

Swindon Borough Council

Schools Forum

Tuesday, 1 December 2015

Committee Room 1, Civic Offices at 4.00 p.m.

School Members:

Steve Colledge, Chair - Academy Headteacher
Janet Urban, Vice-Chair - Primary Headteacher
Rhian Cockwell, Primary Headteacher
Andrew Henstridge, Primary Headteacher
Ray Williams, Primary Governor
David Bell, Secondary Governor
Charles Law, Special Governor
Jackie Smith, Special Headteacher
Lauren Costello, Academy Headteacher
Wendy Conaghan, Academy Headteacher
Alison Lowe, Primary Headteacher
Sharon Kirwan, Swindon Association of Secondary Heads
Sue Banks, Secondary Headteacher
Jane Wheatley, Primary Headteacher
Ben Slater, EOTAS

Non-School Members:

Kate Adams, Early Years Representative
Ruth Lee, Diocese of Clifton
Peter Smith, Trade Unions
Andrew Miller, 16-19 Partnership
Graham Taylor, 16-19 Partnership

Observer Status

Beverley Pennekett, Education Funding Agency

Committee Officer: Rita Glen-Gallo

Telephone: 01793 463611 Email: rglen-gallo@swindon.gov.uk

Swindon Borough Council can be contacted at the Civic Offices, Euclid Street, Swindon, SN1 2JH (Telephone 01793 445500)

AGENDA

- 1. Apologies for Absence**
- 2. Minutes of Previous Meeting** (Pages 3 - 8)
To receive the minutes of the meeting held on 6th October 2015.

3. Special Resource Provision Funding Review (Pages 9 - 22)

Date of Despatch: 23 November 2015

Public Question Time - Swindon Borough Council remains committed to increasing its accountability to the public and to promoting active citizenship. 15 minutes will be allowed at the start of all Council meetings for questions to the Chair from the public about the work of the Committee (except for confidential matters, and matters relating to planning and licensing applications). We will give priority to those who submit questions in writing at least two days before the meeting. Questions must be relevant, clear, and concise. You may not use Public Question Time as an opportunity to make speeches or statements.

Questions in writing should be sent to the Committee Officer whose contact details appear on the agenda above or to the Director of Law and Democratic Services, we will publish it, along with the answer, alongside the Minutes. The process associated with asking a public question is set out in the "Public Question Time at Council Meetings Protocol and Guidance" available on the Council's Website.

(<http://ww5.swindon.gov.uk/moderngov/ecCatDisplay.aspx?sch=doc&cat=13338&path=0>) or from the Committee Officer named above.

Access Arrangements – The Venue is wheelchair accessible and an infrared receiver hearing system is provided. If you would wish to attend the meeting but have any special requirement to enable you to do so please contact the Committee Clerk above, as soon as possible prior to the date of the meeting.

If you would like to receive any of the pages contained in this agenda in a larger print size please contact the Committee Officer whose name appears on the first page of this agenda.

SCHOOLS FORUM

TUESDAY, 6 OCTOBER 2015

- School Members:** Steve Colledge, Chair - Academy Headteacher
Alison Lowe, Primary Headteacher
Sue Banks, Secondary Headteacher
Jackie Smith, Special Headteacher
Lauren Costello, Academy Headteacher
Andrew Henstridge, Academy Headteacher and Diocese of Clifton representative
Wendy Conaghan, Academy Headteacher
Sharon Kirwan, Academy Headteacher
Jane Wheatley, Academy Headteacher
Ray Williams, Primary Governor
David Bell, Secondary Governor
Charles Law Special Governor
Ben Slater, ETOAS
- Non-School Members:** Kate Adams, Early Years
Peter Smith, Trade Unions
Ram Thiagarajah, BME
David Francis, 16-19 Partnership
- Officers:** Ian Burbidge (Head of Finance, Schools)
Anne Mackay (Finance Manager, Education)
Peter Nathan (Head of Education)

Apologies for absence were received from Councillor Fionuala Foley, Cabinet Member for Children's Services, Janet Urban (Primary Headteacher), Ruth Lee (Diocese of Clifton), Rhian Cockwell (Primary Headteacher) and Andrew Miller (16-19 Partnership).

10. Minutes of Previous Meeting

Resolved: That the minutes of the meeting held on 7th July 2015 be confirmed and signed as a correct record.

11. Public Question Time

The following question was asked in accordance with standing Order 28 –

Questioner

Alastair Dixon-Patterson, Lydiard Park Academy.

Question

Mr Dixon-Patterson asked a series of questions relating to the (a) special resource provision funding, (b) reference to “money to follow the pupil” funding, and (c) structure of the “education other than at school” (EOTAS) budget.

Response

In Mr Dixon-Patterson's absence, the Chair confirmed that a written response had been provided and whilst Mr Dixon-Patterson was unhappy with the response given, further clarity on the special resource provision funding could not be provided until after the special resource provision funding task group complete their deliberations.

12. 2015-16 Dedicated Schools Grant Budget Position

Ms Anne Mackay, Finance Manager, submitted a report advising Forum members on the latest projected 2015/16 Dedicated Schools Grant (DSG) retained budget position and to brief members on the projected year end position against the 2015/ 16 retained budgets based upon available information at the end of August 2015.

