

## Bristol Schools Forum

**DRAFT Agenda Tuesday 11<sup>th</sup> July 2017 at 5.45pm, City Hall, First Floor Writing Room**  
**NB – please note meeting starts at 6.15 but refreshments available from 5.45pm**

	Start	Item	Action	Owner	Paper
1	6.15	Welcome & Briefing	A	Chair	
2	6.20	Forum standing business <ul style="list-style-type: none"> <li>▪ Apologies for Absence</li> <li>▪ Confirmation meeting is quorate</li> <li>▪ Appointment of new members</li> <li>▪ Notification of Vacancies</li> <li>▪ Declarations of Interest</li> </ul>	A	Clerk	Verbal
3	6.25	Minutes of meeting held on 28 <sup>th</sup> March 2017 Corrections and approval <ul style="list-style-type: none"> <li>• Matters arising not covered on agenda               <ul style="list-style-type: none"> <li>○ Item 6 : Growth Fund examples (WW)</li> <li>○ Item 7: Scheme for Financing Schools – amend 4.4.1 (WW)</li> <li>○ Item 9: Nursery School Admissions Policy (PJ)</li> </ul> </li> </ul>	A	Chair	Attached
4	6.30	Correspondence	I	Chair	
5.	6.35	Strategic overview	I	PJ	
6	7.00	DSG Overall Position	I	WW	Attached
7	7.20	Maintained School Balances 2016/17	I	WW	Attached
8	7.40	High Needs Update	C	AJ/PJ	Attached
9	8.15	Impact of Funding Formula	I	DT/PJ	Verbal
10	8.30	Any Other Business Dates for Future Meetings (see over)			

(\* ) A = Admin, I = Information, De = Decision required, C = Consultation, Di = Discussion

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**Chair:** Carew Reynell (contact via clerk)



**FUTURE MEETINGS – All at City Hall – First Floor Writing Room**

Date	Items
27 <sup>th</sup> September 2017 <b>NB Wednesday</b>	Budget Setting Consultation Process De-Delegation Consultation High Needs Update Budget Monitoring TwS Annual Report
22 <sup>nd</sup> November 2017 <b>NB Wednesday</b>	De-Delegation Decision High Needs Update Budget Monitoring
16 <sup>th</sup> January 2018	High Needs Update Budget Monitoring
20 <sup>th</sup> March 2018	High Needs Update Budget Monitoring
22 <sup>nd</sup> May 2018	High Needs Update Budget Monitoring
10 <sup>th</sup> July 2018	High Needs Update Budget Monitoring

# Bristol Schools' Forum

## Minutes of the meeting held on Tuesday 28<sup>th</sup> March 2017 at 18.15 hrs at City Hall

### Present:

Jamie Barry	Headteacher, Parson Street Primary
Ebrima Bojang	Governor, Summerhill Academy
Victoria Boomer	Headteacher, Oasis Academy John Williams
Karen Brown	Governor, St Mary Redcliffe & Temple
Yvonne Craggs	Governor, Elmlea Infants School
Graham Diles	Deputy Headteacher, St Mary Redcliffe & Temple
Alan Gould	Governor, Fairfield High
Mary-Jane Hinchliffe	Headteacher, St Annes Infants
Tracy Jones	Headteacher, Bannerman Road Primary
Aileen Morrison	Headteacher, St Matthias Park
Cllr Ruth Pickersgill	Governor, Rosemary Nursery
Carew Reynell (Chair)	Governor, Henbury Secondary
Cedric Sanguinol	Governor Representative, Bishop Road Primary
Christine Townsend	Governor, Whitehall Primary
David Yorath	Governor, Cotham School
Wendy Weston	Support Staff Representative, GMB
Michelle Wills	Representative, Teaching Professionals

### In attendance:

Billy Forsythe	Clerk to Schools Forum
Paul Jacobs	Service Director, Education & Skills
Annette Jones	Head of Specialist Education & Access
Wendy Welsh	Corporate Finance
Travis Young	Corporate Finance

### Observers:

Maeve Hedge, Lorna Stephenson

Item	Action
<b>1. Welcome and introductions</b>	
The Chair opened the meeting at 18:15	
<b>2. Forum standing business</b>	
<p><b>Apologies</b>                      Received from Claire Banks, Tim Browse, Jo Butler, Colin Butterworth, Marion Curran, Lindsey Fuller, Sam Packer, Alastair Perry, Dan Reed, Anne Rutherford, Paul Smith, Jane Carter, Clare Pring &amp; Chris Pring</p> <p>Clerk confirmed meeting was quorate.</p> <p>New member – Jane Carter has joined as a Unison delegate.</p>	

<p>Vacancies: Sarah Rupprecht has stepped down as Primary Academy representative. Request for a new governor has been issued to Academies. There is still a vacancy for the Clifton Diocese. Sarah was thanked for her valued contribution to the Forum.</p> <p>No declarations of interest were expressed.</p>	
<p><b>3. Minutes of the meeting held on 10<sup>th</sup> January</b></p>	
<p>Minutes of the meeting were accepted as accurate.</p> <p>Matters arising:</p> <p>Item 6 – Inclusion Reference Group membership has been circulated.</p> <p>PJ advised that de-delegation of BIS funding is for the Inclusion service and the focus has been on Primary behaviour. The service is working closely with school leaders to develop a sustainable model for supporting behaviour.</p> <p>PJ confirmed that there is an anomaly with rates and this is a national issue. Special schools are exempt from rates but PRUs and Nurseries have to pay.</p> <p>Item 5 - WWeston asked if LA has challenged the DfE on their response. PJ advised that the DfE has declined to provide the funding we think we are owed. Another LA with a similar issue has been funded. BCC is still pursuing.</p> <p>DY asked what the timescale was for the admissions inquiry. PJ confirmed it would go to Scrutiny in May.</p>	
<p><b>4. Correspondence</b></p>	
<p>None.</p>	
<p><b>5. Strategic Overview</b></p>	
<p>PJ gave an overview covering:</p> <ul style="list-style-type: none"> <li>• Education Policy – waiting to hear from government re clarification of role of LA &amp; also role of Regional Schools Commissioner. PJ &amp; Cllr Hiscott met with Education Minister Nick Gibb re funding formula and the minister made it clear that strongest lobby is for deprivation funding to be cut.</li> <li>• Sufficiency of places – PJ gave data on % of secondary first choices met. S Bristol schools have places and there is a need to help schools show parents that they have improved to overcome historical misconceptions. PJ also explained what bids have been submitted for new schools. Specialist provision is being mapped to look at where the places are and where the pupils live to try to ensure local provision where possible.</li> <li>• Education Services – The Education Services Grant has been cut this year and Council has agreed to subsidise for one year to allow the services to be remodelled for 2018/19. A Strategic Briefing is planned for May to provide more details for schools.</li> </ul>	

<p>MJH asked which services would be reduced in 2018/19. PJ advised that the core service will reduce and work is in train to create a clear offer. TwS will continue to offer a traded service. More information will be shared at the Strategic Briefings in May</p> <p>Issue of grammar schools was raised but government intentions are unclear.</p> <p>JB asked about secondary admissions and if the LA was funding the growth for students outside Bristol through the growth fund policy. PJ confirmed that the fund is only for Bristol children and this is a lever the LA has to encourage schools to increase their PANs..</p>	
<p><b>6. Growth Fund Update</b></p>	
<p>WW introduced the report.</p> <p>DY queried the costings as Primary class sizes do not apply to Secondary and the cost could be higher than reported. In 4.3 it refers to KS4 – is this correct? Also the offer for Y2 needs to be clearer. WW will provide examples of how it will work over a number of yrs.</p> <p>AM asked how the growth fund differentiated between basic need and popularity when schools are over-subscribed. PJ advised that the LA has to juggle parental preference and basic need. We have to meet an element of parental choice while trying to support schools with places. Current policy is limited to schools who agree to increase their PAN numbers at the request of the LA.</p> <p>CT added that for basic need expansion a school can claim growth fund and the opening para of 3 is clear but this sentence should be moved to the front of policy to make it clearer. Also in para 5 it suggests that PJ &amp; CR could agree an expansion. It needs to add that they should report back to Forum to ensure transparency.</p> <p>In Section 4 it refers to “The main circumstances..” – the word “main” should be removed.</p> <p>The Forum agreed to endorse the policy with the suggested changes.</p>	<p>WW</p>
<p><b>7. Scheme for Financing Schools Update</b></p>	
<p>WW reported that the Scheme was brought to the Forum each year to endorse.</p> <p>WW outlined the amendments mostly relating to in year deficits:</p> <ul style="list-style-type: none"> <li>• 4.4.2 - may not plan for a deficit;</li> <li>• 4.4.3 – schools with in-year deficits have to apply for approval;</li> <li>• 4.5.1 – deficit balance at end of year – has to be carried forward as a charge. Cannot have a cumulative deficit without approval;</li> <li>• 4.8.1 – balances of closing schools;</li> <li>• 4.9.3 – schools forecasting a deficit budget have to apply to and work with LA ;</li> <li>• Annex updated with list of schools.</li> </ul> <p>DY referred to anomaly: 4.4.1 – may not write off a deficit but 4.81 – cannot write off a</p>	

