

Schools Forum

Date: Thursday 19 November 2020

Time: 2.00 pm

Venue: Microsoft Teams

Membership

Items on the agenda: -

1. **Confirmation of Chair and Vice Chair**
2. **Apologies**
3. **Introduction of Forum Members**
4. **Schools Block Funding 2021-22**

3 - 34

Monica Fogarty
Chief Executive
Warwickshire County Council
Shire Hall, Warwick

To download papers for this meeting scan here with your camera



Disclaimers

Webcasting and permission to be filmed

Please note that this meeting will be filmed for live broadcast on the internet and can be viewed on line at warwickshire.public-i.tv. Generally, the public gallery is not filmed, but by entering the meeting room and using the public seating area you are consenting to being filmed. All recording will be undertaken in accordance with the Council's Standing Orders.

Disclosures of Pecuniary and Non-Pecuniary Interests

Members are required to register their disclosable pecuniary interests within 28 days of their election of appointment to the Council. A member attending a meeting where a matter arises in which s/he has a disclosable pecuniary interest must (unless s/he has a dispensation):

- Declare the interest if s/he has not already registered it
- Not participate in any discussion or vote
- Must leave the meeting room until the matter has been dealt with
- Give written notice of any unregistered interest to the Monitoring Officer within 28 days of the meeting

Non-pecuniary interests must still be declared in accordance with the Code of Conduct.

These should be declared at the commencement of the meeting

The public reports referred to are available on the Warwickshire Web

<https://democracy.warwickshire.gov.uk/uuCoverPage.aspx?bcr=1>

Public Speaking

Any member of the public who is resident or working in Warwickshire, or who is in receipt of services from the Council, may speak at the meeting for up to three minutes on any matter within the remit of the Committee. This can be in the form of a statement or a question. If you wish to speak please notify Democratic Services in writing at least two working days before the meeting. You should give your name and address and the subject upon which you wish to speak. Full details of the public speaking scheme are set out in the Council's Standing Orders.

Schools Forum

19 November 2020

Schools Block Funding 2021-22

This report relates to mainstream academies and maintained schools and is for decision.

Recommendation (a) is for decision by all schools forum members.

Recommendations (b) and (c) are decisions for all academy, school and PVI representatives.

Recommendations

Academy, School and PVI representatives are asked to agree:

- a) The transfer of 0.5% of schools block funding (excluding additional funding for teachers pay and pensions) to the high needs block for 2021-22.
- b) The local authority submits a disapplication to the Education and Skills Funding Agency (ESFA) to allocate sparsity funding to all our small academies and schools.
- c) The local authority submits a disapplication to the ESFA to increase funding to all schools through the lump sum factor.

1. Introduction

- 1.1. When the National Funding Formula (NFF) was introduced in 2018-19 the Local Authority with schools forum agreement indicated that they wanted to replicate the 'hard' NFF as quickly as possible, subject to affordability. This was achieved in 2020-21 for the first time due to an increase in grant.
- 1.2. Even after allocating the NFF to all our mainstream academies and schools in 2020-21 there was still a surplus of £2.4 million in the schools block. Initial modelling of the provisional schools block grant for 2021-22 suggests that there will be an additional unallocated surplus of £1.7 million. This would mean a potential cumulative surplus of £4.1 million.
- 1.3. The final schools block funding for 2021-22 will not be announced until the middle of December 2020. At the same time we will learn how much Growth Funding we will receive. In 2020-21 this was £3.5 million and was more than we anticipated and

therefore contributed to the surplus in 2020-21. A report on Growth Funding for 2021-22 will be brought to the 3 December 2020 schools forum meeting.

- 1.4. Each year Local Authorities have an opportunity to apply to the ESFA for disapplications from some of the NFF. The deadline for submitting these disapplications this year is 20 November 2020.
- 1.5. The monetary value of the 0.5% transfer is calculated by taking the total schools block funding for DSG, adding the premises funding and growth funding then deducting the protected teachers' pay and pension funding. It is estimated that this will equate to approximately £1.8 million.
- 1.6. Extending sparsity funding to our 30 small primary schools and academies will use £1.35 million of surplus funding.
- 1.7. Allocating any residual surplus through the lump sum would give every primary and secondary maintained school and academy a potential additional allocation of £4,130 in 2021-22.
- 1.8. These funding proposals will not impact on the allocation of funding to schools through the NFF in 2021-22 as they are being funded from schools block surpluses.
- 1.9. It should also be noted that these proposals will only give additional funding in 2021-22 and they also require the approval of the ESFA.

2. Proposals

- 2.1. The Local Authority consulted with all mainstream academies and schools between 23 October and 13 November 2020 on 3 options:
 1. The transfer of 0.5% of schools block funding to the high need block to support the high needs budget in 2021-22.
 2. Allocate additional funding to our small primary schools and academies in 2021-22 that do not meet the distance factor for sparsity fund.
 3. What NFF factors should increase to allocate any additional funding in 2021-22.
- 2.2. The full consultation document is attached as Appendix A.

3. Consultation Outcomes

- 3.1. Section 253 of the Schools Revenue Funding 2021-22 Operational Guide states:

“Local authorities wishing to make a transfer should also consult local maintained schools and academies, and the schools forum should take these views into account before making their decision.”

