools Forum agrees proposals for the use of DSG funding, including centrally retained budgets.
- 1.4 This paper has been prepared ahead of anticipated changes to the way in which early education is funded by central government. The Department for Education (DfE) announced its intentions to consult in 2016 on proposals for new national funding formulas for schools and early years from 2017. We do not yet know the detail of what will be proposed in either formula but there are likely to be changes that may have a significant impact on all areas covered by this report.

2. The Strategic Context for the Early Years in Haringey

- 2.1 Proposals for the use of the EYB within DSG in 2016-17 are shaped by both statutory requirements derived from the Childcare Act 2006 and the strategic aims of Haringey Council as set out in its Corporate Plan.
- 2.2 A key priority for the Council over the next two years is improving opportunities to thrive for children from conception to five and achieving better outcomes for children, young people and families as we implement our Early Help strategy. The vision for Early Help is held jointly with partners and reflected in Haringey's Corporate Plan.
- 2.3 We need to ensure that all young children, regardless of circumstance or where they live within the borough, are able to access the opportunities and support they need to develop well and become confident learners by the time they reach statutory school age.
- 2.4 As in this financial year, it is intended that the use of the EYB is underpinned by Haringey's overarching strategic aim for children and young people and the strategic priorities set out below:
 - Delivering prevention and early intervention to reduce escalation of need
 - Increasing equity of access to quality provision for all children young people and families

- Improving and sustaining resilience amongst children. Young people and families
- Developing the workforce to be more confident and empowered practitioners
- Enhancing access to, and coordination of, integrated services

3. Key Activities and Actions for 2015-16

3.1 Free Early Education for Two Year Olds

3.1.1 Funding from the Department for Education (DfE) for the free early education for eligible two year olds prior to the end of March 2015 was on a place-led basis and for 2014-15 was based on an anticipated 1790 eligible children in the borough. There was a move to participation-led funding from April 2015.

2YO Place Funding -DSG

Year	Grant Income	Expenditure	Balance
2014- 2015	4.464m	2.438m	2.026m
2015-2016	**2,041m	2.911m	(0.870m)

** This DfE funding allocation is based on the actual number of children participating in the programme at January 2015 headcount.

3.1.2 DfE's place funding allocation of £4.464m for 2014-15 was based on a projected population of 1790 eligible children in Haringey. Our total expenditure of £2.438m in that year reflected the actual number of children funded. The difference in these two amounts has contributed to an EY Block DSG carry forward of £2.026m into 2015-16.

3.1.3 In addition to the £2.026m place funding carry forward, we had a remaining balance of £1.774m development funding (also known as trajectory funding) held in reserve.

3.1.4 This combination of the amounts detailed in 3.1.3 totalled £3.8m at the start of the 2015-16 financial year.

3.1.5 It had been agreed previously with Schools Forum that the £3.8m amounts be held and ring fenced in order to mitigate the annual anticipated funding gap created by the payment of an hourly funding rate for the programme of £6, which is above the £5.28 per hour rate at which Haringey is funded by DfE and the projected slow growth in take up. The net cost of increasing the hourly funding rate to £6.00 from April 2014 can be fully met for the financial years 2015/16 to 2017/18 by the ring-fenced

funding allocation for the two year old programme within the EYB.

- 3.1.6 A further call on this reserve has become necessary to finance the gap between the numbers funded through DSG based on the January censuses and the actual take-up during the year (3.1.7 and Appendix 1). For 2015-16, we anticipate that the amount needed to address the 2 year old funding gap will be £0.870m. This will be met from the ring fenced EYB carry forward balance of £3.8m.
- 3.1.7 Taking into account fluctuations across the three terms during 2015-16, average take-up of this entitlement has remained steady at approximately 50% of the estimated eligible children. **Appendix 1** shows the place and take-up trend to Spring 2016.
- 3.1.8 The final 2015-16 allocation of EYB funding for the two year old programme will be based on the January 2015 and January 2016 headcounts. The DfE conducted a one-off voluntary head count in October 2015 but we do not yet know whether this will change the DSG allocation in this and/or future years.

3.2 Universal Free Early Education Entitlement: Three Year Olds

- 3.2.1 Our target to increase participation rates for three year olds from 2014 levels of 84% to 94% by 2018 (as set by DfE in 2013) stalled in 2015. There was a reduction in the 85% take up rate in 2014 to 83% in 2015.
A marketing and outreach campaign during the 2015 summer term provided useful feedback and identified a need to focus on the 3 year old take up and improving our understanding of the fluctuating patterns of take up across our school nursery classes and PVI providers. More in-depth work has started to develop our understanding of patterns of take up.
- 3.2.2 This will continue to be a priority for the Council as achieving these targets will mean that we are maximising the benefits of early education for children by ensuring that the majority of our 3 & 4 year olds are participating in their free entitlement. Achieving high take up will act to shore up the financial resources available within the Early Years Block within DSG and, in turn, maximise the funding drawn down by early years settings and schools for the delivery of the free entitlement.
- 3.2.3 Whilst we await more information from the DfE on proposals for a new early years funding formula from 2017, there are no

proposed changes to the current early years single funding formula in 2016-17.

3.3 Roll out of the Early Years Pupil Premium

3.3.1 After a challenging start, following its introduction in April 2015, the EYPP has begun to embed in Haringey with increasingly more settings supporting parents to provide information for eligibility checking. Work will continue in 2016-17 to maximise the take up of the EYPP. This has been accompanied by support provided to settings through the Early Years Quality Team to ensure settings are able to use the EYPP to best effect, supporting improved outcomes for children in their settings and evidencing this as required by Ofsted.

3.4 The Childcare Subsidy

3.4.1 A priority within our early help approach is to develop more equitable access to quality provision for all children across the borough and we have been exploring how best to maximise the benefits for children and ensure the most vulnerable and disadvantaged children are supported to access good quality provision.

3.4.2 Work was undertaken in 2015-16 to review the childcare formula for the eight maintained childcare settings supported by this subsidy funding. In addition to the £1.427m subsidy contribution from the EY DSG block, these settings are further supported with a Council subsidy of approximately £400k. There continues to be pressure on these services as the gap between the costs of childcare and the levels of income generated through fees remains significant. Further work during 2016-17 will be needed to consider how the maintained childcare can develop more sustainable delivery models. One aspect of this work is a re-consideration of the fees structures currently in place. The Council currently set the rate for fees and these are charged consistently across all eight maintained settings.