<p>deficit. For schools under an academy order the LA keeps deficit but if the school applies for an academy the school keeps the deficit. This needs to be clearer and WW will amend.          Subject to the changes the Forum approved the scheme.</p>	<p>WW</p>
<p><b>8. High Needs Update</b></p>	
<p>PJ introduced the report and stressed that some tough decisions need to be taken as Top up is still on a trajectory to overspend and government policy on post 16 is increasing the pressure on overspend.</p> <p>£4.1m overspend is projected by end of the year. The government has listened and the funding allocation is higher for 2017/18 which is welcome. However the LA needs to demonstrate to the EFA that they are attempting to recover the deficit and to contain expenditure within budget available.</p> <p>AJ outlined the progress so far and sought views on the recommendations to reduce spending.          Progress so far:</p> <ul style="list-style-type: none"> <li>• Inclusion Ref Group is gathering pace and 3 working groups have been set up;</li> <li>• Inclusion audit is underway – self evaluation for schools by schools;</li> <li>• Process re Top Up and finance is being clarified;</li> <li>• Access Strategy – need for a strategy linked to Equalities Act;</li> <li>• Continue to reduce Permanent Exclusions (PEX) at Secondary. Still a high number of young people moving into Alternative Learning Provision (ALP);</li> <li>• Have also implemented Primary early intervention based pilots and a base in each area operating with a focus on needs of local area. South has had 15 Primary PEX this year. This is an added pressure to high needs budget.</li> </ul> <p>Need to find, at least, £1.3m of savings and this is achievable if we look at a range of measures with smaller gains.</p> <ul style="list-style-type: none"> <li>• Reduce cost of Primary spot places and Secondary places in ALP.</li> <li>• Reduce post 16 places in ALP by 50%</li> <li>• Reduce overspend in General Further Education</li> <li>• No further cuts to mainstream schools at this time.</li> <li>• Not reducing the number of panels.</li> <li>• Working with GFE to see what LA would contribute to top up and have a consistent model.</li> <li>• Review special school funding.</li> <li>• Reduce Independent Non Maintained placements.</li> <li>• 5.6 – draw attention to recommissioning a new framework.</li> <li>• Looking to reductions in other budget lines and in core staffing.</li> </ul> <p>The recommendations in 2.3.1 – 2.3.7 have been agreed with the Inclusion Group and if achieved would save £1.3m but there will still be a cumulative deficit of £4.1m.</p> <p>RP asked about the further education post 16 funding. Did SFA transfer over post 19 with no money and did the LA query this? PJ advised that there was no additional funding for post 19 to reflect additional places.</p> <p>VB added that the decision not to reduce Top Up in primary is fantastic and asked if we</p>	

<p>should look to reduce the pre 16 places at independent placements. PJ advised that many pre 16 placements are generated by social care          There were no further comments on the recommendations.</p>	
<p><b>9. Early Years Consultation Feedback</b></p>	
<p>SJ has sent her apologies and PJ presented her report.</p> <p>The Government requested consultation with the sector re 30 hrs and local funding formula. BCC issued a questionnaire and the report gives a summary of feedback – which is generally a positive response from providers. The challenge for private providers is that they make more money on private places rather than funded places. The sector is positive so will proceed with the base rate amounts set out and will work with sector on who is offering 30 hrs. Not clear how budgets will work out.</p> <p>RP asked for clarity re 50% of providers have capacity. PJ advised that we have to persuade re the capacity but cannot enforce. Parents will be the strongest persuaders as settings could lose customers for those settings who don't offer. There are challenges as business model will be impacted.</p> <p>Parents will be able to check their eligibility on the DfE website when it is up and running.</p> <p>JB asked if the decision to remove split site funding from Nurseries was a schools forum decision. PJ advised that this was an LA decision for Nurseries but a Forum decision re Primaries and Secondaries. Under the Early Years Single Funding Formula the LA does not have the funding or discretion to pay split site supplements.</p> <p>MJH raised a concern that Nursery schools are being consulted and could potentially have to change their admissions policy mid year. PJ will check as there is an 18 month lead in for mainstream but for EY it is different.</p> <p>A concern was raised that there is a moral aspect where places could be filled by middle class children at the expense of deprived children. PJ confirmed that this is a concern with the policy and LA would seek to influence the outcome.</p>	<p><b>PJ</b></p> <p><b>PJ</b></p>
<p><b>10. National Funding Formula Consultation</b></p>	
<p>PJ confirmed that this item had been covered by the Strategic Overview.</p>	
<p><b>11. AOB</b></p>	
<p>None</p>	

The meeting closed at 19:50hrs

**Bristol Schools Forum**  
**Maintained School Balances 2016/17**

<b>Date of meeting:</b>	11 <sup>th</sup> July 2017
<b>Time of meeting:</b>	6.15 pm
<b>Venue:</b>	City Hall

### **1. Purpose of report**

To advise Schools Forum of:

- 1.1 the level of School Balances for maintained schools at the 31st March 2017;
- 1.2 the practical difficulties that such low aggregate net balances has on the operation of the licenced deficit scheme; and
- 1.3 the imperative for all schools in deficit or seeking a licenced deficit in 2017/18 to reconsider or accelerate their plans for a sustainable budget, advising the authority of how it can help to bring these to fruition.

### **2. Recommendation**

- 2.1 That Forum notes the report, the impact on the current Licenced Deficit process and the need for all schools, maintained or otherwise, to get to a sustainable budget position as soon as practical.

### **3. Background**

- 3.1 As per the 2017 Scheme for Financing Schools, all school are required to submit a balanced budget to the Local Authority by 31<sup>st</sup> May each year. It is advisable to prepare a three year budget in order to allow time to plan and implement plan any necessary management of change.
- 3.2 While the Authority expects all schools to set a balanced budget each year, there may be circumstances where a small number of schools require a licenced deficit to resolve their financial situation. The Authority is only able to do this because the majority of schools have surpluses. With net school balances down to £5m at the end of 2016/17 and the Scheme for Financing Schools only permitting 40% of that total to be used to support licenced deficits, the Authority, in effect, has insufficient cover for the level of overspends which schools individually are planning.

- 3.3 The Authority is revising its arrangements for licenced deficits and loans and will write to schools who have sought licenced deficits or are reporting in-year deficits to ask them to reconsider their plans to help manage this overall situation.

#### 4. Financial Implications

- 4.1 Table A below shows that for maintained schools the total balances were £5.56m as at 31<sup>st</sup> March 2017.

TABLE A: Summary of balances at 31.3.17 by sector

	Number of schools	Total Balances 31 <sup>st</sup> March 2017 £m
Nursery	12	(0.378)
Primary	61	4.176
Secondary	3	0.167
Special	9	0.936
PRUs	4	0.034
<b>Total</b>	<b>89</b>	<b>4.935</b>

- 4.2 Table B shows the movement in school balances from March 2016 to March 2017. This shows that there has been a significant reduction in the level of maintained school balances.

TABLE B: Change in school balances by sector March 2016 v March 2015

	March 2015 £m	March 2017 £m	Movement £m	Movement %
Nursery	0.138	(0.378)	(0.516)	-374
Primary	7.199	4.176	(3.023)	-42
Secondary	1.278	0.167	(1.111)	-87
Special	1.441	0.936	(0.505)	-35
PRUs	0.140	0.034	(0.106)	-76
<b>Total</b>	<b>10.196</b>	<b>4.935</b>	<b>(5.261)</b>	<b>-52</b>

- 4.3 The number of schools by phase with balances above the recommended 8% threshold for nursery, primary, PRU and special schools and 5% for secondary, as at March 2017, is shown in Table C. During 2016/17, two schools had a licenced deficit agreement with the Local Authority.

TABLE C: Analysis of School Surplus / Deficit Balances as at March 2017

	Total number of maintained schools	Number of schools with balances above threshold	Number of schools with surplus balance within threshold	Number of schools with cumulative deficit balance
Nursery	12	2	3	7
Primary	61	21	32	8
Secondary	3	2	0	1
Special	9	3	6	0
PRUs	4	2	0	2
<b>Total</b>	<b>89</b>	<b>30</b>	<b>41</b>	<b>18</b>

- 4.4 For the 2017/18, 42 schools have currently submitted budget plans with an in year deficit which amounts to approximately £2m. Three schools have yet to submit a budget for 2017/18.
- 4.5 It should be noted that licenced deficits are only to be used in exceptional circumstances and many schools will need to do further work in order to move towards setting a balanced budget in a reasonable period. Schools should not be relying on utilizing reserves in order to balance their budget as this is one off money. The Local Authority is challenging schools to reduce their activity to a sustainable level, improve efficiency and to accelerate the management of change, and will work with schools to achieve this.
- 4.6 The Dedicated Schools Grant budget position report outlines the pressures faced by Bristol in terms of PFI contracts and ongoing demands on the High Needs budget are further detailed in the High Needs update report. In the same way that the Local Authority is bound to operate a balanced budget, which has led to some difficult decisions with regards to allocation of resources, all schools in deficit or looking to set a deficit budget need to take mitigating actions in order to get back on track.
- 4.7 Going forward schools should plan for formula funding based on the minimum funding guarantee, that is not overly optimistic in pupil numbers. The National Funding Formula is not anticipated to increase funding for Bristol schools and the employee inflationary costs are not fully funded each year. Therefore all schools should be actively using three year budget plans in conjunction with school development plans, and benchmarking information made available by the EFA, to find solutions for mitigating the current and future budget pressures.