Mr Ian Burbidge, Head of Finance, Schools, introduced the report and commented on the changes that had taken place since the last report and in particular highlighted the current projected overspend and explained that this may affect the DSG retained budget held by the Local Authority. He referred to Table 2 of the report highlighting the high risk areas that may essentially affect the budget. Members noted Appendix A of the report which highlighted the reasons for the projected variances. In response to a query regarding the implementation of effective monitoring procedures, Mr Burbidge confirmed that the Finance department critically analysed expenditure and challenged budget managers. Members enquired if a deficit recovery plan had been implemented by the Local Authority. Mr Burbidge advised that a rectification plan would be part of the following year's budget proposals and that an appropriate level of reserves have to be re-established. Mr Burbidge further updated members on how two, three and four year old funding would be captured, recorded and reported.

Resolved – That the Schools Forum notes:

(1) That the latest projection on the 2015-16 retained budget was an overspend of £0.738m.

(2) That the unallocated Dedicated School Grant balance would be reduced to £0.360m.

13. Monitoring of School Balances

The Forum considered a report submitted by Ms Anne Mackay, Finance Manager and presented by Mr Ian Burbidge, Head of Finance, Schools, setting out the level of school balances, particularly regarding the planned use of 2014-15 surplus balances during 2015-16 and the use of 2015-16 surplus balances in 2016-17 and beyond. Mr Burbidge referred to the estimated school revenue balances expected to be held on 31st March 2016 as forecast by schools in June 2015. Mr Burbidge advised that the Finance department would be contacting a number of schools who were either using balances to support their in-year spend or their 2016/17 spending levels. Members noted that at present, maintained schools had not met the criteria to trigger implementing the fallback mechanism. Further to 6.1 of the report, members debated the principle of claw back and if the criteria should be amended to reflect that either of the criteria could be met before the claw back mechanism was to be implemented. Members agreed that further information on how this affected schools was required before a vote would be taken.

Resolved – That the Schools Forum notes:

(1) The planned use of schools' surplus balances brought forward at 1st April 2015 and the schools' committed use of these balances in 2015/16.

(2) The surplus balances estimated to be carried forward by schools at 31st March 2016 and the value to be committed for use in 2016/17.

(3) That based on the survey forms received, twenty two schools plan to hold uncommitted balances on 31st March 2016 which exceed the target per pupil values agreed by the Schools Forum.

(4) The analysis of schools' planned use of March 2015 surplus balances in 2015/16.

(5) The indicative future balances to be held by schools at 31st March 2017 and 31st March 2018, 2015.

(6) That further information regarding the effect of the school balances claw back mechanism on schools be submitted at the next meeting of the Forum.

14. Schools Financial Value Standard Returns

Ms Anne Mackay, Finance Manager, submitted a brief report advising the Forum of the position following the submission of the Schools Financial Value Standard (SFVS) self-assessments as required by the DfE for 2014/15. Mr Ian Burbidge, Head of Finance, Schools introduced the report and referred to the requirements of SFVS assessments which non-academy schools were required to complete once a year and submit to the Local Authority, to demonstrate that they have sound financial management practice and processes in place. It was noted that the self-assessment had been completed and submitted by schools by 31st March 2015. Mr Burbidge drew attention to the two extra questions included in this years' SFVS submission.

Resolved – That the Schools Forum notes:

(1) That the Local Authority would be issuing guidance on how best to complete the SFVS return.

(2) That further to (1) above, future submissions by schools should follow this guidance.

(3) That SFVS submissions form part of the Local Authority's finance health check of schools and schools may be contacted to verify evidence in support of their assessments.

15. 2015-16 Dedicated Schools Grant Budget and Forward Look to 2016-17

The Forum considered a report by Mr Ian Burbidge, Head of Finance, Schools, with information on the latest position of the 2015/16 Dedicated Schools Grant (DSG) settlements and budget and explained that following the Forum's meeting on 7th July 2015, the report addressed (a) an update on the central equal pay liability, (b) an update on the Notional SEN changes that were introduced in April, (c) Early Years update, (d) Pupil Growth Policy, (e) feedback from the SENRAP modelling pilot, (f) an update on the Special Resource Provision (SRP) review, (g) an update on the general Special Educational Needs (SEN) strategy, (h) an update on the SEN forecasting model, (i) Trade Union Release Time, and (j) an F40 funding group update. He further advised that the report then highlighted items to be considered by members as part of the 2016/17 budget setting process.

Members noted the following points:

- Financial pressure under which the early years setting was operating in.
- Consultation being conducted by Gareth Cheal, Strategic Planning Manager,

with various stakeholders to review the pupil growth policy.

- Special Educational Needs Resources and Assessment Panel (SENRAP) moderation of bandings.
- The extra School Forum meeting to be held on 1st December 2015 to review a report by the SRP (Special Resource Provision) Review Task Group regarding special resource provision funding.
- On-going work to forecast future SEN provision in secondary schools. This had indicated future pressure over the next five years.
- Annual review of Trade Union release time and the request for members to discuss at the headteachers associations within the various sectors to enable members to vote at the next meeting of the Schools Forum.
- An update on the F40 fairer funding campaign.
- Proposals to increase the Dedicated Schools Grant reserves would be submitted at the next meeting of the Forum.

Resolved: (1) That the Schools Forum:

(1) Notes that £0.031m of central funding was being retained to meet central equal pay liabilities and that repayment proposals would be brought to a future Schools Forum for discussion.