3.4.3 We will need to review the current fee arrangements as part of a wider piece of work to look at the sustainability of maintained childcare provision. This work may also require some consideration of how the subsidy, bearing in mind potential risks to the availability of subsidy funding as a consequence of government proposed changes, can more effectively support

the provision of childcare services in our most disadvantaged areas and maximise outcomes for children.

3.5 Early Years and Special Educational Needs (SEN)

3.5.1 The SEND reforms introduced changes that lower the age at which families can request an Education, Health and Care Plan (EHC) on behalf of a child which they may feel has an SEN or disability. As part of developing our early help approach, we need to establish that the appropriate support or intervention is available to reduce an escalation of needs and to ensure that children's needs can be identified and met in a timely way. Work has begun on articulating refreshed pathways to support in the early years for those children accessing early education and childcare.

3.5.2 The 2012 school funding reforms set out how the Early Years Single Funding Formula (EYSFF) should make some allowance in its standard funding arrangements for children with additional needs based on locally determined criteria. A Pathways to Early Support budget was introduced in 2015 to ensure that children with significant SEN and disabilities have the support they need to access early education across a range of providers.

3.5.3 Work has been done to develop a document to outline the thresholds for intervention and funding, which will act as a guide for early education and childcare settings and practitioners. This will be consulted on with aim of launching the framework across the borough from April 2016.

4. The National Context: Changes and Challenges

4.1 In 2015, the government has committed to extending the 15 hours per week universal free entitlement for 3 and 4 year olds to include an entitlement of 30 hours per week for the 3 and 4 year old children in families where both parents (or the sole parent in the household) work a minimum of 16 hours per week at national minimum wage or living wage and earn less than £100,000 per year. **Appendix 2** provides an overview of the latest eligibility profile issued by the DfE.

4.2 There is general uncertainty about the levels of DSG funding from 2017. We await government funding decisions and revisions to current legislation and statutory guidance relating to a new;

- National Schools Funding Formula
- National Early Years Funding Formula; including the funding rate for the 30 hour extension

4.3 Early indications from DfE are that funding rates will vary across the country to reflect the 'local' circumstances in different local authorities and that there will be clear expectations set out by government as to how much authorities are able to retain centrally to provide local-authority delivered functions.

4.3.1 The government intends to consult on funding formula proposals in early 2016.

4.3.2 The proposals for the 30 hour provision have generated concern in the early years sector about whether the provision will be funded at a rate that will be high enough to meet the costs of delivering the offer and providing the degree of flexibility envisaged by government. A risk highlighted by providers nationally, and within the borough is that if funding rates are insufficient, it will have a detrimental impact on the sustainability of provision; therefore affecting the Council's statutory obligation to ensure there are sufficient numbers of early education and childcare places for our population of eligible children.

4.4 The EYPP is set to continue as a separately funded element of the 3 and 4 year old free entitlement.

4.5 It was announced in the November 2015 Spending Review that the government had identified £50m nationally to support the expansion of nursery places. This is to be focused on Free School¹ provision.

4.6 In light of a national context of anticipated change for 2017, this paper is proposing minimal changes to the elements currently within the EYB. However, it is important to highlight that 2016-17 will, based on early indications, require close review and assessment of the impact of any proposed government policy on the EYB, the wider DSG envelope and on how early education and childcare provision will be delivered in the borough from April 2017.

5. Early Years Block Funding for 2016-17.

5.1 The Early Years Block is provided for the Council to meet its statutory duties under the Childcare Act 2006 and is expected to fund:

- The free early education entitlement for all three and four year olds through an Early Years Single Funding Formula (EYSFF)
- The free entitlement for eligible two year olds
- The Early Years Pupil Premium

5.2 The total amount of funding within this block is determined by two elements, which generate the funding set out in the table below.

The elements in 2016-17 are:

- The Full Time Equivalent (FTE) number of three and four year olds recorded in the January censuses multiplied by £5,345.46.
- The Full Time Equivalent (FTE) number of two years olds recorded in the January censuses funded by DfE at £5.28 per hour.
- Both the January census preceding the start of the financial year and the January census during the financial year are used to determine the DSG, with any resulting adjustments being made to the allocation.

5.3 The estimated Early Years Block funding profile for 2016-17 is shown at **Appendix 3**.

6. The Proposed Application of Early Years Block Funding: 2016-17.

6.1 Delivering the Universal Free Early Education Entitlement (3 and 4 year olds)

Free entitlement places offer each eligible child 15 hours per week of early education, up to a maximum of 570 hours per year.

In 2013, DfE increased the expected participation rate for 3 year olds to 94%. In 2015, Haringey's 3 year old participation rate was 3,001. This represents approximately 84% of our total population of 3 year old children taking up a place as at the January 2015 headcount. To meet this target we need to work towards increasing our 3 year old participation on the following trajectory.

Census Year	Academic Year	Participation rate target	Number of children required to participate	Additional number of children from 2015 levels
2017	2016-17	94%	3358	357
2018	2017-18	96%	3430	429

6.2 Delivery of the Targeted Free Education Entitlement (2 year olds)

6.2.1 DfE estimated in December 2014 that approximately 1710 children per year would be eligible in Haringey. This figure is adjusted on a regular basis and the expectation is that take up is likely to be 80% of all those eligible; approximately 1368 children.

6.2.2 Since April 2015 funding the two year old programme through the Dedicated Schools Grant (DSG) has been on a participation-led basis, in line with the current funding arrangements for the universal three and four year old 15 hours per week free entitlement.

6.2.3 There is currently an expectation from the DfE that the council continues to develop and promote the 2 year old free entitlement for all eligible children. This means that for 2016-17, we will need to continue to:

- Ensure there are sufficient good quality places to meet our statutory responsibilities;
- Build high levels of participation in the programme. We will need to continue our brokerage role and strengthen early help pathways into the programme to ensure that children, particularly those facing the most disadvantage, are enabled to take up the place they are eligible for and parents are supported to place their children in an appropriate setting.
- Maintain a funding formula that is able to encourage provider participation and secure places. In the longer term, these will need to be sustainable within the agreed financial settlement.

6.3 Funding the Early Years Pupil Premium

6.3.1 For 2016-17, the allocation for Haringey is £320k, a small uplift on the £317K allocated for 2015-16.

6.3.2 Work has been undertaken by the Early Years Commissioning team to engage with settings and establish mechanisms to streamline the processing and administration of the EYPP. As a consequence, we have seen an increase over the three academic terms from April 2015, in the number of providers proactively drawing down EYPP for children attending their setting. This is expected to continue into the 2016-17 financial year.