- 4.8 The Local Authority has written to all Headteachers and Chairs of Governors to outline the overall financial position of both the Local Authority and that facing maintained schools. It has challenged schools that have submitted deficit budgets to do further work to achieve a sustainable balanced budget and to resubmit these by the end of term. Schools with in year deficits have also been challenged to consider their longer term sustainability and the Local Authority will review these plans in the Autumn.

## **Bristol Schools Forum**

### **Dedicated Schools Budget Overall Position**

<b>Date of meeting:</b>	11 <sup>th</sup> July 2017
<b>Time of meeting:</b>	6.15 pm
<b>Venue:</b>	City Hall

#### **1. Purpose of report**

- 1.1 This report outlines the overall adverse financial position on the Dedicated Schools Budget and explains what measures will be necessary to address that. A separate report on this agenda deals with the financial position of individual maintained schools.
- 1.2 This report is to advise Schools Forum of:
- the outturn position for the Dedicated Schools Budget as a whole for 2016/17, setting out the carry-forward deficit of £1.6m;
  - the forecast position on the Dedicated Schools Budget for 2017/18 as at the end of May 2017, which points to a further overspend of £4.4m;
  - other risks and constraints on the DSG which could affect the overall financial position;
  - the imperative to set a course of action to get to a sustainable budget for the overall DSG; and
  - suggested principles for managing this situation.

#### **2. Recommendation**

- 2.1 Schools Forum is invited to:
- a) note the overall financial position: and
  - b) agree the principles identified for addressing this, as set out in Paragraph 6.4.

#### **3. Introduction**

- 3.1 The Dedicated Schools Grant is a ring-fenced grant provided for activities permitted in the School Funding Regulations, including individual school budgets for maintained schools, recoupment to the Education Funding Agency for academies, some specific central and de-delegated activities for schools, Early Years provision and High Needs provision.

- 3.2 The vast majority of the Dedicated Schools Budget is funded from the DSG, but it also includes some other grants (principally, Pupil Premium and EFA Post 16 Grant). As with the Council's overall budget and schools' individual budgets, the Authority is required to set a balanced budget each year and to take steps to mitigate circumstances where a balanced budget is at risk of not being achieved.
- 3.3 The final outturn for 2016/17 has confirmed that the Dedicated Schools Grant ended the year with a £1.630m deficit. Budget monitoring and forecasting at the end of May 2017 suggests that this deficit will grow to £6m by the end of 2017/18 if mitigating action is not taken. Moreover, there remain unresolved issues about the on-going financing of the Authority's two school PFI contracts which could represent financial risks to the DSG or the Council's budget or both. The position for future years, on the basis of the proposals set out in the Department for Education's consultation on a National Funding Formula look likely to further constrain the Authority in having flexibility to address these deficit budgets.
- 3.4 This report provides some further detail of this situation then it considers how the position can be tackled. Nonetheless, it is clear that the Authority will be looking to reduce activity, improve efficiency, productivity and effectiveness, maximize income and generally adopt a very prudent approach to funding new commitments until the budget is at a more sustainable level.

#### 4. Outturn 2016/17

4.1 The DSG brought forward £2.9m in hand at the beginning of 2016/17, but overspend in-year by £4.5m, meaning that it ended the year with a deficit of £1.6m. Variances were adjusted at the year end to reflect Schools Forum decision to offset underspend on the Schools Block against the High Needs overspend. **Table 1** sets out the overall position. **Appendix 1** has more breakdown of the components.

**Table 1: Overall DSG outturn 2016/17**

	Brought forward 1.4.16	Funding 2016/17	Expenditure 2016/17	In-year movement	Carry forward 31.3.17
	£,000	£,000	£,000	£,000	£,000
Maintained Schools	(129)	(97,123)	97,252	129	0
Academy Recoupment	0	(137,730)	137,730	0	0
Early Years Block	(1,954)	(29,701)	31,215	1,514	(440)
High Needs Block	(461)	(43,124)	45,950	2,826	2,365
Schools Block (Central)	(345)	(5,983)	6,033	50	(295)
<b>Total</b>	<b>(2,889)</b>	<b>(313,661)</b>	<b>318,180</b>	<b>4,519</b>	<b>1,630</b>

4.2 The attribution of year-end variances to different parts of the Dedicated Schools Budget Schools Forum will be familiar with the components of the £1.630m deficit, which includes overspends and underspends. These are set out in **Table 2**.

**Table 2: Components of the net DSG deficit carry forward at the end of 2016/17**

Component	Carry forward underspend 31 <sup>st</sup> March 2017 £'000
De-delegation: Trade Union Facilities	-107
De-delegation: Schools in Financial Difficulties	-188
High Needs	+3,180
Early Years Projects (EY Block)	-440
Early Intervention Projects (HN Block)	-815
<b>Total DSG c/f</b>	<b>+1,630</b>

4.3 **Growth Fund 2016/17** – There was an underspend of -£1.120m on the growth fund. Expenditure was as follows:

- Authority approved planned growth £1,633k
- New school start-up funding / post-opening grant £135k
- Additional individual school bids £112k

4.4 Academy growth for the period April to August 2016 was £688k and was funded by the EFA from a reduction in academy recoupment.

4.5 **Falling Rolls Fund 2016/17** – There was expenditure of £359k against a budget of £400k.

## 5. Financial position for 2017/18

5.1 A report elsewhere on the agenda sets out the situation regarding the High Needs budget and the adverse movement that will contribute to a net £6m cumulative overspend on the DSG by the end of March 2018. Table 3 sets out the expected movements. Those elements of underspend in Table 2 are expected to be applied during 2017/18, whereas the High Needs budget is expected to add overspend further to produce a cumulative position (before mitigations) of +£7.5m. Elsewhere, there are expected underspends of -£1.5m in central budgets, largely in the pupil growth fund.

**Table 3: Forecast position on overall DSG for 2017/18**

	Brought forward 1.4.17	Funding 2017/18	Forecast Outturn 2017/18	In-year movement	Carry forward 31.3.17
	£,000	£,000	£,000	£,000	£,000
Maintained Schools	0	(98,636)	98,636	0	0
Academy Recoupment	0	(143,999)	143,999	0	0
Early Years Block	(440)	(33,114)	33,476	362	(78)
High Needs Block	2,365	(44,170)	49,261	5,091	7,456
Schools Block (Central)	(295)	(5,435)	4,353	(1,082)	(1,377)
<b>Total</b>	<b>1,630</b>	<b>(325,354)</b>	<b>329,725</b>	<b>4,371</b>	<b>6,001</b>

- 5.2 This forecast is the position as reported by budget managers based on an assessment of their activity levels. Unforeseen events could affect these forecasts.
- 5.3 **Private Finance Initiative.** A major associated risk that has not been factored in is the affordability gap on the schools Private Finance Initiative (PFI) contracts. These two contracts currently cost £33m per year and were entered into between 2005 and 2008, with the second one not due to end until 2034/35. The contracts provided initial capital investment and the contractors have since been managing and maintaining the premises for the duration of the contract.
- 5.4 The financing of the contract is through PFI grants from the government, contributions from schools and other users and then a balancing “affordability gap” which is supposed to be equivalent to the PFI factor in the schools formula. The contract finances are sensitive to changes in inflation, changes to pupil numbers and other variations to the service that are agreed. Over time the affordability gap has grown significantly, beyond the amounts in the PFI factor in the formula. Some work is needed to validate the assumptions in the financial planning model and to do some sensitivity analysis to identify impacts with different scenarios. A report will be brought to the next meeting of Schools Forum to set out the scale of the problem and the potential ways of managing and mitigating this situation.
- 5.5 Given the Authority’s financial position, as well as that of schools and the Dedicated Schools Budget, all options for closing that gap will need to be explored to get to a sustainable position.
- 5.6 **Supporting Schools in Financial Difficulties.** The report elsewhere on the agenda talks about the circumstances that individual schools are facing in balancing their budgets in-year and in the medium term. Maintained primary schools have set aside a de-delegated budget to assist with managing such circumstances in their schools, but no other

funds exist to provide support for other schools or to manage the scale of the problems being faced by Bristol schools. With the underspend in the Growth Fund, the LA may need to consider whether it is appropriate to propose to Schools Forum to use any part of this to facilitate the management of change in schools. Officers appreciate that the Growth Fund has been retained centrally for all schools, not just maintained schools. If appropriate, officers will bring a proposal to Schools Forum at the next meeting.