(2) Notes the impact that the funding changes would have had on the 2014/15 notional SEN funding.

(3) Notes that where a claw-back of funding is required schools will be contacted by the Local Authority (LA).

(4) Notes the current position regarding the take up of early years' places.

(5) Notes that the budget for 2016/17 will need to be reviewed in light of the increasing numbers of students taking up early years' provision.

(6) Notes the potential impact on the number of early years places required following the Governments' announcement increasing early years' entitlement from 15 to 30 hours.

(7) Notes the contents of the letter received from the Early Years Representative.

(8) Notes the proposed time table to review the trigger funding policy to accommodate situations outside the current policy.

(9) Notes the changes to the funding applications made to the Special Educational Needs Resource and Assessment Panel (SENRAP).

(10) Agrees to the principles of universal banding model.

(11) Notes the date of the extra schools forum on the 1st December.

(12) Notes the contents of the Specialist Provision for Special Educational Needs in Swindon report.

(13) Notes the work being undertaken to model SEN secondary school requirements.

(14) Discusses the union letter with their head teacher associations so that forum can vote on this issue in January.

(15) Further to (14) above, members were requested to invite union members to their head teacher associations to discuss trade union release time.

(16) Notes the minutes of the F40 meeting with the DfE.

(17) Notes that there is a need to increase the value of the DSG reserves as part of the 2016/17 budget setting process.

(18) Notes that as part of the 2016/17 budget setting process the £500k reduction in DSG funding for 6th forms will need to be addressed.

16.

Post 16 High Needs Funding Update

The Head of Finance, Education, presented a report updating the Forum on the level of funding available and proposes indicative funding allocations to providers for the 2015/16 financial year. Mr Ian Burbidge, Head of Finance, Education referred to the number of pupils accessing this provision and confirmed that this was less than anticipated. He further referred to the proposed 2015/16 post 16 high need bank values and supplements and members noted that this was set by central government.

Resolved: That this Forum notes that:

(1) The latest projected 2015/16 financial year costs arising from the LA new funding responsibilities for Post 16 High Needs Students is estimated at £2.022m for 387 post 16 (excluding school sixth form) high needs students. This includes costs of 55 placements at ISPs of £0.531m and indicative allocations to FE colleges and training providers of £1.491m for 332 students.

(2) The indicative banding values for the academic year 2015/16 have reduced since 2014/15 academic year to fit within the available funding envelope as a result of a significant projected increase in student numbers.

17.

Dates of Future Meetings

The Schools Forum is scheduled to meet on the following dates:

- 1st December 2015, 4 p.m. in Committee Room 1.
- 12th January 2016, 4 p.m. in Committee Room 6.
- 15th March 2016, 4 p.m. in Committee Room 6.

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Special Resource Provision Funding Review

Schools' Forum

Date: 1st December 2015

Authors: Head of Finance (Education)

Wards Affected: All

Locality Affected: All

Settings Affected: As the Dedicated Schools Grant is ring-fenced funding provided by the Department for Education to meet the educational needs of early years; school age and all 0 to 25 year old high needs pupils any decisions on how the grant is utilised indirectly affects all settings.

1. Purpose and Reasons

- 1.1 The purpose of this report is to provide Schools Forum with the results of the Special Resource Provision (SRP) funding review and enable them to assess the impact on the level of funding available to SRPs for the 2016/17 financial year.

2. Recommendations

- 2.1 Members of the Schools Forum are now asked to:

- Discuss the outcomes of the SRP review
- Advise the LA on their preferred option to address the funding pressures being experienced by certain types of SRPs.

3. Funding arrangements for SRPs

Current Issues

- 3.1 Currently all SRPs are funded via a combination of place funding per pupil, top-up bandings and specific allowances. The place funding is fixed at £10,000 per place per year. The bandings are on a sliding scale from band 1 (£12,662) to band 6 (£1,899), the majority of pupils are in band 3 or higher. There is a provision that in exceptional circumstances a band 1+ can be agreed which will bring a bespoke funding package for an individual pupil. The allowances cover medical needs, speech & language, physiotherapy, occupational therapy and British sign language teaching. In addition there is a specific allowance for pupils with ASD conditions who are managed via an SRP and an allowance for access to mainstream education.
- 3.2 Currently there are 14 SRP settings in Swindon, each setting was asked to submit their 2015/16 budget in a standard template to enable a bench marking exercise to be undertaken, 13 settings supplied their budget information.
- 3.3 Of the returns supplied it was noted that the SRP settings who deal with Physical Disabilities (PD) are all experiencing in year operational deficits, 2 of the 4 Autistic Spectrum Disorder (ASD) settings are in deficit and 3 of the remaining 6 settings
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Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 (iburbidge@swindon.gov.uk)

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Date: 1st December 2015

are also showing a deficit. It should also be noted that one school with two SRPs reported a small overall surplus but the first SRP has a significant surplus, managed within the school to offset a significant deficit from the second SRP setting. A summary of the bench marking exercise is attached at **Appendix 1**.