7. Discretionary use of Early Years Block Funding: 2016-17

7.1 In addition to meeting the funding requirements of the free entitlements and the EYPP, it is proposed that Early Years Block funding is allocated to a number of other key areas. These are set out in detail at **Appendix 4**.

7.2 It is also proposed that funding is also held in respect of services that have been delegated/de-delegated to mainstream schools (£91,400) and in respect of Corporate Support Costs (£15,900)

7.3 Full time Nursery Class Places

7.3.1 In 2015-16, the number of full time places within our nursery classes was reduced to 118. This represented the latest stage of reductions since they began in 2012. It had been suggested previously to Schools Forum that the next step may involve be the complete withdrawal of full time place provision as a consequence of funding no longer being readily available to meet the £0.375m annual cost.

7.3.2 Given the fact that the implications and impact of the government's proposed 30 hour free early education offer will become clearer during 2016-17, it is proposed that this allocation remains unchanged for a further academic year.

7.4 Delivery planning for the 30 hour extension

7.4.1 In November 2015, the Council submitted a bid to DfE to be an early implementer of the additional 15 hours of free early education. The intention was to take the opportunity offered by DfE to prepare for the national implementation in September 2017, through undertaking early work with maintained sector providers, Private, Voluntary and Independent (PVI) sector

providers and childminders in the borough. This bid was unsuccessful.

- 7.4.2 The DfE's roadmap to implementation identifies the summer term 2017 as when implementation support to LAs will be provided. Taking a wait and see approach may leave little opportunity to work with Haringey's early education sector to ensure that there are sufficient places available for eligible families from September 2017. A further concern about doing nothing is that DfE's timescale does not afford the Council the opportunity to understand the implications of the changes on our school, PVI and childminder sectors and fully prepare for the national roll out from September 2017.
- 7.4.3 Early work with Haringey Schools, PVI providers and childminders suggests a need to continue with preparation plans and support provider-readiness across the borough. Feedback from the sector has identified business, service and spatial planning as areas that providers would find beneficial over the coming year.
- 7.4.4 It is therefore proposed that a contribution of £41,224 from the ring fenced early years block funding to support the continuation of this early work during 2016-17 be considered by Schools Forum. If agreed in principle by Schools Forum, further discussion about the deployment of this resource will take place in the early years working group.

Appendix 4

Proposed Discretionary use of the Early Years Block Funding: 2016-17

Funded Element	Allocation (£)	Rationale
Early Years Single Funding Formula (EYSFF) Elements	£1,846m (estimated from 2015-16 level)	There are currently a number of supplements (deprivation, flexibility and quality) added to the basic part-time hourly funding rate. An additional amount attributed to Element 1 (SEN) funding within the EYSFF is proposed and reflected in the figure shown. The only statutory requirement is a supplement for deprivation which accounts for £1.348m of this figure.
Full time places provision for 118 three and four year olds	£0.306m (estimated from September 2015-16 level)	This would continue the current allocation unchanged for a further academic year as the implications of the Government's proposed 30 hour extension to the free entitlement for three and four year olds from September 2017 become clearer.
*Sustainability support to Nursery Schools	£0.712m (unchanged from 2015-16 level)	This allocation provides additional sustainability support to Haringey's three nursery schools to deliver the free entitlement for three and four year olds and sits alongside their individual Early Years Single Funding Formula (EYSFF)

		<p>funding allocations.</p> <p>This funding is provided to support the financial viability of the three nursery schools in Haringey. The Nursery schools are able to increase their impact through providing training and support to other early years and childcare providers</p>
Childcare Subsidy	<p>£1.427m (unchanged from 2015-16 level)</p>	<p>This allocation enables the delivery of childcare; targeting some of our most vulnerable children, providing them with access to good quality early education and ensuring they are school ready. We are faced with the continuing challenge to deliver affordable, sustainable childcare and this continues to be area under considerable financial pressure as the gap between the cost of providing childcare and the income generated from fees remains significant.</p>