- 3.2. Consultation was undertaken with 230 maintained schools and academies from the primary and secondary phases.
- 3.3. A total of 31 academies and schools responded to the consultation by the 5:00 pm deadline on Friday 13 November 2020. In addition, 2 Multi-Academy Trusts (MAT) responded on behalf of their Warwickshire academies. One MAT responded on behalf of 6 academies and one MAT responded on behalf of 8 academies. In one instance, a MAT’s response covered an academy which had already responded in its own right so the Academy’s individual response has been taken into account.
- 3.4. Therefore, consultation responses have been split between schools and academy responses and all responses.
- 3.5. The results for option 1 - The transfer of 0.5% of schools block funding to the high need block to support the high needs budget in 2021-22 are:

	Schools and Academies	All Responders
Yes	26 (83.9%)	32 (72.7%)
No	5 (16.1%)	12 (27.3%)
Total	31	44

- 3.6. The reasons academies, schools and a MAT gave for not supporting this proposal are attached at Appendix B, along with positive comments made by schools and academies support the proposed transfer.
- 3.7. The results for option 2 - Allocate additional funding to our small primary schools and academies in 2021-22 that do not meet the distance factor for sparsity fund are:

	Schools and Academies	All Responders
Yes	25 (80.6%)	31 (70.5%)
No	6 (19.4%)	13 (29.5%)
Total	31	44

- 3.8. The results for option 3 - What NFF factors should increase to allocate any additional funding in 2021-22:

Factor	Schools and Academies	All Responders
AWPU	6	13
De-delegated	3	3
Early Years	2	2
Lump sum	2	8
Mobility	1	1
No views	11	11
Prior attainment	2	2
SEND	2	2
Sparsity	2	2

3.9. The following points are made on the responses:

- AWPU – There could be achieved by increasing the minimum per pupil limit for schools. This would only benefit our larger primary schools and secondary schools as smaller schools do not achieve the minimum per pupil limit so will see no additional funding.
- De-delegated – Using part of the surplus to pay for de-delegated services would only benefit maintained schools so would not be equitable on Warwickshire academies.
- Early Years – This has to be funded from the Early Years DSG
- Lump sum – The LA can pay a lump sum up to a maximum of £175,000 within the national funding formula. Increasing the lump sum would benefit all schools and academies and is the Local Authorities preferred factor to use to allocate any surplus funding.
- Mobility – This is an optional factor and if implemented would give additional funding of £218,000 to 47 schools. These are typically are smaller primary schools.
- Prior attainment – There is no scope to increase prior attainment funding
- SEND – This is already being dealt with as part of this consultation.
- Sparsity - This is already being dealt with as part of this consultation.

Neill Butler

Schools Funding & Strategy Manager

Email: neillbutler@warwickshire.gov.uk

Tel: 01926 412240

Duane Chappell

Strategy & Commissioning Manager (SEND & Inclusion)

Email: duanechappell@warwickshire.gov.uk

Tel: 01926 742967

School Funding Arrangements for 2021-22

Warwickshire County Council Consultation with Primary and Secondary Schools

October 2020



Contents

PURPOSE	3
NATIONAL FUNDING CONTEXT	4
SCHOOLS NATIONAL FUNDING FORMULA 2020-21 OVERVIEW	5
LOCAL CONTEXT: SEND & INCLUSION CHANGE PROGRAMME	8
CONSULTATION PROPOSALS	16
CONSULTATION QUESTIONS	17

NOTES:

- 1. Any reference to schools in this document applies similarly to academies unless stated otherwise.**
- 2. The elements of the Schools funding formula are applied on the same basis to both maintained schools and academies. The difference is that maintained schools currently receive their funding from the Authority for the financial year April to March and academies have the same funding formula applied over the academic year September to August.**

PURPOSE

1. Warwickshire is now fully convergent with the National Funding Formula (NFF) for Schools. Initial modelling of Schools Block funding for 2021-22 indicates that there will be an unallocated surplus of £1.7 million in 2021-22 even with applying the 'hard' NFF in full. This is in addition to the unallocated funding of £2.4 million in 2020-21. Therefore, the Authority will be holding upwards of £4.1 millions of unallocated funding in 2021-22.
2. The purpose of this consultation document is to outline Warwickshire County Council's (the Authority) proposal to move 0.5% of funding from the Schools Block to the High Needs Block in 2021-22. It also gives schools an opportunity to suggest their preferences for allocating any surplus funding to schools in 2021-22. The principle consulted on and adopted in previous years was to move as closely as possible to implementing the Department for Education's (DfE) National Funding Formula (NFF). The provisional funding allocation for 2021-22 would suggest that the Authority will be able to implement the 'hard' NFF including the allocation of sparsity funding to our smallest rural schools.
3. The outcome of the consultation will be reported back to Schools Forum at an Extra-ordinary General Meeting on Thursday 19 November 2020. The consultation provides an opportunity for primary and secondary schools and academies to comment on the following proposals:
 - a. Moving 0.5% of funding from the school block to the High Needs Block in 2021-22.
 - b. Allocate funding to our smaller schools and academies who do not attract sparsity funding within the NFF.
 - c. How any surplus funding should be allocated to Warwickshire schools and academies in 2021-22?
4. **Schools are asked to respond to this consultation by completing the Response Template at Appendix 1. Responses should be submitted by 5pm on Friday 13 November 2020 and must be emailed to schoolfunding@warwickshire.gov.uk**
5. Responses received will be analysed and shared Schools Forum at its meeting on 19 November 2020 prior to the Authority deciding on the final funding formula for use in 2021-22 to be submitted to the DfE mid-January 2021.

NATIONAL FUNDING CONTEXT

6. In July 2020 the DfE published its update to the NFF for schools and High Needs. This consultation document focuses only on the schools NFF since the High Needs generates funding at an Authority level rather than at an individual school level.
7. The DfE has confirmed that the arrangements in 2021-22 will continue to allow some local discretion through what is termed a 'soft' funding formula, which has been extended to 2021-22. The soft formula means that the Authority can still decide how it allocates its funding to schools using the available NFF factors but has flexibility to determine the use and/or value of these factors. By contrast, when the DfE moves to a 'hard' formula, each school will receive its funding through the NFF directly from the Education and Skills Funding Agency (ESFA).
8. The Dedicated Schools Grant (DSG) continues to be ring-fenced. There are four well established blocks as set out below. The Schools Block continues to be ring-fenced with one exception that the Authority can move up to 0.5% of the Schools Block to other Blocks after consultation with schools and after approval by the Schools Forum.