- 3.4 Where a setting was in receipt of one off income or one off expenditure, the values have been excluded when assessing the long term financial position for the setting.
- 3.5 The benchmarking exercise highlighted that there were significant variances between the operating costs in the various SRPs.
- Some SRPs occupy separate buildings within the school grounds whilst others are an integral part of the school buildings and this is reflected in the variance in premises costs.
 - Leadership / administration costs attributable to the SRP vary from setting to setting as the staffing structure for each SRP is set by individual schools.
 - Schools also allocate the supplies & services costs that are attributable to their SRP and there can be differences in the categorisation and allocation of costs.
- 3.6 The benchmarking exercise did show however that, even allowing for the issues outlined above, across all settings there is a net operating surplus of £30k. This would indicate that the amount of funding in the system is appropriate to the needs of the pupils but the distribution of the funding needs to be reviewed.
- 3.7 All head teachers of SRP settings were invited to participate in the review process to ensure that there was a common understanding of the issues; there was a discussion on the approach taken by schools on the integration of SRP pupils into the mainstream school. There was a conversation about how leadership costs could be standardised across the SRP settings as the leadership structure and management of the SRP and also the approach to shared costs is decided by individual schools.
- 3.8 The group identified a number of different scenarios that could potentially readdress the issues. The scenarios and their results are detailed below.
- 3.9 The group have a number of ideals that they wished to be achieved by the modelling exercise; (i) to identify a methodology for creating a contingency fund to assist the SRPs that were facing a deficit. (ii) identify an allowance that could be applied to the settings with a deficit, to enable the schools to set SRP budgets with certainty of funding.

The Baseline

- 3.10 The baseline uses the information supplied by the SRP settings.

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 (iburbidge@swindon.gov.uk)

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- 3.11 As noted above, the benchmarking exercise highlighted areas where there is a requirement to ensure that the budget for each SRP is produced in line with an agreed set of principles. This will ensure that the appropriate level of leadership, building and supplies & services costs are included so that the template can be used to reduce anomalies and redistribute additional resources to settings equably.
- 3.12 The scenario modelling uses the figures provided by the settings to form a baseline that includes the inherent issues identified above. For the purpose of the modelling exercise all one off income or expenditure that has been budgeted has been excluded. For all options the details of the school by school impact can be found at **Appendix 2**.

Option 1 - Lower SPLD bandings down one band and increase PD bandings up one band

- 3.13 Under this option all SPLD pupil bandings were lowered by one band (i.e. a band 2 became a band 3) and all PD bandings were raised by one band (i.e. a band 2 became a band 1). Pupils already in either the lowest or highest band were not adjusted.

Results

- 3.14 This option requires additional funding of £20,645 and whilst it did enable the budget at Westlea to be balanced, it only partly resolved the issue at Robert Le Kyng reducing the deficit to £29,662. In addition the net position at Commonweal moved from a net surplus of £2,058 to a net deficit of £18,198.
- 3.15 Therefore this option would not solve the issue for PD settings.

Option 2 - Provide Contingency from mainstream funding

- 3.16 Under this option all mainstream settings would see their AWPU (BPPE) funding reduced to provide extra funding for SRP units. Three options were explored
- (i) provide funding to cover all SRP deficits
 - (ii) provide funding to cover net SRP deficits i.e. where a school has two SRPs only a net deficit is funded or
 - (iii) provide funding to cover PD deficits only and funding the net deficit where there are two SRPs.
- 3.17 This option must be considered in conjunction with cost pressures that are being faced by the whole DSG; early budget indications for 2016/17 indicate that approximately £1.1m will need to be saved from mainstream school budgets, equivalent to a £36.83 reduction in AWPU per pupil. (this figure is subject to change as work is still being undertaken on budget requirements for 2016/17)

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 (iburbidge@swindon.gov.uk)

Special Resource Provision Funding Review

Schools' Forum

Date: 1st December 2015

Results

3.18 Reduction in AWP (BPPE) per pupil that will be required: (i) £8.34, (ii) £3.35, (iii) £1.82. Option (i) results in twelve additional schools requiring Minimum Funding Guarantee protection. Option (ii) results in two additional school requiring MFG funding, and option (iii) does not increase the number of schools requiring MFG protection.

Option 3a - Provide contingency from SRP units by reducing bandings

3.19 Under this option all SRP settings would see a reduction in the funding they receive via a reduction in the value of the bandings. This would then be used to create a contingency pot that could be used to support the SRPs that are in deficit. The same three options outlined at option 2 above were investigated to understand what reductions to bandings would be required to deal with the deficits. Reducing the banding levels will affect all SRP settings and will increase the level of deficits and therefore may require a higher level of contingency funding to assist the SRP settings in deficit.

Results

3.20 To provide a sufficiently large contingency pot to meet the deficits that occur in each of the three scenarios the banding reductions would be as follows: (i) 65.4%, (ii) 39.8%, (iii) 5.75%.

Fund all SRP deficits by reducing SRP banding amounts	Fund all SRP deficits from mainstream schools	Offset surplus and deficit within schools with more than 1 SRP	Only Fund PD settings losses, but still retain offset within schools
Amount required	£903,493.35	£549,214	£79,451
Reduction in banding values	65.40%	39.80%	5.75%

3.21 The first two scenarios would increase the number of SRPs in a deficit position by four.

Option 3b - Provide contingency from SRP units by reducing access to mainstream fees by 25%

3.22 Under this option the "access to mainstream" allowance would be reduced by 25%, from £2,000 to £1,500 per annum. The unallocated funding generated by this reduction would be available to redistribute to the SRP PD units to reduce their deficit to nil.