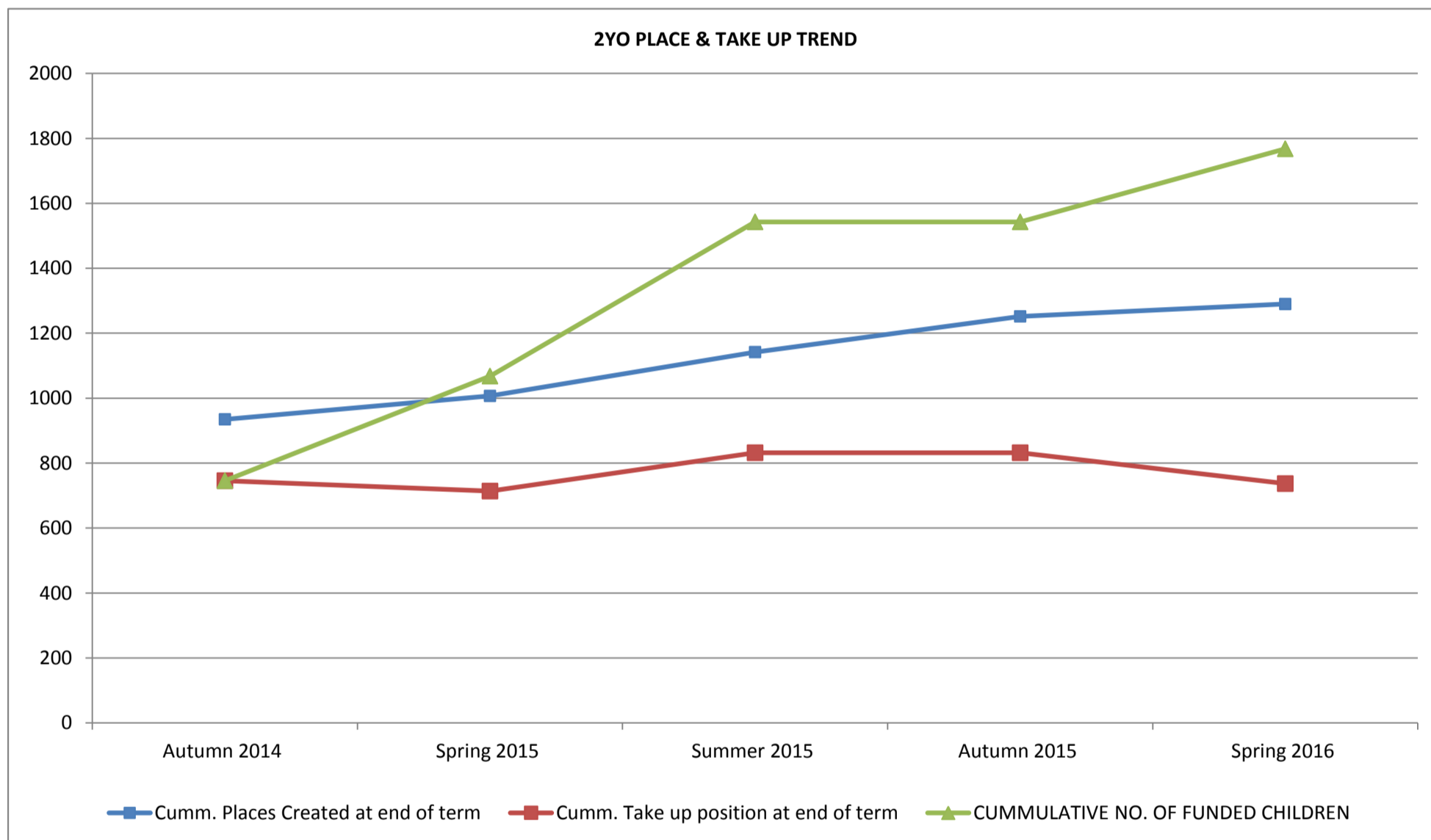
<p>Central Early Years Quality Team:</p> <p>This allocation of funding supports the delivery of the 3 and 4 free entitlements and enables support and intervention for targeted schools and settings and the moderation of the Early Years Foundation Stage Profile (EYSFP).</p> <p>The contribution is towards roles that support the achievement of the following outcomes for children:</p> <ul style="list-style-type: none"> - The continued improvement in the attainment levels for children at the end of the Early Years Foundation Stage. - Increasing the numbers of children in early education and childcare provision that is good or outstanding - Increasing the participation of 2, 3 and 4 year olds; particularly the most disadvantaged children in their free entitlement offer. 	<p>£0.333m (unchanged from 2015-16 level)</p>	<p>The funding will enable support and intervention for targeted schools, private, voluntary, independent (PVI) and childminder settings. The team also moderate the Early Years Foundation Stage Profile (EYSFP) to secure standards across the early years sector. We currently have 239 childminders, 67 PVI providers, 3 nursery schools and over 60 schools offering early education.</p> <p>The new Early Years Foundation Stage Framework is more challenging and will be judged and graded by Ofsted, quite rightly carrying more weight in the overall inspection of the school. In order to meet this challenge, we need to realign our Early Years Quality Improvement approach with the overall School Improvement ambitions of achieving outstanding for all.</p> <table border="1" data-bbox="1429 1050 2045 1248"> <tr> <td>Advisory Teacher</td> <td>74,876</td> </tr> <tr> <td>Advisory Teacher</td> <td>74,076</td> </tr> <tr> <td>Advisory Teacher</td> <td>64,756</td> </tr> <tr> <td>Advisory Teacher</td> <td>64,758</td> </tr> <tr> <td>Advisory Teacher (0.8)</td> <td>49,090</td> </tr> <tr> <td>Moderation (EYFS) (0.5)</td> <td>6,250</td> </tr> </table>	Advisory Teacher	74,876	Advisory Teacher	74,076	Advisory Teacher	64,756	Advisory Teacher	64,758	Advisory Teacher (0.8)	49,090	Moderation (EYFS) (0.5)	6,250
Advisory Teacher	74,876													
Advisory Teacher	74,076													
Advisory Teacher	64,756													
Advisory Teacher	64,758													
Advisory Teacher (0.8)	49,090													
Moderation (EYFS) (0.5)	6,250													

	<p>£0.056m (unchanged from 2015-16 level)</p>	<p>The introduction of the EYPP has increased the administrative processes for the Council and this allocation is a contribution towards the staffing resources required to ensure our statutory processing and payment obligations can be met. In addition to this, this allocation contributes to the costs of the capacity we believe is required to support both sufficiency and access to the free entitlement for 2 and 3 year olds in 2016-17.</p> <table border="1" data-bbox="1435 676 2045 805"> <tr> <td>Business Support Officer (0.33)</td> <td>14,608</td> </tr> <tr> <td>Brokerage Officer (0.5)</td> <td>19,307</td> </tr> <tr> <td>Free Entitlement Funding Administrator (0.5)</td> <td>21,913</td> </tr> </table>	Business Support Officer (0.33)	14,608	Brokerage Officer (0.5)	19,307	Free Entitlement Funding Administrator (0.5)	21,913
Business Support Officer (0.33)	14,608							
Brokerage Officer (0.5)	19,307							
Free Entitlement Funding Administrator (0.5)	21,913							
<p>Maintaining the £6.00 per hour funding rate for the two year old programme delivery</p>	<p>£2.639m</p>	<p>To retain the ring fence around the balance of under spent 2 year old place funding to mitigate the impact of funding places at an hourly rate above the £5.28 paid by the DfE to Haringey.</p>						
<p>Delivery planning for the 30 hour Extension</p>	<p>£0.041</p>	<p>It is proposed that some of the EY Block DSG under spend, currently ring fenced for the delivery of the 2 year old programme, is allocated to support our initial implementation planning and potential providers as we continue to establish the implementation plan for the borough. This is a contribution to the projected project costs of £82,448 and represents a 50%</p>						

		<p>contribution.</p> <table border="1"> <tr> <th colspan="2">2016-2017: Project Costs</th> </tr> <tr> <td>Project Manager</td> <td>22,226</td> </tr> <tr> <td>Project Support</td> <td>13,596</td> </tr> <tr> <td>Service planning, delivery support & training</td> <td>23,800</td> </tr> <tr> <td>Business Planning support</td> <td>14,426</td> </tr> <tr> <td>Spatial planning support</td> <td>8,400</td> </tr> <tr> <td>TOTAL</td> <td>82,448</td> </tr> <tr> <td>50% apportionment</td> <td>41,224</td> </tr> </table>	2016-2017: Project Costs		Project Manager	22,226	Project Support	13,596	Service planning, delivery support & training	23,800	Business Planning support	14,426	Spatial planning support	8,400	TOTAL	82,448	50% apportionment	41,224
2016-2017: Project Costs																		
Project Manager	22,226																	
Project Support	13,596																	
Service planning, delivery support & training	23,800																	
Business Planning support	14,426																	
Spatial planning support	8,400																	
TOTAL	82,448																	
50% apportionment	41,224																	