Figure 1 – Makeup of the Dedicated Schools Grant

DEDICATED SCHOOLS GRANT			
SCHOOLS BLOCK	CENTRAL SERVICES SCHOOLS BLOCK	EARLY YEARS BLOCK	HIGH NEEDS BLOCK
This Block funds: <ul style="list-style-type: none"> - Individual school budgets; - Services de-delegated from maintained school budgets and - The Growth fund 	This Block funds: <ul style="list-style-type: none"> - Historical commitments previously agreed with Schools Forum such Combined Budget areas and redundancy costs previously agreed; and - Ongoing responsibilities of the Authority such as Admissions, the servicing of the Schools Forum, copyright licenses and services to meet statutory responsibilities 	This Block funds: <ul style="list-style-type: none"> - The 2 year old Early Years single funding formula; - The 3 and 4 year old Early Years single funding formula (universal and extended entitlement); - The Disability Access Fund; - Maintained Nursery school supplementary funding; and - Any central expenditure by the authority to support early years services 	This Block funds: <ul style="list-style-type: none"> - Special school budgets; - Top up funding for pupils with High Needs; - Out of County SEN placements; - SEND specialist services; - Alternative provision such as PRUs, High Needs Units; and - Hospital Education

SCHOOLS' NATIONAL FUNDING FORMULA 2021-22 OVERVIEW

9. The factors used in the 2020-21 Warwickshire school funding formula (excluding the area cost adjustment) are set out in Table 1 alongside the factors in the 2021-22 NFF and the difference between them. As can be seen from the difference column the rates for each of the factors have increased by at least 2% (subject to rounding) as a result of the Government's additional investment in schools funding. Warwickshire has implemented the NFF in terms of the factors and rates in 2020-21 and the intention is to mirror the factors and rates for 2021-22.
10. There are some other changes to the funding arrangements for 2021-22 as follows:
 - a) The mandatory Minimum Per Pupil Guarantee (MPPG) for primary and secondary pupils. For 2020-21 these are set at £4,180 for Primary and £5,415 for Secondary pupils. These rates are higher than previously announced as funding for teachers pay awards for 2018 and 2019 together with the teachers' pension increase in 2019 are now included in the NFF and so will not be paid as grant from April 2021.
 - b) The minimum funding guarantee (MFG) will be set at +2.0% which will mean that all schools will receive at least 2% more funding in 2021-22 when compared to their 2020-21 baseline.
 - c) The NFF has continued to remove the funding cap that was being applied. Warwickshire Schools Forum agreed in January 2018 to remove the funding cap in line with the NFF.
11. The impact of the 2021-22 NFF for schools can be seen at an individual school level on the DfE website. **However, schools are reminded that these are indicative allocations, which will move once the October 2020 census data has been finalised.**

[Link to DfE School Level Impact can be found at:](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/905414/Impact_of_the_schools_NFF_2021-22.xlsx)

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/905414/Impact_of_the_schools_NFF_2021-22.xlsx

Table 1 – 2021-22 NFF factors and rates compared to the previous year

NFF Factor		NFF Unit Rates 2020-21 (£)	NFF Unit Rates 2021-22 (£)	Change (£)	Change (%)
Basic per pupil entitlement - Age Weighted Pupil Unit (AWPU)	AWPU: Primary	2,857	3,123	266	9.31
	AWPU: Secondary KS3	4,018	4,404	386	9.61
	AWPU: Secondary KS4	4,561	4,963	402	8.81
	Minimum per pupil funding Primary	3750	4,180	430	11.47
	Minimum per pupil funding Secondary	5,000	5,415	415	8.30
Deprivation (Free School Meals)	Current - Primary	450	460	10	2.22
	Current – Secondary	450	460	10	2.22
	Ever6 – Primary	560	575	15	2.68
	Ever6 – Secondary	815	840	25	3.07
Deprivation (Income Deprivation Affecting Children Index)	Band F: Primary	210	215	5	2.38
	Band F: Secondary	300	310	10	3.33
	Band E: Primary	250	260	10	4.00
	Band E: Secondary	405	415	10	2.47
	Band D: Primary	375	410	35	9.33
	Band D: Secondary	535	580	45	8.41
	Band C: Primary	405	445	40	9.88
	Band C: Secondary	580	630	50	8.62
	Band B: Primary	435	475	40	9.20
	Band B: Secondary	625	680	55	8.80
	Band A: Primary	600	620	20	3.33
	Band A: Secondary	840	865	25	2.98
Prior Attainment	Primary	1,065	1,095	30	2.82
	Secondary	1,550	1,660	50	3.11
English as an Additional Language	Primary	535	550	15	2.97
	Secondary	1,440	1,485	45	2.97

Lump Sum	Primary	114,400	117,800	3,400	2.97
	Secondary	114,400	117,800	3,400	2.97
Sparsity Factor	Primary	26,000	45,000	19,000	73.08
	Secondary	67,600	70,000	2,400	3.55

LOCAL CONTEXT: THE SEND & INCLUSION CHANGE PROGRAMME

12. In responding to this consultation, school Leaders should be aware of the SEND & Inclusion Change Programme, launched at the Head Teachers' Conference on 21st October 2020.
13. In the following pages, we will outline what the programme seeks to achieve, what the financial situation is, and how the Council is seeking to work with schools to address the current situation.
14. The proposed movement of 0.5% of the Schools Block to the High Needs Block in 2021-22 will not affect allocation to individual schools via the National Funding Formula but will contribute towards addressing the funding gap for supporting some of our most vulnerable and complex learners. Funding from the High Needs Block is primarily spent on support for individual learners' in schools and settings, as set out in their Education Health and Care plan (EHCP).

What are we hoping to achieve?

15. Our Vision for learners with Special Educational Needs & Disabilities (SEND) is set out in our SEND & Inclusion Strategy 2019-2023. All our children and young people have the right to lead a fulfilling life and to be part of their community.
16. We want our learners with SEND to feel fully included in their local schools, wherever appropriate, by giving schools the resources and skills to meet their special educational needs.

Why do we need to change?

17. We know that things need to change because outcomes for our children and young people with SEND have been getting worse and we are spending well above our allocated budget. The demand for services continues to rise due to local population growth and growing complexity of needs. Our system is not equipped to meet this growth sustainably.
18. In 2014, Warwickshire supported 2,781 statements. In Jan 2020, Warwickshire supported 4,299 Education, Health and Care (EHC) Plans. This is in line with national trends but demonstrates the increased pressure on the system. At school age, 3.4% of Warwickshire children have an EHC plan compared to 3.3% nationally.