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 (iburbidge@swindon.gov.uk)

Special Resource Provision Funding Review

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Results

3.23 The reduction in the “access to mainstream” allowance would generate £88,125 of unallocated funding that can be used to support the PD SRP units. This level of funding would put both primary PD SRPs into a balanced position and would put the two Commonweal SRPs into a slight net surplus position. There would be an adverse effect on all other SRPs with the largest impact being felt by the secondary ASD SRP settings.

Option 3c - Provide contingency from SRP units by reducing ASD fees by 15%

3.24 Under this option the “ASD in an SRP” allowance would be reduced by 15%, from £6,000 to £5,100 per annum. The unallocated funding generated by this reduction would be available to redistribute to the SRP PD units to reduce their deficit to nil.

Results

3.25 The reduction in the “ASD in an SRP” allowance would generate £55,650 of unallocated funding that can be used to support the PD SRP units. This level of funding would put both primary PD SRP's into a balanced position and would put the two Commonweal SRPs into a slight net surplus position. There would be an adverse effect on the 4 ASD SRPs and the 3 CLD SRPs.

Option 3d - Provide contingency from SRP units by reducing all allowances by x%

3.26 Under this option all allowances and bandings, with the exception of the place fee of £10,000, would be reduced by x% per annum. The unallocated funding generated by this reduction would be available to redistribute to all SRPs to reduce their deficits to nil, with the proviso that where two SRPs are at the same school only the net deficit will be funded.

Results

3.27 The reduction in the allowance would generate £23,190, for each 1% reduction, of unallocated funding that can be used to support all SRP units. For this option to be effective all bandings and allowances would need to be reduced by 22% to generate a large enough contingency to meet all of the deficits that will occur due to the reduced level of funding. All settings bar two will be in a deficit position and will therefore require funding from the contingency pot to balance their budget.

Error in consultation

3.28 Option 3d of the consultation contained an error in the way that the allowances were applied in that whilst a reduction of 1% was taken against all bandings and allowances, the “ASD in an SRP” allowance was inadvertently reduced to £0.

Option 4 – Provide contingency from SRP units by reducing all allowances by removing the “ASD in an SRP” supplement (**not consulted upon**)

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 (iburbidge@swindon.gov.uk)

Special Resource Provision Funding Review

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- 3.29 Under this option the “ASD in an SRP” allowance would be removed completely, The unallocated funding generated by this reduction would be available to redistribute to all SRPs to reduce their deficits to nil, with the proviso that where two SRPs are at the same school only the net deficit will be funded.

Results

- 3.30 The removal of the allowance would generate £371,000 of unallocated funding that can be used to support all SRP units. This level of funding would leave all SRPs with a balanced budget, with only one SRP generating a surplus of £20,638.

Other issues

- 3.31 As noted above at Para. 3.9 there was a desire for a contingency pot to be created, with a standardised allowance that could be allocated to settings to assist with their deficit. This solution would ensure that each setting could set a budget with surety of funding and there would not be a requirement for a data collection exercise and cost moderation process each year.
- 3.32 Having reviewed all of the results of the scenario modelling it is not possible to have one allowance that can deal with all of the deficits at the various settings. The deficit per pupil varies from £152 per pupil to £7,276 per pupil. Therefore deficits will need to be funded on a case by case basis from a contingency pot.
- 3.33 Given that the deficit will need to be funded from a contingency pot, there will need to be an agreement on the level of leadership, buildings and supplies & services costs allocated to the SRP. It will also be necessary to benchmark costs across the SRPs to ensure that all settings are consistent so any allocation of funding is equitable. This exercise would require a peer review to be carried out where outlier costs can be challenged, the LA would facilitate the data collection and analysis for this review.
- 3.34 In the event that the amount available for redistribution is less than the deficit then it would be allocated on a proportional basis such that no setting is significantly adversely affected. If however, there is more funding available than is required, the surplus can either:
- (a) Be retained to support future years or
 - (b) Redistributed to all settings that were affected by the reduction.

Of the two options outlined above the LA would recommend option (a)

- 3.35 The SRP review group were asked to comment on the results of the scenarios noted above and rank the options in order; the summary of these responses is attached at **Appendix 3**.

Special Resource Provision Funding Review

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Members of the Schools Forum are now asked to:

- **Discuss the outcomes of the SRP review**
- **Advise the LA on their preferred option to address the funding pressures being experienced by certain types of SRP's.**

4. Alternative Options

The LA has a statutory duty to manage and distribute the Dedicated Schools Grant (DSG) in accordance with prevailing grant conditions and School Finance Regulations. DfE have prescribed the options available to Local Authorities, some of which are mandatory whilst some are discretionary, but in most cases funding values are to be locally determined. The proposals in this report are aimed at containing costs within the level of funding provided by EFA to meet the LAs new responsibilities. As no elements of the DSG are ring fenced it is for individual LAs to decide how best to manage this funding via consultation with Schools Forum's.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 Various financial implications are included in this report relating to management of the retained DSG budget.

Legal and Human Rights Implications

- 5.2 There are no legal and human rights implications arising from this report.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 This report does not make any recommendations that affect these areas.

Links to One Swindon, Strategic Objectives, Plans and Policies

- 5.4 Utilisation of the DSG has a direct link to two of the Council's five priorities – "Right skills, right jobs in the right place" and "Make the best use of Swindon's resources inside and outside the Council".