APPENDIX 1. HARINGEY 2YO PROGRAMME PLACE AND TAKE UP TREND - 12 FEB., 2016

<u>Financial Year</u>	<u>Term</u>	<u>Cumm. Places Created at end of term</u>	<u>Leavers at end of term</u>	<u>New Take up at start of term</u>	<u>Cumm. Take up position at end of term</u>	<u>CUMMULATIVE NO. OF FUNDED CHILDREN</u>
2014-15	Autumn 2014	935	354		746	746
	Spring 2015	1007	357	322	714	1068
2015-16	Summer 2015	1142	0	475	832	1543
	Autumn 2015	1252	320	0	832	1543
	Spring 2016	1290		225	737	1768
Total			1031	1022		



This page is intentionally left blank

Appendix 2

Overview of the latest eligibility profile issued by the Department of Education (DfE)

The additional 15 hours will be available to families where:

- Both parents are working (or the sole parent is working in a lone parent family), and each parent earns, on average, a weekly minimum equivalent to 16 hours at national minimum wage (NMW) or national living wage (NLW) i.e. earnings of £107 a week.
- Working will include employed and self-employed parents. It includes those parents on zero hour contracts who meet the criteria.
- There will be an income cap so that, when at least one parent in a household has an income of £100,000 or more, that family will not be eligible to take up the extra free hours.

The government intends that the additional entitlement should be available in the following circumstances:

- Both parents are employed but one or both parents is temporarily away from the workplace on: parental, maternity or paternity leave ; adoption leave or statutory sick pay
- One parent is employed and one parent has substantial caring responsibilities based on specific benefits received for caring
- One parent is employed and one parent is disabled or incapacitated based on receipt of specific benefits.

Eligibility does not include four year olds in reception class

This page is intentionally left blank

APPENDIX 3 EARLY YEARS FUNDING PROFILE AND EXPENDITURE							
<u>Actual EY Block Funding 2015-16</u>				<u>Estimated EY Block Funding 2016-17</u>			
<u>Element</u>	<u>No. of children</u>	<u>Funding Rate/hour</u>	<u>Total Funding</u>	<u>Element</u>	<u>No. of children</u>	<u>Funding Rate/hour</u>	<u>Total Funding</u>
3 and 4 year olds	4,083	5.6268	13,095,853	3 and 4 year olds	4,083	5.6268	13,095,853
2 year olds	678	5.2831	2,041,500	2 year olds	678	5.2831	2,041,500
Early Years Reserve			3,842,723	Early Years Reserve			3,032,166
EYPP Funding	1,049	0.5300	317,000	EYPP Funding	1,059	0.5300	320,000
Total			19,297,075	Total			18,489,519
Estimated Breakdown of EY Block Expenditure 2015-16				Estimated Breakdown of EY Block Expenditure 2016-17			
Budget Area				Budget Area			
3/4YO Ch. Ctrs (Formula Allocation)			457,165	3/4YO Ch. Ctrs (Formula Allocation)			460,000
3/4YO Nurs. Schs (Formula Allocation)			1,701,800	3/4YO Nurs. Schs (Formula Allocation)			1,702,000
3/4YO Nurs. Classes (Formula Allocation)			5,392,200	3/4YO Nurs. Classes (Formula Allocation)			5,900,000
PVIs			3,764,795	PVIs			3,800,000
2014-15 Claw Back			(493,500)	2015-16 Claw Back?			0
Subtotal			10,822,460	Subtotal			11,862,000
Trajectory Spend			290,156	Trajectory Spend			229,165
2YO place spend	851		2,910,993	2YO place spend	937		3,204,540
EYPP Expenditure	1,049		317,000	EYPP Expenditure	1,059		320,000
Subtotal			3,518,149	Subtotal			3,753,705
Centrally Retained Budgets				Centrally Retained Budgets			
Childcare Subsidy			1,427,000	Childcare Subsidy			1,427,000
Early Years Team			390,000	Early Years Team			390,000
De-delegated Services			91,400	De-delegated Services			91,400
Overheads			15,900	Overheads			15,900
Subtotal			1,924,300	Subtotal			1,924,300
Expenditure Breakdown Total			16,264,909	Expenditure Breakdown Total			17,540,005
Over/(Under) spend			(3,032,166)				(949,514)
Notes							
1. The 2YO programme showed a deficit of £1.159m (the difference between 2015-16 funding of £2.042m and place spend of £2.911m and trajectory spend of 0.290m). This overspend will be financed from 2014-15 carried forward balance of £3.842m leaving a balance of £2.683m to be carried forward into 2016-17.							
2. the 3/4 year old programme showed an notional underspend of £349k due to the claw back from 2014-15.							
3. The bottom line under spend of £3.032m in 2015-16 is as a result of the total of 2YO balance of £2.683m and the £349k underspend from the 3/4 year old programme.							

This page is intentionally left blank

High Needs Block Sub-Committee

Minutes of the meeting held on
29th January 2016 10am-12 noon. PDC

Present

Martin Doyle Headteacher Riverside School – Chair
 Deborah Tucker: Alternative Provisions Commissioning Lead
 Vikki Monk-Meyer: Head of Service: Special Educational Needs & Disabilities
 Steve Worth: Schools Finance
 Gordon McEwan: Tuition Service
 Margaret Sumner: Headteacher Brook School
 Tony Hartley: Headteacher Gladesmore School
 Mike McKenzie: Headteacher Alexandra Park School
 Marion McCarthy: Governor Heartlands High School
 Ngozi Anuforo: Commissioning
 Sarah Hargreaves: Clerk

Apologies Received from

Yvonne Wade : Principal Educational Psychologist
 Melian Mansfield: Pembury House Chair
 Herbie Spence: 6th Form Centre Head of Centre
 Michael Connah: Governor Riverside School
 Katherine Heffernan: Children & Schools Finance. Head of Service

Also Present

David Tully: Finance Support to Vikki Monk-Meyer
 Gareth Morgan: Early Help. Head of Service

The Chair welcomed everyone present to the meeting. Apologies were noted.
 It was **agreed** to vary the order of the agenda to take the budget presentation first.