## 6. Future position

- 6.1 Schools Forum will be aware of the Department for Education's proposals on the National Funding Formula which would move to:
- nationally determined factors and factor values, instead of the locally determined formula funding for individual schools;
  - a formulaic allocation of central DSG to meet on-going responsibilities of local authorities for schools, with historic commitments only being funded for as long as they exist;
  - a growing commitment to early years provision, but a smaller element that may be retained by the local authority to co-ordinate, stimulate and manage the system; and
  - a high needs budget that, too, will be allocated on a formulaic basis.
- 6.2 The government response to the consultation is expected, now that the General Election has taken place. While there is pressure on the government to lessen the impact on schools who would lose out on the national changes, this may only have a modest impact on the transitional impact on individual schools.
- 6.3 The future funding arrangements are likely to remove flexibility in managing the DSG as a whole. With funding levels unlikely to be higher than currently, this points to reductions in commitments as the only feasible strategy for addressing the pressures being faced within the DSG.
- 6.4 **Principles.** To achieve a sustainable solution in such a set of challenging circumstances, including the timescales, we would all benefit from a set of guiding principles. The Authority proposes to work on the basis of the following:
- to take account of the needs of the children, young people and other stakeholders in Bristol when making changes;
  - to meet our statutory obligations, but to appreciate that we can meet them in many different ways;
  - to provide value for money services (efficiency, economy and effectiveness);
  - to adopt a prudent approach to risks and opportunities;

- to avoid entering into new commitments before the budget is balanced, unless there is a clear invest-to-save or statutory obligation business case;
- to have a clear plan in place no later than early in the autumn term;
- to have the end goal of reaching a balanced on-going budget and a recovery of the overspent amounts as swiftly as practical.

6.5 The High Needs budget report goes into some detail about the sorts of measures that may be required in this budget to address the pressures there.

## 7. Financial Impact

- 7.1 This report sets out that the current level of activities funded centrally from the Dedicated Schools Budget are unaffordable. Action needs to be taken to reduce commitments and maximize income to recover the actual deficits incurred and to get to a sustainable financial position.
- 7.2 The emerging school funding regime under the National Funding Formula proposals do not currently appear to assist in managing this situation. This will impact on schools across Bristol as all of them draw on services provided by the High Needs budget in particular to some extent.
- 7.3 In the meantime, the Authority is operating a deficit budget and must identify mitigating measures urgently to address this situation.

## 7. Glossary of Terms

**Dedicated Schools Grant (DSG)** – A ring-fenced grant from the Department for Education which has to be spent on activities set out in the School Financing Regulations, including Formula Budget allocations to maintained schools, Formula Budget allocations to Academies, via the Education Funding Agency, some centrally de-delegated and retained activities, early years provision and high needs provision.

**Dedicated Schools Budget (DSB)** – The wider budget which is predominantly funded from DSG, but also from 6<sup>th</sup> Form Grant and Pupil Premium.

**Education Funding Agency** – The agency set up by the Department for Education to administer and manage school grants to local authorities and Academies.

**Private Finance Initiative (PFI)** – A contract where a provider will build or refurbish premises initially, then manage and maintain those facilities on a long-term basis (typically 25 years).

**National Funding Formula.** The Department for Education has been incrementally moving towards a national basis of determining schools' individual budgets and prescribing how LAs may use the other parts of the DSG for many years. Phase 2 of the NFF consultation took place earlier in 2017 and the outcomes are expected soon.

## Appendix 1

### Overall DSG Outturn 2016/17

	Brought forward 1.4.16	Funding 2016/17	Forecast Outturn 2016/17	In-year movement	Carry forward 31.3.16
	£000	£000	£000	£000	£000
Admissions		(461)	461	0	0
Centrally Retained	(345)	(5,522)	5,572	50	(295)
Formula	(129)	(97,123)	97,252	129	0
<b>Schools Block</b>	<b>(474)</b>	<b>(103,106)</b>	<b>103,285</b>	<b>179</b>	<b>(295)</b>
<b>Academy Recoupment</b>	<b>0</b>	<b>(137,730)</b>	<b>137,730</b>	<b>0</b>	<b>0</b>
EY Single Funding Formula		(19,948)	19,948	0	0
Contingency		(1,471)	1,757	286	286
2 Year Old Funding		(3,990)	4,473	483	483
Pupil Premium (EYPP)		(279)	279	0	0
Additional Support Services		(868)	868	0	0
SEN Top up		(750)	750	0	0
Staffing		(2,395)	2,395	0	0
Committed reserve	(1,954)	0	745	745	(1,209)
<b>Early Years Block</b>	<b>(1,954)</b>	<b>(29,701)</b>	<b>33,084</b>	<b>1,514</b>	<b>(440)</b>
Commissioned Services		(3,158)	3,219	61	61
Core Place Funding		(11,471)	11,252	(219)	(219)
Staffing		(1,033)	727	(306)	(306)
Top Up		(20,326)	20,631	305	305
Placements		(5,367)	7,379	2,012	2,012
Pupil Support		(873)	1,452	579	579
Schools In Financial Difficulty		(400)	353	(47)	(47)
HOPE Virtual School		(496)	439	(57)	(57)
Committed reserve	(461)		498	498	37
<b>High Needs Block</b>	<b>(461)</b>	<b>(43,124)</b>	<b>45,950</b>	<b>2,826</b>	<b>2,365</b>
<b>Total</b>	<b>(2,889)</b>	<b>(313,661)</b>	<b>318,180</b>	<b>4,519</b>	<b>1,630</b>

## Appendix 2

### Forecast position for Overall DSG 2017/18 as at Period 2

	Brought forward 1.4.17	Funding 2017/18	Forecast Outturn (as at May 2017) 2017/18	In-year movement	Carry forward 31.3.17
	£000	£000	£000	£000	£000
Admissions		(461)	461	0	
Centrally Retained	(295)	(4,974)	3,892	(1,082)	(1,377)
Formula		(98,636)	98,636	0	
<b>Schools Block</b>	<b>(295)</b>	<b>(104,071)</b>	<b>102,989</b>	<b>(1,082)</b>	<b>(1,377)</b>
<b>Academy Recoupment</b>	<b>0</b>	<b>(143,999)</b>	<b>143,999</b>	<b>0</b>	<b>0</b>
National Formula		(25,721)	25,721	0	0
Contingency		(292)	292	0	0
2 Year Old Funding		(3,719)	3,719	0	0
Pupil Premium (EYPP)		(279)	279	0	0
Additional Support Services		(1,026)	1,026	0	0
SEN Top up		(300)	300	0	0
Staffing		(1,777)	1,699	(78)	(78)
Committed reserve	(440)	0	440	440	
<b>Early Years Block</b>	<b>(440)</b>	<b>(33,114)</b>	<b>33,476</b>	<b>362</b>	<b>(78)</b>
Commissioned Services		(2,723)	2,947	224	224
Core Place Funding		(11,900)	11,900	0	0
Staffing		(895)	895	0	0
Top Up		(20,221)	21,912	1,691	1,691
Placements		(6,455)	9,518	3,063	3,063
Pupil Support		(504)	428	(76)	(76)
Schools In Financial Difficulty		(300)	300	0	0
HOPE Virtual School		(435)	435	0	0
Disability Access Fund		(111)	111	0	0
16/17 Overspend carried forward	3,180	(626)		(626)	2,554
Committed reserve	(815)		815	815	0
<b>High Needs Block</b>	<b>2,365</b>	<b>(44,170)</b>	<b>49,261</b>	<b>5,091</b>	<b>7,456</b>
<b>Total</b>	<b>1,630</b>	<b>(325,354)</b>	<b>329,725</b>	<b>4,371</b>	<b>6,001</b>

**Bristol Schools Forum**  
**High Needs Block Update**

<b>Date of meeting:</b>	11 <sup>th</sup> July 2017
<b>Time of meeting:</b>	6.15 pm
<b>Venue:</b>	City Hall

**1. Purpose of report**

- 1.1 To update Schools Forum on the 2016/17 outturn, the impact of measures to reform the approach to Top Up funding and the proposed further mitigations for 2017/18.

**2. Recommendations**

- 2.1 To note the budget outturn for the High Needs budget for 2016/17, forecast outturn 2017/18 (based on no further mitigations) and the three key pressures from Post 16 placements, Top Up and Placements
- 2.2 To note the three key pressures on the High Needs Block: Post 16 placements, Top Up and Placements
- 2.3 To note the decision of BCC Officers, supported by the Inclusion Reference Group to delay implementation of the decisions made at the May Top Up panel until September 2017.
- 2.4 To endorse BCC's recommended strategy to:
- 2.4.1 Achieve an overall balanced High Needs budget as a priority.
- 2.4.2 Rebase High Needs block funding allocations to prioritise statutory functions.
- 2.4.3 Take further measures to reduce expenditure in the three priority areas:

2.4.3.1 Top Up:

Mainstream Top Up: Cap spending for the remainder of 2017/18 to support 10% reduction by April 2018.

Special School/PRU Top Up: Apply a 1.75% cut to Special School/PRU top up rates from September 2017 and progress wider funding reforms for April 2018 to target a 10% reduction from April 2018.

GFE Top up: Cap spending for the remainder of 2017/18 and rebase budgets.