Placements

19. Parents report to us a lack of confidence in the system to meet their child's needs. Our local school Leaders tell us that they feel under-resourced or lacking in the skills to support all children and young people with SEND.

20. As a result, Warwickshire has less children with EHC plans in mainstream schools (30%) than in other areas (40%), more children in special schools (35%) than other areas (32%) and has more children in independent specialist provision (6%) than other areas (5%). In recent years, we have also seen a significant increase in the number of our children and young people in alternative provision. In January 2020

21. 10% of our children and young people (aged 0-25) were in alternative and other provision, compared with 7% elsewhere. Too many of our children and young people with SEND are not in school.

Year	Area Name	Number of children and young people for whom the authority maintains a statement of SEN, or EHC plan	%						
			Mainstream	Special	ISP - School Age	ISP - Post 16	AP	FE	Other
2017	ENGLAND	287,290	44.0%	36.0%	5.2%	1.1%	0.8%	9.7%	3.3%
2017	WEST MIDLANDS	32,257	40.1%	43.3%	4.1%	1.2%	0.4%	7.7%	3.2%
2017	Statistical Neighbour Average	3,113	43.5%	39.5%	4.9%	0.8%	0.4%	7.5%	3.4%
2017	Warwickshire	3,260	45.8%	37.3%	8.6%	0.4%	0.0%	6.6%	1.3%
2018	ENGLAND	319,819	40.9%	34.8%	4.9%	1.3%	0.7%	12.5%	2.7%
2018	WEST MIDLANDS	36,320	34.9%	43.5%	4.3%	2.3%	0.4%	11.0%	2.7%
2018	Statistical Neighbour Average	3,450	41.1%	38.0%	4.7%	0.7%	0.5%	11.5%	2.3%
2018	Warwickshire	3,509	37.9%	40.1%	7.4%	0.9%	0.0%	10.3%	2.8%
2019	ENGLAND	353,995	39.8%	33.6%	5.0%	1.4%	0.8%	14.1%	5.3%
2019	WEST MIDLANDS	39,570	32.5%	41.3%	4.1%	2.8%	0.4%	13.5%	5.3%
2019	Statistical Neighbour Average	3,794	40.4%	36.0%	4.8%	1.0%	0.4%	12.6%	4.8%
2019	Warwickshire	3,848	33.3%	37.8%	6.6%	1.2%	0.0%	16.0%	5.0%
2020	ENGLAND	390,109	39.6%	32.1%	5.0%	1.6%	0.8%	14.4%	6.4%
2020	WEST MIDLANDS	41,897	32.3%	40.6%	4.2%	2.6%	0.5%	13.9%	5.9%
2020	Statistical Neighbour Average	4,139	40.1%	34.4%	4.8%	1.3%	0.4%	13.3%	5.8%
2020	Warwickshire	4,299	29.7%	34.6%	6.1%	1.2%	0.0%	18.9%	9.5%

Table 1: Placements of children and young people with EHC plans

Outcomes

22. Although our children and young people with SEND perform better than national average at the age of 16, we have a trend of outcomes getting worse at both key stage 4 and key stage 2. Absence and fixed term exclusions for children at SEN Support are above national averages. We want to stop this trend and maintain positive outcomes for our children and young people.

System behaviours

23. Warwickshire commissioned an external review to identify how our system could work better. The review focussed on behaviour change among professionals. It concluded:

Warwickshire County Council has a number of strengths to build upon as it develops its new way of working in support of children and young people with SEND. Its staff are open to engaging with new ideas and are committed to delivering the best outcomes for children, young people and their families. It is also clear that a number of pathways for support work very well and deliver appropriate, timely support for many children and young people. Out in education settings there are some excellent practitioners working hard to ensure that children with additional needs are included and enabled to thrive at their local schools. However, Warwickshire's High Needs System is faced with a number of challenges, many of which are shared by areas around the country:

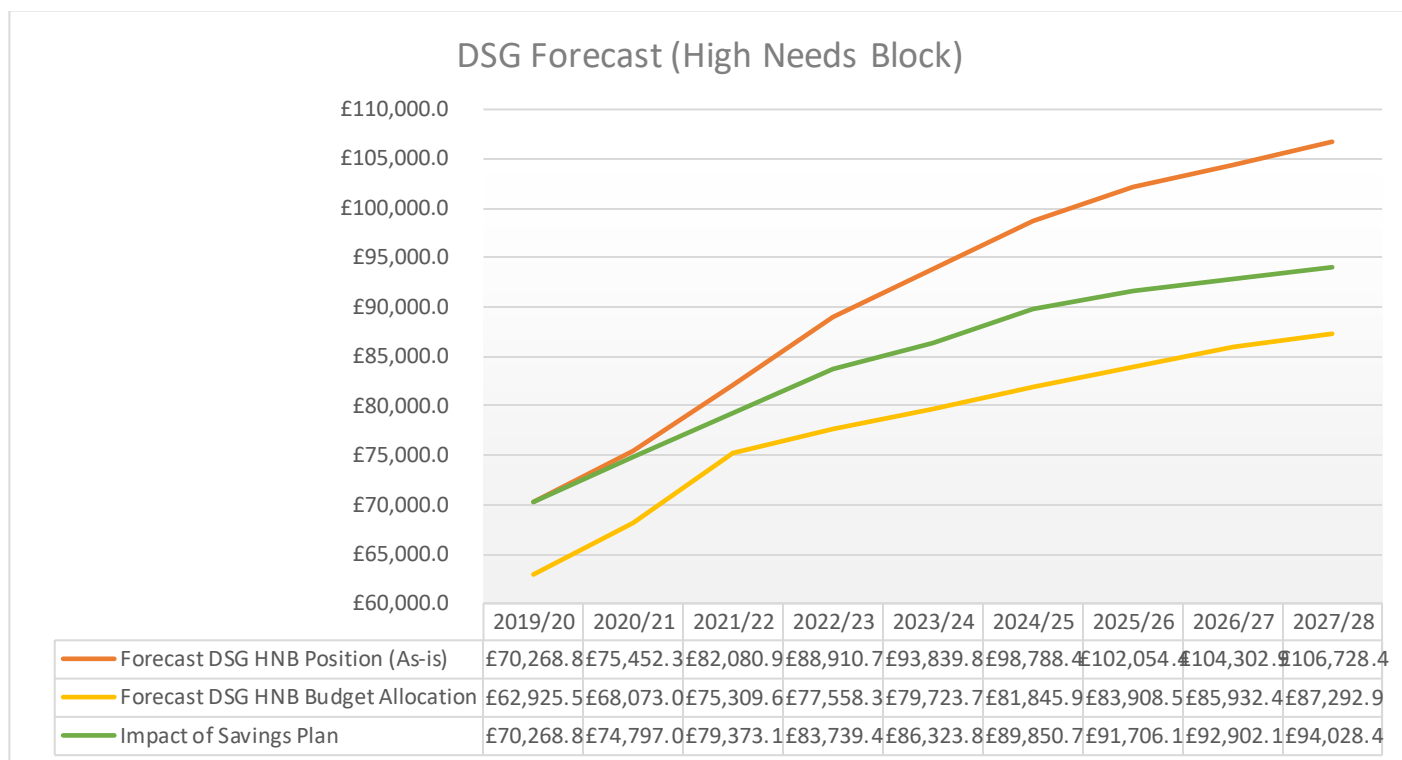
- There is an overuse of specialist placements for children with SEND, which will lead to increasing spend from the High Needs Block in the future.*
- Warwickshire's mainstream settings are seeing lower funding levels than in neighbouring local authorities, which arguably impacts their ability to respond appropriately to children's needs.*
- Sometimes children's needs are lost when decisions are being made about their education placements.*
- Support to children with Social, Emotional and Mental Health (SEMH) needs is not routinely provided at an early stage – and these children take the greatest share of high cost independent specialist provision.*
- Often, support is not accessed until a crisis has been reached – by which point, interventions are more costly.*
- Collaborative working would make more impact in preventing needs from escalating but is rare before crisis points.*
- Challenges in the High Needs System must be owned equally by Health, Social Care and partners across the education sector, and WCC can do more to develop this shared ownership; and*
- More support with moves between placements could increase placement stability in the long-term.*

Financial sustainability

24. The current system is financially unsustainable. If we carry on as we are, there will be a £16m gap between our funding allocation and our expenditure. Whilst we continue to work through local government networks and associations to gain sustainable funding from central government, we must do everything we can to meet our statutory duties within our allocated resources.

25. The cumulative effect is an overspend of £61.802 million by 2024/25 if no interventions are made (total of the gap between DSG Position and DSG Allocation

over that period). The graph below shows the gap between forecast allocations and expenditure, with and without the SEMD & Inclusion Change Programme. Even with significant changes, it is anticipated that in order to deliver statutory duties there will be a gap between funding and expenditure.



26. The cost of a placement in Independent Specialist Provision (ISP) is almost three times as much as a placement in a mainstream school. Costs of alternative provision are also rising.

27. The more we can do to channel resources into early identification and intervention in our mainstream schools, the better outcomes we can achieve for our children and young people, and the more financially sustainable we will be. This will also allow us to use our state-funded specialist provision for our children and young people with the most complex needs.

What is the SEND & Inclusion Change Programme?

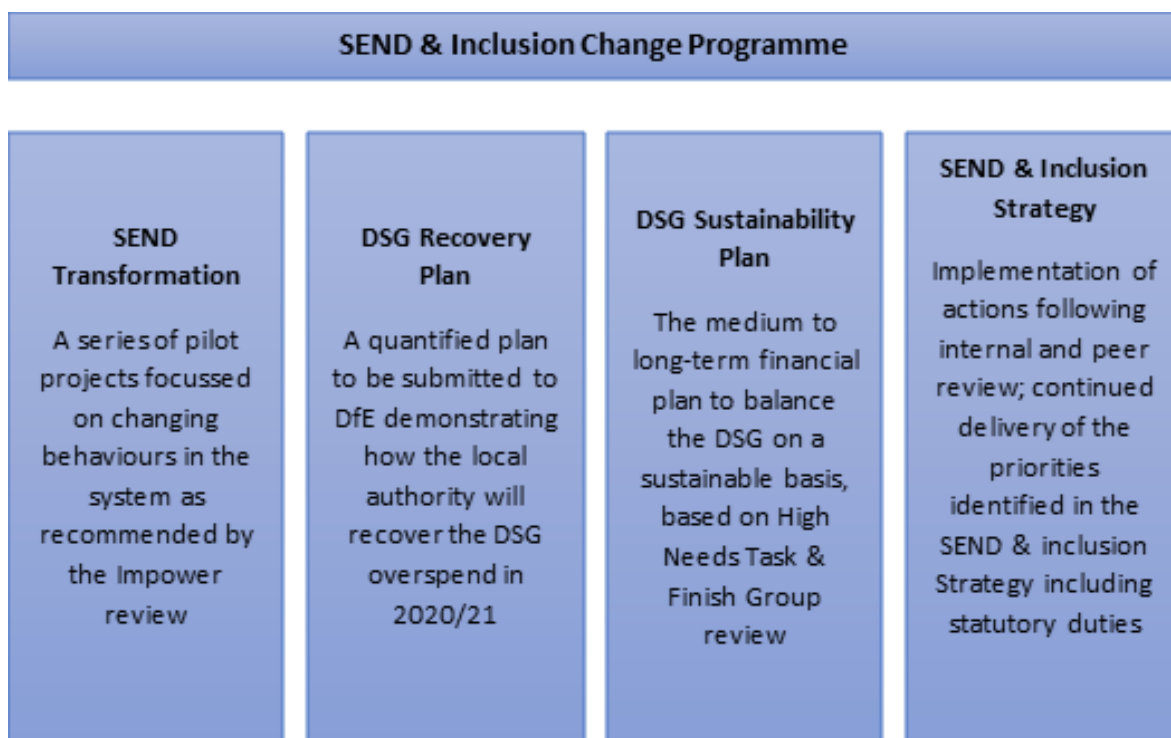
28. Warwickshire needs to introduce a whole system change. We must focus on 'promoting inclusion' in mainstream settings, giving schools the skills and resources to meet the needs of learners in their local schools, and building the confidence of parents and carers.