1. Minutes and Matters Arising

- 1.1 The minutes of 15th December were agreed as a correct record of the meeting. Signed by the Chair and returned to Vikki for filing.
- 1.2 Pt 1.5 The discussion on the 30 hours childcare sufficiency will be taken at the Early Years sub-group and not at this meeting,
- 1.3 Pt 2.4.1 The admission criteria for special schools and the Tuition Service will be carried over to the next meeting. **Action V MM**
- 1.4 Pt 2.5 Gordon will arrange a trip to the Tuition Service if members are interested. Gordon to email possible dates around. **Action G McE**
 The Chair remarked that following the previous presentation he had referred a pupil with complex needs to the Tuition Service. The placement was going well.

1.4.1 Members discussed the fact that the Tuition Service & Heartlands between them were effectively offering an in-year fair access panel. Several pupils will be considered at the SEN panel in 2 weeks time.

1.5 Pt 4 Ceri May is speaking to Jon Abbey and the NLCs regarding funding for her project.

1.6 Pt 4.5 There are 6 NLCs (not 4 as stated).

2.0 Back to Balance Plan for the HNB

2.1 There is a shortfall of £678,000 in the 2015/16 budget. The budget will either have to balance over time or to found from elsewhere within the HNB. Additional money is not available.

2.2 Whilst the proportion of funding going to the independent and voluntary sector is not unusual, unlike in other boroughs it is rising rather than falling. Particular pressure is on post 19 places.

2.2.2 There are waiting lists for places. The likely demand for places has been mapped over the next 3 years.

2.3 There are several interventions being considered to balance the budget:

a) bringing children back in borough to reduce overall costs

b) Portage (an early intervention programme for young children with complex needs which is used by families at home) will reduce the number of children who go on to require specialist interventions and places, or at least delay the need for such places. Forty children can be catered for at any one time by the team.

c) Early Help. Many of these pupils already have EHC plans; including several in out borough and independent placements (37:60). (There is concern however that some of these children are not receiving sufficient support).

d) better and more cost effective transitioning into adult services.

e) staff changes; which will allow for better monitoring of out borough placements

f) incrementally increasing the number of places in The Grove

g) increasing the number of post 19 places. Although there will be a short term cost, longer term it would be cost effective. There is a consistent demand for places. CoNEL is not suitable for all learners. Post 19 places generate severe budgetary pressures.

h) re-using existing premises, for example the old HALS building, to become annexes of existing provision eg Riverside School was discussed as a development opportunity.

2.3.1 The intention is not to remove the use of out borough placements, but to use them selectively where they can offer an additional service. They would become the exception rather than the rule. Parents would be encouraged to use in-borough placements.

2.3.2 It will be necessary to factor in provision space eg. when Tribunals are won against OOB providers and pupils have to be placed in borough,

2.3.3 Members **agreed** that the changes would need to be across all age groups and all providers; there is no single remedy to the budget issues.

- 2.4 The draft strategy documents will be circulated to be read by all. **Action V MM, All**
- 2.4.1 Vikki asked that members contribute both pro-active and reactive suggestions to her to be used in a proposal to inform commissioning. The group to consider if they would be prepared to be representatives on a commissioning strategy group or if Catherine Swale Vulnerable Children's Commissioner should be invited to the High Needs Block .
Action All
- 2.4.2 Members asked if Catherine Swale, the Vulnerable Children's Commissioner at the CCG should be invited to contribute. Vikki to discuss with her. **Action V MM**
- 2.4.1 It was **agreed** that the admission criteria for the special schools and the tuition service should be reviewed at the next meeting. **Action Vikki, Clerk**
- 2.5 The proposal of a three year licensed deficit was discussed. Although the current deficit of £678K is anticipated to increase to £807K next year, with the savings identified above it is profiled to reduce over 3 years.
- 2.5.1 There is a non schools DSG reserve which can be used.
- 2.5.2 It has been assumed that any staff vacancies arising are filled.
- 2.5.3 It was confirmed that the funding regime is due to change in 2017 for secondary schools
- 2.5.4 A proposal needs to go to Schools Forum on **25th Feb** regarding the funding and how the HNB will operate. A draft proposal will be circulated next week. All are asked to feedback to Vikki and Steve Worth. **Action All, V MM, SW**
- 2.5.5 There will be an additional £447,000 available next year; it is this year that there is the large overspend.
- 2.5.6 If after 3 years there was still a deficit the money would have to come out of the school budget share as the DSG is ring-fenced, or further consideration would need to be made for the services funded within the HNB and if these would continue at the same level or cease .
- 2.6 Steve Worth clarified the following:
- The Grove is funded via the EFA as it is a Free School (the LA provides top-up). There are financial advantages to being a special needs free school.
- Simmons House is funded for 12 places
- alternative provision place funding has increased from £8,000 to £10,000
- SEND funding to secondary schools goes straight out from the LA.
- 2.7 Members queried the effectiveness of the Markfield project. Vikki asked all present to email any concerns to her. **Action All.**
- 3.0 Additional support for children aged 0-4: Ngozi Anuforo**
- 3.1 Children aged 2,3,4 years are funded through the HNB for their additional needs. There is money available for this year for early years. However, providers need to be clear as to the thresholds being applied to the element 3 (top-up) funding to enable them to access the funding.
- 3.2 Additionally work will be undertaken on what funding will remain centrally with the LA and what will be distributed to schools, given the central funding of places held within

three of the nurseries. The possibility of double funding needs to be borne in mind, eg. if a pupil were to receive additional support within an existing placement this would need to be justified through an assessment,. It is anticipated that the majority of children attending the pre commissioned places in the three nurseries would likely to go onto require special school places. We would be looking at where parents choose to send their children over time and agree if this strategy of pre commissioned places or top up would gradually combine into top up only in all settings We would need to migrate to this approach if it seemed suitable however **Action**

NA, SW, V MM

- 3.2.2 Members discussed the implications of children only being able to start at school at certain points in the year.

- 3.3 It is proposed that there are 3 tiers of funding with an hourly cost associated with each:
 - Universal needs
 - Medium needs
 - High needs

A paper with further details will be drafted and circulated. **Action NA**

- 3.4 Staff in a range of settings need to be offered training to increase their confidence in meeting the need of children with more complex SEN and disabilities

- 3.5 The idea of developing a special needs nursery instead of pre-commissioned places was explored .

4.0 Early Help (EH): Gareth Morgan

- 4.1 Early Help is an early years and preventative family support programme. 30% of the families being supported by EH are also receiving services via the HNB; as they have at least one child with SEND. The current caseload is 392 of which 100 are children with SEN or disability; All include a child aged 0-18.