Diversity Impact Assessment

- 5.5 The proposals within this report are designed to allocate funding targeted at disadvantaged pupils and at pupils with low prior attainment and / or special education needs in order to narrow the attainment gap between these and other pupils.

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 (iburbidge@swindon.gov.uk)

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Risk Management

- 5.6 There are no specific risk management implications not highlighted in the body of the report.

6. **Consultees**

- 6.1 The Board Director Finance, Revenues, Benefits and Property (Section 151 Officer), Board Director, Commissioning (Director of Children Services) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. **Background Papers**

- 7.1 Various documents issued by the Department for Education which were summarised in previous reports to the Schools Forum
- 7.2 Appendix 1 – Results of Bench Marking Exercise
- 7.3 Appendix 2 – Results of Scenario Modelling
- 7.4 Appendix 3 – Summary of responses from SRPs

Appendix 1 - Results of Bench Marking Exercise

The Commonweal School - PD	Robert Le Kyng Primary School - PD	Westlea Primary School - PD	Kingsdown - ASD	Lydiard Park Academy - ASD	The Ridgeway School & Sixth Form College - ASD	Ruskin - ASD	Eldene Nursery & Primary School - CLD	Millbrook Primary School - CLD	Red Oaks - LDD	The Commonweal School - SpLD	Even Swindon SSL	Red Oaks - SBI	Overview
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ANNUAL REVENUE FUNDING

[illegible]

ANNUAL SPENDING

£420,612	£256,750	£160,569	£357,073	£302,794	£199,531	£133,995	£126,155	£169,718	£189,416	£315,610	£223,331	£453,215	£3,308,769
£15,308	£9,151	£6,782	£7,358	£10,529	£47,757	£9,017	£9,507	£8,772	£6,945	£3,580	£19,371	£2,719	£155,796
£26,695	£24,845	£50,827	£23,960	£23,785	£28,435	£28,533	£26,362	£13,519	£13,612	£26,599	£75,972	£43,172	£406,318
£0	£0	£0	£0	£0	£0	£0	£0	£0	£45	£0	£0	£54	£99
£462,615	£290,747	£218,178	£388,391	£337,108	£275,723	£170,545	£162,024	£192,010	£210,018	£345,790	£318,675	£499,161	£3,870,982

Gross Surplus / (deficit) on
SRP Service[illegible]per pupil basis
per school

£8,173	£5,946	£0	£6,267	£7,444	£6,339	£4,433	£4,305	£5,224	£4,711	£14,075	£7,661	£5,653	£81,231
£19,966	£7,684	£13,065	£8,280	£57,864	£19,808	£11,625	£7,346	£1,557	£7,995.00	£16,966	£7,159	£15,990.00	£192,303

ANNUAL REVENUE FUNDING PER PUPIL

[illegible]

ANNUAL SPENDING PER PUPIL

£22,634	£25,675	£26,761	£23,805	£20,186	£16,628	£13,399	£12,615	£18,858	£18,942	£10,790	£14,486	£34,863	£19,098
£824	£915	£1,130	£491	£702	£3,980	£802	£951	£975	£695	£122	£1,257	£209	£899
£1,437	£2,485	£8,471	£1,597	£1,586	£2,370	£2,853	£2,636	£1,502	£1,361	£909	£4,928	£3,321	£2,345
£24,894	£29,075	£36,363	£25,893	£22,474	£22,977	£17,054	£0	£21,334	£1,502	£11,822	£20,671	£38,397	£22,343

Direct Cost of SRP Service

£3,706	£921	£2,178	£740	£6,533	£3,435	£2,312	£1,329	£1,013	£1,310	£1,926	£1,400	£1,741
Administration and other staff costs												
£28,600	£29,996	£38,540	£26,633	£29,007	£26,412	£19,367	£17,532	£22,348	£22,312	£13,748	£22,070	£40,138
On-going revenue spending												
£7,276	£4,770	£1,098	£961	£1,635	£3,335	£5,703	£2,664	£499	£1,420	£4,693	£152	£1,431
Recurring cost of Service												
£2,313												
£24,656												
£174												

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Appendix 2 - Results of Scenario Modelling

	The Commonweal School - PD	Robert Le Kyng Primary School - PD	Westlea Primary School - PD	Kingsdown - ASD	Lydiard Park Academy - ASD	The Ridgeway School & Sixth Form College - ASD	Ruskin - ASD	Eidene Nursery & Primary School - CLD	Millbrook Primary School - CLD	Red Oaks - LDD	The Commonweal School - SpLD	Even Swindon - SSL	Red Oaks - SBI	Overview
Baseline Information														
Average No. of Pupils	2015/16 18.58	2015/16 10.00	2015/16 6.00	2015/16 15.00	2015/16 15.00	2015/16 12.00	2015/16 10.00	2015/16 10.00	2015/16 9.00	2015/16 10.00	2015/16 29.25	2015/16 15.42	2015/16 13.00	2015/16 173.25
Total Annual Funding	£396,266	£252,256	£224,655	£385,082	£410,585	£356,964	£250,700	£201,956	£196,641	£208,920	£539,402	£337,901	£540,396	£4,301,724
ANNUAL SPENDING														
Total Annual Revenue Spending	£462,615	£290,747	£218,178	£388,391	£337,108	£275,723	£170,545	£162,024	£192,010	£210,018	£345,790	£318,675	£499,161	£3,870,982
Gross Surplus / (deficit) on SRP Service	-£66,349	-£38,491	£6,477	-£3,309	£73,477	£81,241	£80,155	£39,932	£4,631	-£1,098	£193,613	£19,226	£41,235	£430,741
A) Staffing - Leadership, Administration and other staff costs	£68,866	£9,214	£13,065	£11,106	£97,998	£41,218	£23,123	£13,295	£9,118	£13,100	£56,340	£21,576	£22,627	£400,646
On-going revenue spending	£531,481	£299,961	£231,243	£399,497	£435,106	£316,940	£193,667	£175,319	£201,128	£223,118	£402,130	£340,251	£521,788	£4,271,628
Net Surplus / (deficit) on SRP Services	-£135,215	-£47,705	-£6,588	-£14,415	-£24,521	£40,024	£57,032	£26,638	-£4,487	-£14,198	£137,273	-£2,350	£18,608	£30,095