2.4.3.2 Placements:

Alternative Learning Placements: Set a fixed budget for the Secondary Behaviour Inclusion Panel for the remainder of this financial year to cap expenditure at the budget set and run pilot for Primary behaviour inclusion panel to achieve contribution to support Primary early intervention bases. (EIB's)

Joint Education and Social Care Placements: Review protocols for agreeing education contribution to joint care-education placements.

Re-commissioning specialist placements: Implement inter- Authority  
approach to purchasing specialist placements through a Dynamic  
Purchasing System approach.

Specialist Provision & Support Strategy: Develop further the capital  
strategy to ensure sufficiency and suitability of specialist provision  
across the City and review support services provided through the High  
Needs block.

2.5 To note the activity and feedback from the Inclusion Reference Group (see Section 5)

### 3. Budget Outturn 2016/17

Outturn for 2016/17						
	2016/17					
	Revised Budget	Forecast Outturn as presented in March 2017	Draft Variance	Actual Outturn 16/17	Outturn Variance	Movement from March forecast to Outturn
	£000	£000	£000	£000	£000	£000
Core Place funding	11,471	11,252	(218)	11,252	(218)	(0)
Top up (Bristol Schools)	19,035	20,056	1,021	19,614	579	(519)
OLA Top Up	1,198	1,474	276	1,296	98	(178)
GFE Top Up	948	1,763	815	1,825	877	62
Placements	4,776	6,478	1,702	6,639	1,863	161
ALN commissions & Block Contracts	2,420	2,327	(93)	2,179	(241)	(148)
Commissioned contracts	779	758	(21)	751	(27)	(7)
SEN Equipment & Therapies	517	509	(8)	367	(150)	(143)
Schools in Financial Difficulty	400	400	0	353	(47)	(47)
ALP/Hope Virtual school Staffing	1,528	1,130	(398)	1,161	(367)	31
<b>Total</b>	<b>43,071</b>	<b>46,147</b>	<b>3,077</b>	<b>45,437</b>	<b>2,366</b>	<b>(787)</b>
<b>Outturn position 2016/17</b>			£m			
Budget 2016/17			43,071			
Expenditure 2016/17			45,437			
Overspend 2016/17			2,366			
Overspend carried forward from 2015/16			1,894			
Cumulative overspend as at March 2017			<b>4,260</b>			
Use of growth fund/Schools Block			(1,080)			
<b>Cumulative Overspend carried forward</b>			<b>3,180</b>			
<b>The 2016/17 in year overspend prior to adjustments and removing 2015/16 carry forward was £3.7m.</b>						

3.1 Mainstream Top Up: The impact of reducing top up values was a saving of £2.2m compared to previous values. However, the increase in applications resulted in a net increase in spend of £1.5m compared to the 2015/16 academic year.

3.2 Special School/PRU Top Up: The impact of reducing top up values was a saving of £0.5m compared to previous values. However, overall there was a net increase in spend of £1.1m compared to 2015/16 financial year.

- 3.3 GFE Top Up: 366 students received top up funding in 2016/17 compared to 174 in 2014/15. There was an overspend of £877k.
- 3.4 Alternative Learning Placements: There has been a very positive impact on reducing Permanent Exclusions from the new Secondary BIP model. At the end of Term 5, there had been 21 secondary exclusions compared 103 this time last year. (Note 83 from Bristol schools.) The number of students being re-integrated back into mainstream has increased to 23 and 10 students have been given a fresh start in another mainstream secondary school. However, there have been 25 students moving to PRU provision and 35 to Alternative Learning provision. This has resulted in a net increase in spot purchasing of ALP placements. Additionally there have been 16 permanent exclusions by Primary schools. The placement budget overspent by £1.863m.
- 3.5 Mitigations from other DSG budgets: At the end of the financial year, a virement of £1.08m was made from the Growth Fund to reduce the net overspend to £3.2m. The underlying overspend on the High Needs block was therefore, £4.3m.

#### 4. **Budget Plan for 2017/18**

- 4.1 The table below sets out the outline budget and first period forecast based on taking no further mitigating actions.

<b>Forecast Outturn for 2017/18</b>			
	<b>2017/18</b>		
	<b>Budget</b>	<b>Projected forecast</b>	<b>Projected variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Core Place funding	11,900	11,900	0
Top up (Bristol Schools)	19,023	20,715	1,692
OLA Top Up	1,198	1,198	0
GFE Top Up	1,580	2,097	518
Placements	4,976	7,501	2,525
ALN commissions & Block Contracts	2,165	2,417	252
Commissioned contracts	558	530	(28)
SEN Equipment & Therapies	404	347	(57)
Schools in Financial Difficulty	300	300	0
ALP/Hope Virtual school Staffing	1,330	1,330	0
c/f overspend budget 15/16 & 16/17	626	3,180	2,554
<b>Total</b>	<b>44,059</b>	<b>51,515</b>	<b>7,456</b>

**The 17/18 in year overspend is estimated to be £4.9m this has increased by £1.2m on 16/17**

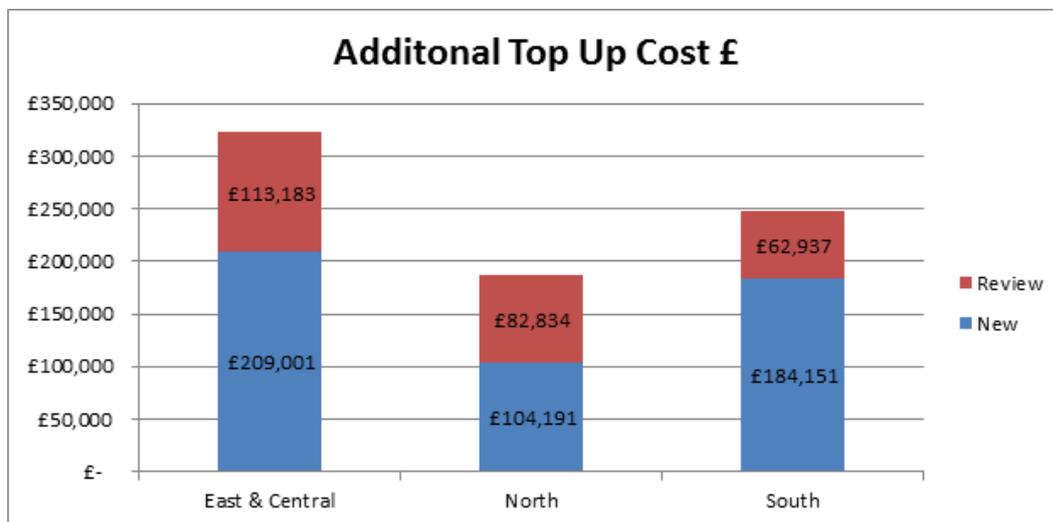
4.2 It is proposed that the High Needs budget allocations are rebased for the remainder of the 2017/18 and future years to prioritise statutory spend on the High Needs budget. For example, the statutory duties around Post 16 placements and top up require a greater budget than currently set. We plan to bring a re-profiled budget to the next Schools Forum meeting.

4.3 Core Place Funding: The Local Authority submit forecast place numbers to the EFSA each Autumn. Last Autumn the LA submitted a request for an additional 317 places. Previously, the additional places agreed by the EFSA attracted additional funding to the High Needs block. This year, the EFSA have stated that additional places must be funded from within the existing High Needs allocation. The LA appealed to the EFSA, but received a letter on 9<sup>th</sup> June stating that this appeal had been unsuccessful. This has created an additional pressure of £1.3m.

## 5. Further Mitigations

5.1 Top Up: This budget funds top up in specialist provision and mainstream schools.

5.1.1 The Top Up process, which took place in May, resulted in a potential additional spend of £756k. Following consultation with the Inclusion Reference Group, the Local Authority has decided not to implement any decisions until September 2017. This will reduce the additional spend to £693k. This spend is included in the forecast above.



We further propose to cap the budget available for the Autumn panel. The aim is to reduce the forecast spend by c£70k

5.1.2 We have been reviewing Special School/PRU and Resource Base funding in relation to national benchmarking information, including analysis of Out of Authority spend. We propose to consult with the sector on a revised funding model and implement this from April 2018. Comparisons with Statistical Neighbours and Core Cities indicate that Bristol spends a higher percentage of the High Needs block on these areas.

To mitigate the pressure on the current year, we propose to apply a cut across Special School Top Up funding of 1.75% from 1<sup>st</sup> September which equates to a 1.5% reduction to Special School overall budgets. This is the maximum reduction we can apply outside of the MFG that gives a consistent percentage reduction across all schools. We anticipate that this will save c£230k in this financial year on the forecast spend.

**5.1.3 General Further Education Top Up:** This provides funding for Post 16 students. In line with the SEND legislation, there is an increase in the number of students remaining in education post 16.

Year	2014/15	2015/16	2016/17	2017/18
No. of Students	174	247	366	683

We have aligned the Top Up values and approach to the revised mainstream approach to ensure greater consistency and control over GFE Top Up spend.

**5.2 Placements:** This provides placements for young people in specialist or alternative provision outside of Bristol and mainstream education.

**5.2.1 Alternative Learning Placements:** Comparison to Statistical Neighbours and other Core Cities indicates that the Bristol spend on this area of provision is a significant outlier. The Secondary BIP process is being reviewed at the end of its first year of operation. We are proposing to introduce a cap to the budget available for the Secondary BIP panel for the remainder of this financial year (and for future years).