- 4.1.2 It is a practical, hands-on service running between 8am-8pm and includes behaviour management, parenting, setting routines, how to engage with authority figures. It is outcome focused and time limited to 6 months intervention. It operates across the borough, although the SEND element in each area needs to be confirmed. **Action GM**

- 4.2 The funding, which is unlikely to increase over time, is currently:
 - £350,000 DSG
 - £1.2 directly from the Dept of Communities and Local Government (Troubled Families stream)
 - £985,000 core LA budget
 - £1,000,000 High Needs Block

- 4.2.1 Members asked if these proportions were reflected in the caseload referrals. After discussion it was felt that this was the case.

- 4.3 In order to capture more accurately the benefit of the project and the demographic of the families worked with a new approach has been used since Oct 2015 to record

information. In the past it was mainly individuals who were worked with; the intention now is to be more family focused.

4.3.1 Members asked that information be collated by the school attended and family make-up.

4.3.2 Data will be shared with schools and the NLCs. The Chair asked for case studies to be shared showing the impact of the project. **Action GM**

4.3.3 It was stressed that schools should be kept informed of families within their school community who are receiving support. It was agreed that this would be possible. **Action GM**

4.4 Gareth agreed that links with mainstream schools need to be developed more. (Special schools should be receiving help from elsewhere). As at December 2015 all secondary schools and 58% of primaries were being worked with.

4.4

4.5 the Sub-Committee endorsed the HNB expenditure on Early Help for next year but would need evidence of impact before agreeing contributions in future years

5. AOB

5.1 The minutes from Schools Forum will be made available to this committee and brief feedback given on each meeting.

5.2 The outcomes from the additional meeting held on January 5th to consider budgetary items were included in the budget papers discussed above.

5.3 A new primary school rep. is needed. All to consider possible people. **Action All**

5.4 Membership of this committee should be a standing agenda item. **Action Chair, Clerk**

Date of next meeting: **8th March 10am**. Venue TBC

Signed

Date

This page is intentionally left blank



Report to Haringey Schools Forum – 25/02/2016

Agenda Item
10

Report Status

For information/note	<input checked="" type="checkbox"/>
For consultation & views	<input type="checkbox"/>
For decision	<input type="checkbox"/>

Report Title: Traded Services – Trading Update
Author: Douglas Cook – Traded Services Manager
Contact: 0208 489 6904 Email: douglas.cook@haringey.gov.uk
Purpose: To advise on latest traded services progress
Recommendations: Interim status report. Note only.

SCHOOLS TRADED SERVICES – INTERIM REPORT 2015/2016

1 Background

1.1 Traded services for schools commenced live trading operations with the schools on 10th April 2015. We are still part-way through the first year of this new online trading initiative. The next stage of development for the council's corporate priority 1 programme is well under way to be ready for next year's 2016/2017 trading offer.

1.2 A steady state management role does not yet exist. This is being progressed with recruitment plans for a new Traded Services Manager and associated commercial and marketing support. Progress with this will be subject to a further update as events progress.

1.3 In the 2014/2015 year the council's traded income stood at just under £1.8 million. A defined plan was adopted for added income of £618.5k to be introduced in 2015/2016 together with the adoption of a new web-based online service. Further growth of traded services is required in the council's plans for 2016/2017 and additional income is planned in 2017/2018, all of which increments year on year. The total growth plan is challenging and the council is planning for schools collectively to move towards doubling their trading activity with the council in a space of three years.

1.4 The traded service currently deals with over 230 schools, of which 87 are in Haringey. Many other schools are based in outlying London boroughs but some are from as diverse areas as Kent, Essex and even in Leicestershire and Herefordshire. A measure of our success has been the willingness of schools to engage with Haringey for the services we offer and the approach we take to mentor and challenge best school performance and improvement for school leaders and with the school governors.

1.5 Haringey host one of the most comprehensive training programmes for schools in North London and our school CPD training programmes are well subscribed and well attended. This continues to be a popular service offer and one which has worked well with non-Haringey schools.

2 Progress stage report

2.1 Initial trading with schools online has been satisfactorily introduced for the year 2015/2016. The new online web booking service has been successfully launched and in general it is functioning properly. Integrated council billing with the schools is operational. There are currently 47 service team offers available online and a number of new services have been identified for adding to the website service from April 2016.

2.2 The schools have been kept in close consultation with our plans for the enhanced scope and revised approach for online trading. The use of one website with a standard menu of the diverse mix of service offers has led to the operation being managed by a small central team operating with a lean and efficient business model. These are key elements of the aspired business model to be delivered in the first 12 months. At the time of its adoption, just 10 key services had been identified in the council's target plans for traded services. 283 sites are now trading customers with the council and current year billed income exceeds **£2.6 million**.

2.2 Our total confirmed and billed income amounts to £2.61 million and another £ 68k is in school shopping baskets pending checkout and billing, which amounts to £2.68 million projected so far. Some further income can be expected in the next 6 weeks to project total income to £2.7 million this year. This will deliver income growth of some **£828k** in this year. This is growth of over 51% in the first year.

2.3 The Cost of Sales effect on the council's budget is more difficult to assess. Because the council income target was based on growth income, it is only the incremental extra cost of service delivery which was taken into account. In practice, it means that for many services income growth has been achieved at no extra cost to the council other than management of the traded services business portfolio. Services such as Education Welfare are now earning over £110k of income this year (plan, £108k) with no additional resources and with no extra staff being engaged from last year. In fact, some budget efficiencies have been achieved with the introduction of trading as a way of planning workloads with school trading requirements.

2.4 Cost of sales have primarily affected:

CPD training – enhanced training has been developed and an agreed £40k additional budget was allocated for additional training courses to deliver into the new Silver and Gold school training packages. CPD was able to do this alongside its move to better packages tailored for schools with different budgets and training requirements.

Governors Clerking – additional work commitments with schools have required the engagement of a number of additional clerks who are engaged with an expanded mix of schools. The extra work has resulted in an increase in clerk costs, matched by increased income from the additional schools now using the service. In addition, the Governors service has invested in a new 'Online Governors' module which integrates with schools trading to allow direct training bookings and additional support for school governors and their governing bodies. This service is proving popular and well subscribed.

Haringey Music Service – the music service has achieved increased revenue of £137k this year and a number of featured improvements to their offer have been well received. In addition, many schools are now subscribing to school choir tuition for the Royal Albert Hall Haringey event in July which is proving to be very popular, with demand for more spaces still pending. Extra tuition has been needed for these school bookings and additional teaching staff have been engaged to cover the expanded workload.