In all cases the figure shown is before one off items of income and expenditure

Option 1 - Take SPLD down 1 band and put PD up 1 band

Total Annual Funding	£438,209	£270,299	£247,512	£385,082	£410,585	£356,964	£250,700	£201,956	£196,641	£208,920	£477,204	£337,901	£540,396	£4,322,368
In Year Surplus (Deficit)	-£93,272	-£29,662	£16,269	-£14,415	-£24,521	£40,024	£57,032	£26,638	-£4,487	-£14,198	£75,074	-£2,350	£18,608	£50,740
Decrease / - Increase in deficit	£41,943	£18,043	£22,857	£0	£0	£0	£0	£0	£0	£0	-£62,198	£0	£0	£20,645

Option 2 - Provide Contingency from Mainstream funding

Fund all SRP deficits from mainstream schools	Fund all SRP deficits from mainstream schools	Offset surplus and deficit within schools with more than 1 SRP	Only Fund PD settings losses, but still retain offset within schools											
Amount required	£249,479.24	£100,066	£54,293											
Cost per pupil	£8.35	£3.35	£1.82											
Increase in MFG	£25,151.00	£6,268.00	£2,568.00											
No of extra schools in MFG	12	2	0											
Reduction in mainstream funding already being considered	£36.83	£36.83	£36.83											
Total reduction in funding per pupil	£45.18	£40.18	£38.65											
Impact on 1 FE Primary	210	£9,488.20	£8,437.79	£8,115.99										
impact on 2 FE Primary	420	£18,976.39	£16,875.58	£16,231.98										
impact on 6 FE Secondary	900	£40,663.70	£36,161.96	£34,782.81										
impact on 8 FE Secondary	1,200	£54,218.27	£48,215.94	£46,377.09										

Option 3a - Provide contingency from SRP units by reducing bandings

Fund all SRP deficits by reducing SRP banding amounts	Fund all SRP deficits from mainstream schools	Offset surplus and deficit within schools with more than 1 SRP	Only Fund PD settings losses, but still retain offset within schools											
Amount required	£903,493.35	£549,214	£79,451											
Reduction in banding values	65.40%	39.80%	5.75%											
Contingency Pot Generated	£903,575	£549,191	£80,134											
No of extra SRP's in deficit	4	4	0											
Total Annual Funding	£388,163	£246,584	£221,543	£378,748	£402,953	£350,047	£246,584	£198,325	£193,477	£204,649	£529,073	£330,731	£531,404	£4,222,281
Extra Funding from redistribution	£16,374	£53,377	£9,700											£79,451
Net Surplus / (deficit) on SRP Services	-£126,944	£0	£0	-£20,749	-£32,154	£33,107	£52,917	£23,007	-£7,651	-£18,469	£126,943	-£9,521	£9,617	£30,103
Decrease / - Increase in deficit	£8,271	£47,705	£6,588	-£6,334	-£7,632	-£6,917	-£4,115	-£3,631	-£3,164	-£4,271	-£10,330	-£7,171	-£8,991	£7

Option 3b - Provide contingency from SRP units by reducing access to mainstream fees by 25%

Total Annual Funding	£387,474	£247,256	£220,447	£377,582	£403,085	£349,964	£245,700	£196,956	£192,141	£203,920	£524,986	£330,192	£533,896	£4,213,599
Extra Funding from redistribution	£24,624	£52,705	£10,796											£88,125
Net Surplus / (deficit) on SRP Services	-£119,383	£0	-£0	-£21,915	-£32,021	£33,024	£52,032	£21,638	-£8,987	-£19,198	£122,856	-£10,059	£12,108	£30,095
Decrease / - Increase in deficit	£15,832	£47,705	£6,588	-£7,500	-£7,500	-£7,000	-£5,000	-£5,000	-£4,500	-£5,000	-£14,417	-£7,708	-£6,500	-£0

Option 3c - Provide contingency from SRP units by reducing ASD fees by 15%														
Total Annual Funding	£396,266	£252,256	£224,280	£371,582	£397,085	£344,364	£242,225	£201,056	£192,141	£207,120	£539,402	£337,901	£540,396	£4,246,074
Extra Funding from redistribution	£982	£47,705	£6,963											£55,650
Net Surplus / (deficit) on SRP Services	-£135,215	£0	£0	-£27,915	-£38,021	£27,424	£48,557	£25,738	-£8,987	-£15,998	£137,273	-£2,350	£18,608	£29,113
Decrease / - Increase in deficit	£0	£47,705	£6,588	-£13,500	-£13,500	-£12,600	-£8,475	-£900	-£4,500	-£1,800	£0	£0	£0	-£982