29. Through the SEND & Inclusion Change Programme we will work together to:

- Improve outcomes for our children and young people with SEND by changing the conversation in local schools, intervening earlier and providing clear pathways of support
- Take decisions in a clear, fair and transparent way, for example by reforming our decision-making panels
- Ensure that systems are sustainable, so that we are working within our allocated funding. This includes investing in new SEND provision in mainstream schools and specialist provision on the Pears site.

30. The SEND & Inclusion Partnership, with representation of all stakeholders, will provide comment and scrutiny of the progress of each project. Cabinet, Children & Young People’s Overview & Scrutiny Committee and Schools Forum will also provide close monitoring of the progress of the programme.

31. In total there are 31 projects looking to improve how our local system works for our children and families with SEND. The programme is organised into four blocks.



32. **SEND Transformation** consists of six projects to ensure best practice and early intervention is implemented within Warwickshire. These are the recommendations of the external review and focus on behaviour change. Projects include:

- Trial 1: Changing the conversation
- Trial 2: Needs-focussed panels
- Trial 3: Child-centred inclusion pathways

33. **DSG Recovery Plan & DSG Sustainability Plan** are projects focussed on achieving savings and sustainability within the system. Warwickshire is required to submit the DSG Recovery Plan to the Department for Education (DfE). The plan was developed with a sub-group of the Schools Forum, building on work from the previous High Needs Task & Finish Group (with local school leaders). The plan was supported by Schools Forum in June 2020 and approved by Cabinet in July 2020.
34. Many projects within this strand involve an 'invest to save' approach such as issuing EHC plans earlier in the age group 0-3, building 'resourced provisions' in mainstream schools, establishing a new special school at the Pears site, and working with employers to secure supported internships to help our young people into work.
35. Other projects will involve difficult decisions being taken in order to align our increase in EHC plans with statistical neighbours.
36. We will also need to redesign how we work through a series of service and commissioning reviews, starting with our current use of alternative provision.
37. **SEND & Inclusion Strategy** focuses on existing projects from 2019 that need to be continued in order to deliver best practice and meet our strategy duties. This includes a project identifying what we need to do to improve outcomes for our children and young people with SEND across the key stages and ensuring children are receiving their educational entitlement.

What are you expecting to see in the first year?

38. We expect to see the following changes as a result of the programme:
 - Adopt new processes for ensuring our children receive their educational entitlement
 - Start the trial projects on 'Changing the Conversation' and 'Child-centred inclusion pathways'
 - Introduce a Quality Assurance Framework for EHC plans
 - Implement changes to panel processes and issue new local SEND Guidance to schools
 - Work with Contact to reconstitute the Parent Carer Forum
 - Re-launch the Local Offer website
 - Deliver a countywide SEMH campaign
 - Increase the number of children aged 0-3 with EHC plans
 - Evaluate trials for impact and potential roll-out
 - Deliver positive educational outcomes for our children and young people with SEND
 - Introduce new arrangements for commissioning alternative provision

Autumn 2021 and beyond

- Opening a new special school and multi-agency provision on the Pears site
- Increase the number of supported internships being offered and the number of our young people with SEND moving into employment
- Increase the proportion of our school age children with EHC plans in mainstream settings
- Establish more specialist resourced provision or bases in mainstream settings
- Evidence closing the financial sustainability gap as a result of the programme

39. The programme is long term and expected to last 3-5 years in order to see the benefits of change. The immediate programme of projects focuses on year one. Projects will then be reviewed for their progress and impact.

Is Warwickshire different to other local authority areas?

40. The crisis in SEND funding and services is a national issue facing all councils and has been reflected in a number of recent reviews including the [Public Accounts Committee](#), [National Audit Office](#), [County Council Network](#) and [Local Government Association](#). The National Audit Office concluded that:

'The system for supporting pupils with SEND is not, on current trends, financially sustainable. Many local authorities are failing to live within their High Needs budgets and meet the demand for support. Pressures – such as incentives for mainstream schools to be less inclusive, increased demand for special school places, growing use of independent schools and reductions in per-pupil funding – are making the system less, rather than more, sustainable. The Department needs to act urgently to secure the improvements in quality and sustainability that are needed to achieve value for money.'

What are the financial implications of the programme?

How are you funding this programme?

41. The County Council is funding the programme from Council (not DSG) funds. The programme investment in year one is just over £1m. In addition, capital investment has been made by the Council above £10m.

Are there other ways to bridge the financial deficit?

42. There are three other levers to bridge the financial deficit, however these are not within the control of the Council:

- Additional funding from central Government – Warwickshire will continue to lobby, along with other local authorities, for a sustainable funding settlement. The new funding settlement in July 2020 allocated more funding to the High Needs Block.
- The local authority can ‘write off’ deficits from Council funds – however this can only be done with permission from the Secretary of State and if the local authority has sufficient reserves to do this