In addition, a Primary BIP model is being developed and it is proposed to introduce financial contributions for Early Intervention Base (EIB) placements. The target is for the Primary EIBs to be self-financing by April 2018.

We aim to reduce the forecast spend on the AP placements by c£900k.

These new approaches to reducing exclusion were developed from the Pushed Out Learners Strategy. One year on, there will now be a review of the Strategy and its impact. The outcome of this will be shared with the Forum at a future meeting.

**5.2.1.1 Out of Authority Placements:** We plan to review the protocol for agreeing joint funded education - social care placements.

**5.2.1.2 Recommissioning of SEND placement contracts:** The Council has agreed to join a multi-authority partnership to procure specialist placements. This should produce some efficiencies on contract spend by April 2018

**5.2.2 Development of Specialist Provision Capital Strategy:** Considerable work has been done to map future need for Specialist Provision against type of need and the three areas of the City. This has informed an emerging Business Case for a Specialist Provision Capital Strategy. Two Free Schools that align to this Strategy were approved in the last round of applications and we are working with

the providers to secure suitable sites. We have also received a SEND capital allocation and are currently initiating Council decision pathways to progress capital schemes within existing provision. A further report on this will be brought to the Forum in the Autumn but the impact of this strategy is not likely to impact on the High Needs budget before 2019/20.

- 5.3 **Support Services:** A number of key support services are currently partially or fully funded through the High Needs Block including Educational Psychology, Sensory Support Services, Autism Team, Hope Virtual School. We propose to further review the service delivery model of some services to create efficiencies, reduce spend overall and improve service delivery. Changes introduced would impact on the 2018/19 High Needs budget

## 6 **Financial Implications:**

The Chief Finance Officer is concerned that the High Needs Budget is overspent and is projected to have a cumulative overspend of £7.5m by the end of 2017/18, before mitigating actions. The plans for addressing the forecast deficit of £7.5m, as set out in the recommendations, are insufficient at this stage and, at best may only generate up to £1m, if they are successful. Challenging as the circumstances are, there is an obligation on the Local Authority, as there is on individual schools, to set a balanced budget from year-to-year. Further work will be needed over the summer to identify measures that can develop a more effective action plan in the short, medium and long-term. The report to the next meeting of Schools Forum needs to exhaust all possibilities to recover the financial position and achieve a sustainable budget position

## 7 **Inclusion Reference group:**

This group last met on Tuesday 6 June 2017. The notes of the last meeting are attached in Appendix B. The following task groups have been established:

- 7.1 Inclusion Audit
- 7.2 SEND process and Top Up
- 7.3 Bristol's Access Strategy

## 8 **High Needs Grant Action Plan:**

The DfE has required each Authority to produce a High Needs Action Plan. The first draft of the Bristol Action Plan is attached in Appendix A.

- 9 **SEND Inspection:** From 1st September 2014 the laws for children and young people with Special Educational Needs and Disabilities changed.

In order to assess how local areas were performing in implementing the new SEND reforms, the two inspectorates, Ofsted and the Care Quality Commission (CQC), started a new type of joint inspection in May 2016. Under the Local area special educational needs and disabilities inspection framework, inspectors review how local areas meet their responsibilities to children and young people (from birth to age 25) who have special educational needs or disabilities (or both). There is more detail about the SEND Inspection Framework in Appendix C.

## 10 **Glossary of Terms**

LA	Local Authority
SEND	Special Educational Needs and Disability
PRU	Pupil Referral Unit
AP	Alternative Provision
EIB	Early Intervention Base

Appendix A

## Draft Plan to Secure Reduced Expenditure and Repayment of Overspend on HNB

### Version 4

#### A. Reducing in-year expenditure 2017/18 – current forecast

£4.9m overspend

Action							
Placement Budget: £4.976M Forecast overspend: £2.525M	Current Cost	Potential savings identified	Actual Savings	Deadline	Lead	Progress	RAG
<b>Alternative Learning Provision (ALP)</b>							
<b>Review and amend ALP decision-making process to ensure fixed budget for spot purchases from September 2017 onwards</b>			To be determined	Sept 17	CD		
<b>Implement BIP process for primary sector, without facility for overspend</b>				Sept 17	CD		
<b>LA funds EiB provision for primary pupils and will no longer fund primary ALP places</b>	£900,00 for 45 places	£328,000 ALP spend	c£250,000	Sept 17	CD		

<b>Specialist Placements</b>	<b>Current Cost</b>	<b>Potential savings identified</b>	<b>Actual Savings</b>	<b>Deadline</b>	<b>Lead</b>	<b>Progress</b>	<b>RAG</b>
<b>Cease ad-hoc payments to special schools</b>				Sept 17	AJ		
<b>Identify any potential savings from specialist placements e.g. where no longer in EET</b>				Sept 17	AJ		
<b>Review process and protocol Joint Assessment Panel (for OLA places) to determine savings/future contributions</b>				April 18			
<b>Reduce HES costs through vacancy management/management of change process</b>	£300,000 for x places	£200,000		March 18	AJ		
<b>Implement inter-Authority approach to purchasing specialist placements through Dynamic Purchasing System approach</b>		£147,000		Sept 17	AJ		
<b>Review and consolidate Resource Base provision</b>				Sept 17	AJ		
<b>Complete review of specialist funding, in the context of local, national and OLA provision costs, to inform budget reductions from April 18</b>				July 17	AS	Completed	
<b>Review specialist sector provision</b>		£1.8M*		Jan 18	AJ/CG		

<b>model, in context of capital strategy, to improve value for money and determine further savings</b>		See below					
<b>Top Up Budget: £19.023M Forecast overspend £1.692M</b>	<b>Current Cost</b>	<b>Potential Savings Identified</b>	<b>Actual Savings</b>	<b>Deadline</b>	<b>Lead</b>	<b>Progress</b>	<b>RAG</b>
<b>Delay implementation of May Top Up panel decisions until September 17</b>			£63,000	June 17	AS/DT?		
<b>Undertake an audit of top up payments to identify payments which should be ceased</b>				July 17	AJ		
<b>Revise Top Up model and process to ensure expenditure remains within allocated budget</b>				July 17	AJ		
<b>Implement revised Top Up model and process for mainstream schools to ensure expenditure within budget</b>		c £400,000		Sept 17	AJ		
<b>Reduce special school/PRU Top Up rates by 1.75%</b>			£300,000	Sept 17			
<b>Implement revised Top Up model and process for specialist sector to ensure expenditure within budget (5/12)</b>		c£1.8M* See below		April 18	AJ		
<b>Implement revised Top Up model and process for OLA places (7/12)</b>				Sept 17	AJ		

<b>GFE Budget: Revise budget due to significant growth</b>	<b>Current Cost</b>	<b>Potential Savings Identified</b>	<b>Actual Savings</b>	<b>Deadline</b>	<b>Lead</b>	<b>Progress</b>	<b>RAG</b>
<b>Placement</b>							
<b>Discuss gap between place numbers commissioned by LA and those funded by EFA with FE colleges to secure reduction in cost</b>				July 17	AJ		
<b>Liaise with South Gloucestershire CC and EFA re payment for inter-LA commissioned places</b>				July 17	PJ		
<b>Top Up £1.580m Forecast overspend: £518,000</b>							
<b>Revise Top Up model and process to ensure expenditure within budget</b>				July 17	AJ		
<b>Implement revised Top Up model for FE sector to ensure expenditure remains within allocated budget (7/12)</b>				Sept 17	AJ		
<b>Other</b>	<b>Current Cost</b>	<b>Potential Savings Identified</b>	<b>Actual Savings</b>	<b>Deadline</b>	<b>Lead</b>	<b>Progress</b>	<b>RAG</b>
<b>Review base budget allocations for 2018/19 to ensure statutory duties can be met</b>				Jan 18	AJ/DT		
<b>Review Pushed Out Learners Plan, to determine progress in implementing inclusion strategies</b>				July 17	SR		
<b>Reduce ALN Commissioning costs</b>		£100,000		March 18	AJ		

## B.Reducing Future Expenditure – 2018/19 onwards – recurring overspend £3.7m

Action	Current Cost	Potential Savings Identified	Actual Savings	Deadline	Lead	Progress	RAG
<b>Agree additional inclusion strategies and practice to reduce specialist and ALP placements, in partnership with teaching school alliance in primary and BIP in secondary sectors</b>				Jan 18	AJ/CG		
<b>Fixed budget for ALP spot purchases – full year effect</b>				April 18	CD		
<b>Implement revised specialist provision model</b>				Sept 18	AJ/CG		
<b>Implement inter-Authority approach to purchasing specialist placements through Dynamic Purchasing System approach (full year effect)</b>		£252,000		April 18	AJ		
<b>Top Up Budget</b>							
<b>Top Up process for mainstream schools within allocated budget</b>				April 18	AJ		
<b>Implement revised special school funding model</b>				April 18	AJ/SW		
<b>GFE Budget</b>							
<b>Top Up model for FE sector within allocated budget</b>				April 18	AJ		
<b>Accurate submission of places to EFA for 2018/19</b>					AJ/Finance?		