Option 3d - Provide contingency from SRP units by reducing all allowances by 1%

Total Annual Funding	£350,851	£220,359	£202,878	£334,393	£353,873	£305,860	£217,836	£181,559	£173,719	£185,248	£487,195	£298,350	£479,422	£3,791,543
Extra Funding from redistribution	£95,566	£79,601	£28,365	£65,105	£81,233	£11,080	£0		£27,409	£37,870		£41,901	£42,365	£510,495
Net Surplus / (deficit) on SRP Services	-£85,065	£0	£0	£0	£0	£0	£24,169	£6,240	£0	£0	£85,065	£0	£0	£30,409
Decrease / - Increase in deficit	£50,150	£47,705	£6,588	£14,415	£24,521	-£40,024	-£32,863	-£20,398	£4,487	£14,198	-£52,208	£2,350	-£18,608	£314
The 1% reduction releases	£23,190	£510,180												
Used in funding deficit	-£112,607	-£510,495												
Still available to meet other demands	-£89,417	-£315												

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Appendix 3 – Summary of responses from SRPs

OPTION	The Commonweal School - PD				Robert Le Kynng Primary School - PD				Westlea Primary School - PD				Kingsdown - ASD				Lydiard Park Academy - ASD				The Ridgeway School & Sixth Form College - ASD				Ruskin - ASD				Eldene Nursery & Primary School - CLD				Millbrook Primary School - CLD				Red Oaks - LDD				The Commonweal School - SPLD				Even Swindon - SSL				Red Oaks - SBI			
	5			1	5			1	1	1	3	1	1	1	3	6	2		5	4		6	3 (ii)	5	2	6	5	4		2	3	6	1	4	2	3	1	3	4	2	3	1	1									
Option 1 - Take SPLD down 1 band and put PD up 1 band																																																				
Option 2 - Provide Contingency from mainstream funding	6				6						5																																									
Option 3a - Provide contingency from SRP units by reducing bandings	2	2	4		2	2	4				4																																									
Option 3b - Provide contingency from SRP units by reducing access to mainstream fees by 25%	1	2			1	2					1																																									
Option 3c - Provide contingency from SRP units by reducing ASD fees by 15%	4	2	3		4	2	3				2																																									
Option 3d - Provide contingency from SRP units by reducing all allowances by 1%	3	1	2		3	1	2		2		6																																									

1 being the most preferred option and 6 the least

Comments received from various SRPs

Red Oaks

The overall feeling was that mainstream funding should not be touched as there is already pressure on this area due to the high number of SEN children in Red Oaks.

Lydiard Park

The only option that works for LPA is option 1.

Ruskin

Another option could be to remove the access to mainstream funding for all those schools that do not have a deficit and who would not go into deficit if it this was applied. For Red Oaks SBI this could be half the access to mainstream funding amount to prevent This would generate a contingency fund of £141,000 for re-distribution.

Kingsdown

Kingsdown consider just 2 of the options suitable, Option 1 and Option 3d.

I'd be keen to understand how this will work in future years. Will you expect to do a similar exercise? Costs will vary year on year depending on long term sickness, maternity, staff mobility etc. We will also have other varying factors such as PP to consider, I note PP is included in the income, yet no allocation for expenditure. Would this skew the figures by £41k overall? I do appreciate many schools will absorb PP within their staffing costs, however this is not always the case. Kingsdown are happy to consider a self/peer to peer evaluation process.

We'd rank our response as Option 1) – 1st, Option 3d) 2nd. Naturally we'd of course like to see the current deficit balance netted off to zero as offered in Option 3d, however the reason this hasn't be ranked first is a) moral consideration for the benefit of all Swindon students, and b) not having sufficient certainty/clarity for future funding; Option 3d shows a Kingsdown's funding allocation £294k, with 'extra funding redistribution' of £106k – will this be available next year? Concerning to say the least! We vote as above assuming there would be some assurance that following this exercise, the funding would be static/consistent.

Robert Le Kyng

Any of the option 3 versions sort out my deficit, so I would happily sign up to any of them for 2015/16. Option 3d is probably the fairest as it takes into account all the deficits and leaves no school substantially out of pocket.

However, this may not be the perfect on-going model as it encourages schools to be pessimistic when budget setting in order to be given more funding. We may be creating a growing problem for future years. We can benchmark the costs of leadership and premises etc., but the largest outgoing by far is staffing and this would be harder to benchmark.

Equally, I don't want to put my school in the position of having to justify this same position every year. As you have seen from the few meetings we have had, new people enter the conversation and we go back to square one. The problem does lie in PD funding and there must be a straight forward way to add more weight to these bandings in future years to balance the funds.

Commonweal

We have no figure for the impact of Option 2 on PD funding. Since all other options have subsidised the deficit for that SRP rather than removed it we have assumed that this would also be the case under that option? Looking at this option we noted that the choice was for an additional cost per student of £1.82. We also saw that the various options 3a-d were for the creation of a contingency. Is there an assumption that this would be delegated to PD settings or would it down to us to apply for this funding each year?