PROPOSED FUNDING CHANGES

43. The Authority is planning to continue to implement the 'hard' NFF for all Warwickshire schools in 2021-22. Based on the provisional Schools Block settlement for 2021-22 this will be affordable and leave approximately £1.7 million unallocated funding. When added to the current surplus this means the unallocated surplus in 2021-22 will be approximately £4.1 million.
44. Based on the Schools Block provisional settlement it is estimated that 0.5% would equate to approximately £1.8 million. Moving this money will still leave approximately £2.3 million unallocated funding in the Schools Block in 2021-22.
45. Increases in the minimum pupil funding (before pay and pension increases) for primary schools in 2020-21 (£3,750) and 2021-22 (£4,000) benefited our large primary schools to a greater extent than our smaller primary schools. Some of this imbalance has been addressed by the DfE with the increase in the lump sum within the sparsity factor. A sparse school is defined as having an average year group of less than 21.4 and its next nearest school is over 2 miles away for primary schools or 3 miles for secondary schools. Warwickshire 13 small rural primary schools and 1 small rural secondary school.
46. The Authority has been working with maintained schools that are in deficit for several years. There is a real trend that our small schools, that are not defined as being rural, are struggling to manage their finances and more are projecting deficit budgets within three years.
47. We have 30 primary schools that meet the definition of small based on their average pupil numbers but do not meet the criteria as their next nearest school is less than 2 miles away. Indeed, one primary school is 1.99 miles from its next nearest school but will not attract £45,000 sparsity funding in 2021-22 because it misses the distance criteria by 52 feet.
48. The Authority therefore proposes that all our schools who meet the definition of being a small school due to their low average year classes receive additional funding in 2021-22 in line with our 13 small rural primary schools. This would benefit a total of 30 schools and use £1.35 million of unallocated funding in 2021-22.
49. Transferring 0.5% from the Schools Block to the High Needs Block and allocating additional fund to the 30 small schools would leave approximately £1.0 million to allocate through other NFF factors in 2021-22, subject to the final Schools Block allocation.

CONSULTATION QUESTIONS

50. We are seeking school's views on the questions in the following table.

Schools are asked to respond to this consultation by completing the Response Template at Appendix 1. Responses should be submitted by 5pm on Friday 13 November 2020 and must be emailed to schoolfunding@warwickshire.gov.uk

1	Do you agree that the Authority should propose to the Schools Forum a transfer of 0.5% from the Schools Block to the High Needs Block to support the High Needs budget in 2021-22?
2	If not, please explain why?
3	Do you agree that the Authority should propose to the Schools Forum to allocate additional funding to our small primary schools in 2021-22 that do not meet the distance factor for sparsity fund?
4	What NFF factors would you like to be increased to allocate any additional funding in 2021-22?

This page is intentionally left blank

Reasons given by schools for not supporting the 0.5% transfer

1. Budget is too restricted especially considering additional Covid-19 related expenditure.
2. No or minimal benefit to the schools
3. Whilst progress is being made re SEND / High Needs spend due to new WCC appointments, until the measure of success moves towards student outcomes as opposed to comparison of numbers of EHCPs with statistical neighbours Headteachers locally will struggle to support additional funding within the SEND / High needs block. An ongoing matching of need of specialist and non-specialist school places across the county needs to be done
4. We understand the pressures the LA is under but the schools block funding is ring fenced for schools for a reason. That funding should be paid to schools.
5. I think that schools will not be able to support their special needs adequately. Also it is very difficult for schools to access anything other than the minimum to support care plans in school- at least that is my experience.
6. The 7 schools covered by the MAT response was - High needs block needs to live within means. This point has been made repeated.

Reasons given by schools for supporting the 0.5% transfer

1. Yes as doesn't affect the application of the NFF.
2. Yes – though 0.5% doesn't seem that much.
3. We are fully aware of the difficulties that face SEND provision within the LA and accept that in order for the needs of children to be met, additional money has to be found. We agree that the money should be moved to support SEND provision as ALL schools struggle to meet the needs of children who have EHCPs turned down due to lack of LA funds.
4. I do agree that if there is a surplus, this will be well spent on supporting the high needs block and reducing the deficit.
5. Reading the new proposals the need for greater inclusion it makes sense to use the funding to ensure the right support is getting to the right children at the right time.
6. We agree but we query if this is enough.
7. Given that the move is to reduce the number of pupils with EHCP, there should equally be support of an increase in pupils no longer eligible for EHCPs receiving additional funding.
8. The impact of a pupil with an EHCP in small schools is huge. Parents like small schools as they feel that their child will get more attention but in reality we tend to have fewer staff/resources/space to accommodate children's needs.

This page is intentionally left blank

Warwickshire County Council Equality Impact Assessment (EIA) Form

The purpose of an EIA is to ensure WCC is as inclusive as possible, both as a service deliverer and as an employer. It also demonstrates our compliance with Public Sector Equality Duty (PSED).

This document is a planning tool, designed to help you improve programmes of work by considering the implications for different groups of people. A guidance document is available [here](#).

Please note that, once approved, this document will be made public, unless you have indicated that it contains sensitive information. Please ensure that the form is clear and easy to understand. If you would like any support or advice on completing this document, please contact the Equality, Diversity and Inclusion (EDI) team on 01926 412370 or equalities@warwickshire.gov.uk

Service / policy / strategy / practice / plan being assessed	Dedicated Schools Grant (DSG) Recovery Plan: Movement of 0.5% from Schools Block to High Needs Block
Business Unit / Service Area	Education Services, SEND & Inclusion
Is this a new or existing service / policy / strategy / practice / plan? If an existing service / policy / strategy / practice / plan please state date of last assessment	New (NB. Consistent with the DSG Recovery Plan EQIA)
EIA Review team – list of members	Ross Caws, Duane Chappell
Do any other Business Units / Service Areas need to be included?	No (to be picked up within individual projects)
Does this EIA contain personal and / or sensitive information?	No
Are any of the outcomes from this assessment likely to result in complaints from existing services users, members of the public and / or employees?	If yes please let your Assistant Director and the Customer Relations Team know as soon as possible

1. Please explain the background to your proposed activity and the reasons for it.

The local authority has submitted a Dedicated Schools Grant (DSG) Recovery Plan to the Department for Education. This is due to the overspend of the DSG being more than 1% in 2019/20, primarily due to overspend of £7.34m in the High Needs Block in 2019/20. The High Needs Block is for learners with Special Educational Needs and/or Disabilities (SEND).

The High Needs Block is the funding source for provision in Education, Health and Care plans, including the cost of the school placement. It is also the source of funding for some services provided by the Council for children with disabilities.

This Equality Impact Assessment focusses on the proposal to move 0.5% from the Schools Block to the High Needs Block in 2021/22. The Equality Impact Assessment for the projects in the DSG Recovery Plan is recorded in a separate document.

2. Please outline your proposed activity including a summary of the main actions.

The proposal is to move 0.5% (approximately £1.7m) of resources in the Schools Block to the High Needs Block. The proposal will be put forward to Schools Forum.