<b>Other</b>							

## Appendix B

# Inclusion Reference Group



<b>Meeting</b>	<b>Date</b>	<b>Time</b>	<b>Location</b>
Inclusion Reference Group	6.6.17	3.30pm – 5pm	City Hall, 1P04
<b>Invitees</b>			
Liz Jenkins	<b>St Werburghs Nursery</b>	<a href="mailto:headstwerburghsn@bristol-schools.uk">headstwerburghsn@bristol-schools.uk</a>	
<b>North</b> - Louisa Munton	<b>Shirehampton Primary</b>	<a href="mailto:head.shirehampton.p@bristol-schools.uk">head.shirehampton.p@bristol-schools.uk</a>	
<b>South</b> - Vacancy			
<b>East/Central</b> - Tracy Jones	<b>Bannerman Road Academy</b>	<a href="mailto:tracy.jones@bristol-schools.uk">tracy.jones@bristol-schools.uk</a>	
<b>North</b> - Clare Bradford	<b>Henbury School</b>	<a href="mailto:clare.bradford@bristol-schools.uk">clare.bradford@bristol-schools.uk</a>	
<b>South</b> - Victoria Boomer	<b>Oasis John Williams</b>	<a href="mailto:Victoria.boomer@oasisjohnwilliams.org">Victoria.boomer@oasisjohnwilliams.org</a>	
<b>South</b> - Vicki Black	<b>Oasis Brislington</b>	<a href="mailto:Vicki.black@oasisjohnwilliams.org">Vicki.black@oasisjohnwilliams.org</a>	
<b>East/Central</b> - Vacancy			
Trystan Williams	<b>Merchants Academy</b>	<a href="mailto:Trystan.williams@venturersacademy.org">Trystan.williams@venturersacademy.org</a>	
Peter Evans	<b>Knowle-dge and Notton House</b>	<a href="mailto:head@nottonhouse.bristol.sch.uk">head@nottonhouse.bristol.sch.uk</a>	
<b>College</b> - Vacancy			
<b>Post 16</b> - Vacancy			
<b>North</b> - Alex Bacon	<b>Nova Primary</b>	<a href="mailto:alex.bacon@bristol-schools.uk">alex.bacon@bristol-schools.uk</a>	
<b>South</b> - Karen Gill	<b>Parsons Street Primary</b>	<a href="mailto:karen.gill@parsonstreet.com">karen.gill@parsonstreet.com</a>	
<b>East/Central</b> - Deborah Barkham/	<b>Millpond Primary</b>	<a href="mailto:dbarkham@millpondprimary.org">dbarkham@millpondprimary.org</a>	
<b>East/Central</b> - Debbie Chamberlin	<b>Whitehall Primary</b>	<a href="mailto:sencowwhitehallp@bristol-schools.uk">sencowwhitehallp@bristol-schools.uk</a>	
<b>North</b> - Victoria Allen	<b>Orchard</b>	<a href="mailto:v.allan@osb.school">v.allan@osb.school</a>	
<b>South</b> - Zoe Napier	<b>Merchants Academy</b>	<a href="mailto:zoe.napier@merchantsacademy.org">zoe.napier@merchantsacademy.org</a>	
<b>East/Central</b> - Pippa Whittaker	<b>City Academy</b>	<a href="mailto:whittakerp@cityacademy.bristol.sch.uk">whittakerp@cityacademy.bristol.sch.uk</a>	
<b>Primary EIB</b> - Vacancy			
<b>Secondary PRU</b> - Aileen Morrison	<b>St Matthias</b>	<a href="mailto:amstmatthiaspru@bristol-schools.uk">amstmatthiaspru@bristol-schools.uk</a>	
Paul Jacobs ( <i>CHAIR</i> )	<b>Service director, Education &amp; Skills</b>	<a href="mailto:Paul.jacobs@bristol.gov.uk">Paul.jacobs@bristol.gov.uk</a>	
Dawn Butler	<b>Early Years Inclusion</b>	<a href="mailto:dawn.butler@bristol.gov.uk">dawn.butler@bristol.gov.uk</a>	
Annette Jones	<b>Specialist Education and Access Team</b>	<a href="mailto:Annette.jones@bristol.gov.uk">Annette.jones@bristol.gov.uk</a>	
Nakita Singh	<b>Specialist Education and Access Team</b>	<a href="mailto:Nakita.singh@bristol.gov.uk">Nakita.singh@bristol.gov.uk</a>	
Vikki Jervis	<b>Inclusion services</b>	<a href="mailto:Vikki.jervis@bristol.gov.uk">Vikki.jervis@bristol.gov.uk</a> ; <a href="mailto:simon.claridge@bristol.gov.uk">simon.claridge@bristol.gov.uk</a>	
Anne Sheridan	<b>Finance team</b>	<a href="mailto:anne.sheridan@bristol.gov.uk">anne.sheridan@bristol.gov.uk</a>	
Rachel Pryor	<b>Children in Care</b>	<a href="mailto:Head.virtualhope@bristol.gov.uk">Head.virtualhope@bristol.gov.uk</a>	
Emilie Williams-Jones	<b>Birth to 25 Service</b>	<a href="mailto:Emilie.williams-jones@bristol.gov.uk">Emilie.williams-jones@bristol.gov.uk</a>	
<b>Apologies</b>		<b>CC</b>	
Trystan Williams, Vikki Black, Liz Jenkins, Clare Bradford		Sian Rees	

# AGENDA

	Time Guide (minutes)	Supporting Paperwork		
<b>1. Introductions and Apologies; Minutes of last meeting</b> Louisa Munton (CHAIR)	5	 Inclusion Reference Group MINUTES 20M		
<b>2. IRG Terms of Reference &amp; Work Plan</b> Louisa Munton (CHAIR)	30	 Inclusion Reference Group TOR v3 6 June	 Inclusion Reference Group Work Plan 201	
<b>3. Inclusion Reference Working Group</b> Nakita Singh	20	 IRG Presentation - IRG Working Groups	 Access Strategy Working Group AGENI	 SEN Support & High Needs Funding (Top L
<b>4. Current Projected High Needs Block Outturns</b> Paul Jacob / Annette Jones	15	No advance documents - To be discussed at the meeting.		
<b>5. A.O.B.</b> <i>Any A.O.B. items must be sent to the chair 48 hours before the meeting</i>	15	<b>Peter Evans (Notton House)</b> – Financial figures		

# MINUTES

<b>Agenda Item</b>	<b>Discussion Points/ Outcomes &amp; Actions</b>	<b>Actions</b>
<p><b>1. Introductions and Apologies; Minutes of last meeting</b> Louisa Munton (CHAIR)</p>	<p>Sian Rees introduced herself as a consultant working within Education &amp; Skills.</p> <p>Action Tracker reviewed (see below for actions carried forward).</p> <p>Minutes were agreed.</p>	
<p><b>2. IRG Terms of Reference &amp; Work Plan</b> Louisa Munton (CHAIR)</p>	<p>Membership of the group was discussed.</p> <p>The need to fill vacancies was raised.</p> <p>Difficulty of disseminating information was raised, particularly in the North.</p> <p><b>Action: Emilie to give Alex Bacon details for North SENCOs.</b></p> <p>Purpose of the group and roles and responsibilities were reviewed. The group acts as a conduit for Schools Forum. Schools Forum set the tasks for the IRG and the IRG feedback recommendations to Schools Forum.</p> <p>The IRG and its working groups should report observations. The IRG and its groups do not make decisions. Decision making happens at Schools Forum.</p> <p>The importance of the groups being solution focused was raised.</p> <p>The Local Authority maintains control of the High Needs Block but must work with schools. Schools have a responsibility for using Schools Block.</p> <p>The importance of honest conversations was raised.</p> <p>Links between the IRG and Schools Forum were discussed.</p> <p><b>Action: Schools Forum to be asked whether they want representation on the IRG and the reporting mechanism they would like.</b></p> <p><b>Action: Terms of References to be updates and sent out.</b></p> <p>The groups work plan was briefly looked at.</p>	

<b>Agenda Item</b>	<b>Discussion Points/ Outcomes &amp; Actions</b>	<b>Actions</b>
	<p>Action: Work plan to be circulated.</p> <p>The group were updated briefly on the Top Up workshop that had happened earlier in the day. The workshop had been a success and some recommendations/ideas may come out of the work.</p> <p>Action: Top Up workshop update to be added to the next agenda.</p> <p>The frequency of working groups meeting was raised and it was agreed that they should be more frequent than quarterly.</p> <p>Exclusion work group was raised as there are concerns about primary exclusions. The relationship between Top Up and exclusions was raised.</p> <p>Action: Aileen to present on EIBs at next IRG.</p> <p>Reviewing the funding of specialist provision was raised.</p> <p>The new Statutory combined guidance was flagged.</p> <p>Action: Link to statutory guidance to be circulated with minutes.</p>	
<p><b>3. Inclusion Reference Working Group</b> Nakita Singh</p>	<p><b>Presentation on working groups (see agenda)</b></p> <p>Importance of regular communication with schools was raised and ensuring Schools Forum understood the difference groups of the IRG.</p> <p>It was flagged that the operation of the High Needs Block was the responsibility of the Local Authority in consultation with Schools Forum.</p> <p>The question of whether there was a gap in the expertise for schools to undertake SEN Support.</p> <p>Specialist Leaders in Education were flagged as a successful model in other age ranges.</p> <p>The availability of School Improvement Grant was raised.</p>	