Other than these direct services, other income is generally incremental using existing resources which are already in place within existing council budgets. One particular service which is making full use of their existing budgets is the Swimming service, which is actively looking to start a similar but new Sports programme with schools later this year as another development of their support for schools.

3 Areas under development

3.1 As might be expected, there are one or two services which do not yet deliver the planned 2015/2016 Priority 1 targets.

3.2 The council's Schools Human Resources team, including our schools Payroll and Pensions support, have failed to attract any new customers this year and so far have lost a number of key school accounts (8 schools in total so far). So instead of growth, this service is in decline this year. Whilst this is disappointing to report, it also means that the existing budget income targets are not yet met for this service (which replicates the same position last year). On this basis HR has been excluded from any projections for future contributions for Priority 1 targets. Steps are now being taken to look at the best options for the council to improve its Human Resources support for schools, whilst offering the schools best value with professional service standards. We continue to offer our core HR services in the meantime although we may introduce changes later in the year if circumstances should change.

3.3 Our Education Psychology support service was targeted with £75k of additional income this year but the service has been unable to deliver against high school demand. Regrettably some orders had to be cancelled and the income achieved so far is £55k against the £75k budget. Because of this shortfall, no further contributions towards the Priority 1 target have been factored in to our trading plan in this year.

3.4 Mitigation plans are being developed for these services going forwards, which is important because our future Traded Services are dependent on incremental growth year on year. This aspect of the council's budget plan may require a review in future years to assess how suitable its future trading targets might be for practical purposes.

3.5 A number of new service offers are in place to make up for these shortfalls. Additional income growth has been found and delivered this year by the Schools and Learning teams covering a number of new areas including enhanced NQT mentoring support, new introductions of Early Years training and advisory support packages (for PVI settings and child-minders specifically) and the Schools improvement team has developed additional traded support for school leaders. Between them, not only has extra income been found to make up the gap in the HR and Psychology targets referred to above but have enabled the Schools & Learning service to meet its initial objectives in full with a small surplus in addition.

3.6 A total of £828k additional gross income has been generated this year, despite the operational difficulties with the two key services noted above.

4 Management costs

4.1 After deduction of the cost of sales, net income growth of £700k is now projected this year. Out of this, however, some £70k has to be deducted for the management charges for the service. Although these were not initially included in the council's initial projections, the service has devised a method to top-slice its income to pay for the operation of the service and still deliver net growth above plan for this trading year. Traded services operate for the schools without an operating budget of its own, on a self-funding basis.

5 Trading Highlights

5.1 Income: trading performance

Total Schools Income to date	£2.68 million
Gross income growth	£ 828.4 k
Additional cost of sales	£ 79.0 k
	=====
Net revenue growth	£ 758.0 k

5.2 Pendarren

Pendarren is subject to an out-sourcing procurement planned during 2016/2017. The additional revenues which have been delivered for Pendarren in 2015/2016 amount to £58k, mainly following the introduction of transport charges this year. This extra income is being ring-fenced to pay for the outsourcing procurement exercise.

5.3 Net trading position

Net revenue growth (above)	£ 758 k
Deduct: Pendarren (ring-fenced)	£ (58) k
Projected full year trading growth	£ 700 k
Deduct: Traded Services management costs	£ (70) k
	=====
Net Growth (projected) 2015/2016	£ 630 k

5.4 The council's P1 Traded Income growth Target for 2015/2016 is **£ 618.5 k**.

5.5 Note that this is an interim report only and the financial year is not yet complete. Further bookings from schools continue through this Spring Term. The reported amounts are expected to change as we approach the end of the financial year.

Traded Services for Schools

Users of the Trading Website



	In Haringey	Out of Haringey	Total Customers
Primary and Nursery Schools	53	31	
Primary and Nursery Academies	13	5	
Secondary Schools	6	7	
Secondary Academies	7	1	
Special Schools	5	2	
FE Colleges	2	1	
Sixth Form College	1	1	
Subtotal: Government Funded	87	48	
Independant Sector	10	7	
Subtotal: All Schools	97	55	
PVI & Children Centres	84	-	
Child-Minders	47	-	
All Sites	228	55	283

Traded Service Customers By Local Authority	
97	HARINGEY SCHOOLS
	OUT OF BOROUGH SCHOOLS
6	Barnet
4	Brent
5	Camden
11	Enfield
2	Essex
5	Hackney
1	Herefordshire
2	Hertfordshire
10	Islington
2	Kent
1	Leicestershire
2	Redbridge
4	Waltham Forest
152	
84	HARINGEY PVI & Children Centres
47	HARINGEY Child-Minders
283	

This page is intentionally left blank

**Agenda Item
11**



Report Status

For information/note
For consultation & views
For decision

Report to Haringey Schools Forum –Thursday 25th February 2016

Report Title: Updated Schools Forum Work Plan 2015-16.

Author:

Steve Worth – Finance Manager (Schools and Learning)
Contact: 0208 489 3708 Email: Stephen.worth@haringey.gov.uk

Purpose: To inform the Forum of the updated work plan for 2015-16 and provide members with an opportunity to add additional items.

Recommendations:

That the updated work plan for 2015-16 is noted.

1. Schools Forum

- 1.1. It is good practice for Schools Forum to maintain a work plan so that members ensure that key issues are considered in a robust and timely way.
- 1.2. Members of the Forum are asked to consider whether there are any additional issues that should be added to the work plan for the next Academic Year.
- 1.3. This work plan will be included on the agenda for each future meeting so that members are able to review progress and make appropriate updates.

Haringey Schools Forum - Work Plan Academic Year 2015-16

25 February 2016

- Dedicated Schools Budget Analysis
- High Needs Block 2016-17.
- Early Years Block 2016-17.
- The Schools Internal Audit Programme.
- Update from Working Parties.

19 May 2016

- Future School Funding Arrangements.
- Arrangements for the education of pupils with special educational needs.
- Administrative arrangements for the allocation of central government grants paid to schools via the authority.
- Early Help and Preventative Services.
- Review of constitution
- Update from Working Parties.

30 June 2016

- Scheme for Financing Schools.
- Future School Funding Arrangements.
- Dedicated Schools Budget Outturn 2015-16.
- Outcome of Internal Audit Programme 2014-15.
- Forum Membership
- Update from Working Parties.
- Work plan 2016-17

This page is intentionally left blank