3. Who is this going to impact and how? (customers, service users, public and staff)

It is good practice to seek the views of your stakeholders and for these to influence your proposed activity. Please list anything you have already found out. If you still need to talk to stakeholders, include this as an 'action' at the end of your EIA. **Note that in some cases, there is a duty to consult, see [more](#).**

A consultation with schools has taken place during October-November 2020 regarding the movement of funding. It has been made clear that the movement of funding can be made without affecting the National Funding Formula for each school within the County, due to an unallocated surplus in the Schools Block.

The High Needs Block supports over 4,500 children and young people with Special Educational Needs and Disabilities (SEND) based on individual assessed need. The movement of funding will contribute to ensuring that the gap between expenditure

and allocation in the High Needs Block is reduced. The details of the current financial position and forecast spend are set out in the DSG Recovery Plan.

The disapplication is consistent with the WCC Medium Term Financial Plan and the requirement for all local authorities to bring their Dedicated Schools Grant into balance as soon as possible.

The proposal has been informed by:

- Outcomes of consultation
- High Needs Operational Guide 2021-22
- Financial monitoring of the High Needs Block
- SEND & Inclusion Change Programme (in turn informed by High Needs Task and Finish Group, Peer Review and Impower Review)

We will continue to engage with stakeholders as each project in the SEND & Inclusion Change Programme is taken forward. The main mechanism for monitoring this is the SEND & Inclusion Board with representation from schools, health services, social care, education, and Parent Carer Forum.

Please analyse the potential impact of your proposed activity against the protected characteristics.

N.B Think about what actions you might take to mitigate / remove the negative impacts and maximize on the positive ones. This will form part of your action plan at question 7.

	What information do you have? What information do you still need to get?	Positive impacts	Negative impacts
Age	By law the SEND Regulations cover the age group 0-25. There is age data on all EHC plans by age.	Consistent with the SEND Code of Practice funding will be supporting children and young people aged 0-25 with SEND. Funding from High Needs Block supports 4,500 children and young people with EHC plans. At school age, 3.4% of the school population are supported with EHC plans (approximately 2,800 children and young people).	Approximately £1.7m of the unallocated surplus will not be available for redistribution to schools in other ways.
Disability Consider <ul style="list-style-type: none"> • Physical disabilities • Sensory impairments • Neurodiverse conditions (e.g. dyslexia) • Mental health conditions (e.g. depression) • Medical conditions (e.g. diabetes) 	All learners with an EHC plan will have identified special educational needs and/or disabilities.	As above, funding from High Needs Block supports 4,500 children and young people with EHC plans. The primary needs most supported are Autism Spectrum Disorder (33%), Social, Emotional and Mental Health Needs (23%) and Speech, Language and Communication Needs (14%).	Approximately £1.7m of the unallocated surplus will not be available for redistribution to schools in other ways which may or may not support children with SEND.

		The SEND & Inclusion Change Programme is based on inclusion through earlier identification and response to SEND.	
Gender Reassignment	Data not held.	None	None
Marriage and Civil Partnership	Data not held.	None	None
Pregnancy and Maternity	Data not held.	None	None
Race	Data is not universally collected. 90% of children with EHC plans have their ethnicity recorded (10% not known).	<p>High Needs Funding is allocated through EHC plans based on assessed need.</p> <p>The percentage of children and young people from ethnic groups with an EHCP plan can be compared with the County profile. There is an under-representation of children of Asian Indian or any other White Background which may be explained by the high proportion of not knowns.</p>	Approximately £1.7m of the unallocated surplus will not be available for redistribution to schools in other ways.
Religion or Belief	Data not held.	None	None
Sex	Data held.	High Needs Funding is allocated through EHC plans based on assessed need.	Approximately £1.7m of the unallocated surplus will not

		Nationally, 73% of all pupils with an EHC plan are boys. In Warwickshire, 72% of children with EHC plans are boys.	be available for redistribution to schools in other ways.
Sexual Orientation	Data not held.	None	None

4. What could the impact of your proposed activity be on other vulnerable groups e.g. deprivation, looked after children, carers?

The SEND & Inclusion Change Programme is based on inclusion through earlier identification and response to SEND. As a result, SEND learners who have other vulnerabilities should be positively impacted on, by inclusion in their local settings.

5. How does / could your proposed activity fulfil the three aims of PSED, giving due regard to:

- the elimination of discrimination, harassment and victimisation
- creating equality of opportunity between those who share a protected characteristic and those who do not
- fostering good relationships between those who share a protected characteristic and those who do not

[The Warwickshire SEND & Inclusion Strategy 2019-2023](#) sets out the evidence for inclusion – ensuring that children and young people with SEND are, as far as possible, educated with their peers without SEND in their local school. If specialist provision is required, this should also be close to home. Each EHC plan should be personalised to the learner, to ensure that the learner is supported to achieve outcomes important to them. This is consistent with the SEND Code of Practice 2015.

6. Actions – what do you need to do next?

Consider:

- Who else do you need to talk to? Do you need to engage or consult?
- How you will ensure your activity is clearly communicated
- Whether you could mitigate any negative impacts for protected groups
- Whether you could do more to fulfil the aims of PSED
- Anything else you can think of!

Action	Timescale	Name of person responsible
Oversee and review the impact of disapplication reported to Schools Forum	Ongoing	Assistant Director Education Services (Ian Budd)
Continued monitoring and development of Equality Impact Assessments as each project within the SEND & Inclusion Change Programme is rolled out	Ongoing	SEND Strategy and Commissioning Lead (Ross Caws)
Continued monitoring and development of Equality Impact Assessments as each characteristics data is made available (particularly on race and children looked after)	February 2021; February 2022	SEND Strategy and Commissioning Lead (Ross Caws)

7. Sign off.

Name of person/s completing EIA	Ross Caws, Duane Chappell
Name and signature of Assistant Director	Ian Budd
Date	17/11/2020
Date of next review and name of person/s responsible	Ross Caws, Duane Chappell

This page is intentionally left blank