<b>Agenda Item</b>	<b>Discussion Points/ Outcomes &amp; Actions</b>	<b>Actions</b>
	<p>A working group around this was flagged. It was raised that involving the Teaching Schools would be wise.</p> <p>The group could also look at the impact of the SENCO qualification on skills and suggest links that could be made to improve teacher training around SEN.</p> <p><b>Action: Workforce development working group to be set up to explore this (Task and Finish).</b></p>	
<p><b>4. Current Projected High Needs Block Outturns</b> Paul Jacob / Annette Jones</p>	<p>Presentation on High Needs Block (Annette Jones)</p> <p>The limitations of the financial data were raised. More granular detail was requested of where the money went and the plan for recovering it.</p> <p>Detail on the financial data is being developed. A three year recovery plan may not be possible as the Education Funding Agency would need to clarify whether that was acceptable.</p> <p>The limitation of IRG was raised; trends are useful to make recommendations but decisions are made at Schools Forum.</p> <p>It was raised that the IRG workbook should support seeing trends.</p> <p>It was raised that the changes to Band funding at Top Up has resulted in schools making applications for higher bands based on finances rather than need.</p> <p>Top Up panel in May has allocated £756 295 in addition to existing overspend.</p> <p>Any trends in Top Up funding the group would like to look at can only be taken from 2013 when the new funding formula came in.</p> <p>Further break down of Top Up award amounts, for different types of needs, the number of applications agreed/disagreed was requested.</p> <p>The importance of ensuring other agencies understand Education (i.e. the High Needs Block and how it is distributed) was raised.</p>	

<b>Agenda Item</b>	<b>Discussion Points/ Outcomes &amp; Actions</b>	<b>Actions</b>
	<p>Paying Schools from March/May 17/18 for the May Top Up panels would result in an additional spend of £693k.</p> <p>Paying Schools from September 17/18 for the May Top Up panels would result in additional spend of £441k.</p> <p>Group recommendation:</p> <ul style="list-style-type: none"> <li>• Any applications that result in an increase of Top Up funding should start in September.</li> <li>• Any cases with HI/VI or PD should be excluded from this.</li> <li>• The same principle should be extended to special schools.</li> </ul> <p>The next IRG is timetabled for September. The group expressed a wish to meet before the summer holidays.</p>	
<p><b>5. A.O.B.</b>  <i>Any A.O.B. items must be sent to the chair 48 hours before the meeting</i></p>	<p>AOBs dealt within the meeting.</p>	

### Action Tracker

- **Carried Forward:** Aileen Morrison to invite to East and Central Heads to fill IRG vacancy.
- Emilie to give Alex Bacon details for North SENCOs.
- Schools Forum to be asked whether they want representation on the IRG and the reporting mechanism they would like.
- Terms of References to be updates and sent out.
- Work plan to be circulated
- Top Up workshop update to be added to the next agenda.
- Link to statutory guidance to be circulated with minutes.
- Workforce development working group to be set up to explore this (Task and Finish).



# SEND: Bristol

Local Area Special Education Needs  
and Disability Reforms and Inspection Briefing

DRAFT

## Introduction

From 1st September 2014 the laws for children and young people with Special Educational Needs and Disabilities changed. These changes are known as the SEND reforms (Special Educational Needs and Disability reforms) and are set out in part 3 of a new law called the [Children and Families Act 2014](#).

The new law aims to improve the system by giving more importance to the views, wishes and feelings of children and young people and their families and is based on the principles of Participation, Outcomes, Joint decisions and Joint Working.

In order to assess how local areas were performing in implementing the new SEND reforms, the two inspectorates, Ofsted and the Care Quality Commission (CQC), started a new type of joint inspection in May 2016. The aim is to hold local areas to account and champion the rights of children and young people.

Under the [Local area special educational needs and disabilities inspection framework](#), inspectors review how local areas meet their responsibilities to children and young people (from birth to age 25) who have special educational needs or disabilities (or both).

## Background

Children and young people with special educational needs or disabilities (or both) often receive a number of different services. These could be provided by nurseries, schools or colleges and specialist therapists, as well as professionals in education, health and social care.

Under the new reforms, the local area health, social and education services need to work together to:

- Publish a 'local offer' setting out the support and provision in the area for children and young adults with special educational needs or disabilities (or both)
- Provide accessible information to children and young people, as well as parents and carers, about the services and support available in the local area
- Work with children and young people, their parents and carers, and service providers to make sure that any special needs or disabilities (or both) are identified as early as possible
- Assess (in co-operation with children and young people and their parents and carers) the needs of children and young people with special educational needs or disabilities (or both) who may need an education, health and social care plan (EHCP)

- Produce an EHCP for all children and young people who are assessed as needing one (all relevant agencies should cooperate to do this and involve the children and young people and their parents and carers)
- Provide children and young people with the support agreed in their EHCP, and regularly review their plans

### Ofsted Inspection

All local areas will be inspected at least once during a five-year period. Selection of local areas to be inspected in a given year will endeavour to ensure a spread across the country and will, wherever possible, take account of the timing of other Ofsted and CQC inspection activity to avoid undue burden being placed on local areas.

As at 15<sup>th</sup> February there have been 18 inspections across England including Bolton, Enfield, Gloucestershire, Plymouth, Stoke and Surrey.

Although it is impossible to predict when we will get selected for inspection, the most important thing we can do now is **PREPARE**.

### The inspection process

Over the course of a five-day inspection, inspectors will meet managers and leaders from the area's education, health and social care services and look at young people's case files.

They will review the support provided by the local area for some individual children and young people to better understand how well the local area meets its responsibilities overall.

They will also visit early years settings, schools, further education providers and specialist services.

During these visits, inspectors will also spend time speaking to children, young people and their parents or carers.

### Inspection Teams

The inspection teams will include:

1. A Her Majesty's Inspector with enhanced specialism in special educational needs and disabilities
2. A CQC specialist children's services inspector
3. An Ofsted inspector (usually a serving practitioner in another local authority) specially recruited and trained in special educational needs and disabilities issues

All inspectors have been trained fully for these inspections.

### **How will services and users be told about an inspection?**

Five working days before an inspection, Ofsted will tell the director of children's services from the local authority and the CQC will contact the chief executives of the clinical commissioning groups to give notice of the inspection.

The local area will share details of meetings that the inspection team will hold with anyone affected by the inspection. You may attend one of these meetings to share your views about your experience of support for special educational needs or disabilities (or both) in the local area.

### **What do inspectors look for?**

Inspectors will look for evidence of how children and young people with special educational needs or disabilities (or both) are identified, how their needs are assessed and met and how they are supported to move on to their next stage of education, the world of work and wider preparation for adulthood.

The inspections will be carried out in line with the [inspection framework](#) and [handbook](#). The inspections are carried out under section 20 of the [Children Act 2004](#). The inspectors will also look at the way in which local areas are meeting their duties under the [Equality Act 2010](#).

### **What can't inspectors do?**

Inspectors will not carry out inspections of individual education, social care or health services or providers. They will not make any judgements on the decision-making or the quality of support provided to individual children or young adults.

Inspectors will also not investigate complaints about the support received by individual children or young people or their families. They do not have the power to change or overrule decisions about assessment or support that have been made by agencies and service providers in the local area.

### **How will inspectors report the findings?**

At the end of the inspection, the inspection team will evaluate all the evidence gathered. Ofsted and the CQC will write a joint inspection outcome letter. The letter will explain the main findings and make recommendations for improvement. It will also highlight any strengths that inspectors identify to help other services and areas develop and improve.

These letters will be published on the [Ofsted website](#) and on the [CQC website](#).

### **What else do you need to know?**

Inspectors will want to hear the honest, evidence-based opinions of those they speak with. They will also expect to see that we know our strengths and understand action being taken to improve in other areas.

A summary *Self Evaluation* has been produced to highlight key messages and this will be updated regularly as work against the *Bristol SEND Improvement & Development Plan* progresses. We will share this with you in a future briefing

If you have any questions about what this might mean for you please speak to your manager now.

This is a very busy time for all of us and our world is constantly changing. Making sure that you give the best possible account of yourself and your work will be crucial to ensuring that we, along with the children, young people and families of Bristol, all benefit from an inspection outcome that reflects the energy and passion we commit to realising our collective ambitions.

### **Supporting Information**

For supporting information, please also consider referring to:

[SEND Vision](#)

Don't forget to look at our [Findability](#) website, which details Bristol's local offer and is a source of valuable information. We have recently set up a page to identify and share all the good news stories which have resulted in improved outcomes for children, young people and families with SEND. If you have a success story you would like to share please get in contact through the website, we would love to hear from you.

**Bristol SEND Partnership Group  
February 2017**

 **@bristolcfp**