



# School and Early Years Finance (England) Regulations

## Local Authority Application to Disapply Regulations Form

### Schools Block Movement

Please complete this form to apply to the Secretary of State for Education to disapply the School and Early Years Finance (England) Regulations, or to vary conditions in the Dedicated Schools Grant.

Please complete all fields. **If sections are not satisfactorily completed, we may request further information or REJECT YOUR REQUEST.**

Return the completed form along with any supporting documentation to LA.DISAPPLICATIONS@education.gov.uk

Any supporting documentation which is attached separately, for example spreadsheet calculations, should be referenced in the relevant box on the form.

Local Authority number	873
Local Authority	Cambridgeshire
Funding year request relates to	2020/21
Type of request	SCHOOLS BLOCK MOVEMENT

What percent of the provisional schools block allocation are you requesting to transfer?	1.80%
What is the cash value you are requesting to move? (please specify if this is an estimate in the any further information box below)	£6.5m
Would you like the request to be based on the percentage or fixed cash value above?	Percentage
Where do you propose to transfer funding to? <small>(High needs block, CSS block)</small>	High Needs Block
What do you propose setting your minimum funding guarantee (MFG) at if the transfer is allowed?	TBC

Once actual DSG figures are released in December, the cash value of a given percentage will likely change. Therefore please specify whether you wish the cash value or the percentage to be fixed.

DSG forecast carry forward to 2020/21. Deficits to be shown as a negative value/surplus as a positive	-£16,000,000
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Has the schools forum been consulted?	Yes
Does the schools forum agree with this request?	
Was the meeting quorate?	
What was the date of the schools forum meeting?	
Please provide link(s) to the minutes showing schools forum agreement, or details of where this can be found in attached documentation.	
If this has not yet been discussed with Schools forum, what date will this be?	Discussed at meeting dated 8th November. Views being sought from all schools as part of wider consultation which closes on 13th December 2019

Have all maintained schools and academies been consulted?	Yes
What was the response rate of the consultation?	Consultation closes 13th December 2019
What was the outcome of the consultation?	

Local authorities must consult with all local maintained schools and academies if they propose to allocate schools block money to other items. The schools forum must take into account the outcome of that consultation before deciding whether to give their consent (DSG conditions of grant)

Assessment of the equalities implication

Please provide us with your detailed equality analysis demonstrating your compliance with the public sector equality duty in s.149 of the Equality Act 2010 in relation to your request.  
**If attached separately, please provide details of where this can be found in supporting documentation.**  
**Should we consider your analysis to be inadequate we may request further information or REJECT YOUR REQUEST.**  
Stating that there are no equality implications will generally be deemed to be inadequate.  
[Section 149](#)  
Attached

Please complete the table below to provide evidence for your request.  
**If evidence is attached separately, please provide details of where this can be found in supporting documentation.**

Category	Description	Details/documents
Previous block movement	Details of all previous movements between blocks (including those that did not require a disapplication request) and what pressures those movements covered. Include details of why those transfers have not been adequate to counter the new cost pressures.	In 2017/18 - £667k was transferred from the Schools Block to the High Needs Block. The number of EHCPs increased from 3,444 as at 27/03/2017 to 3,843 as at 26/03/2018, an increase of 11.58%. Actual spend on the High Needs Block increased from £65.7m in 2016/17 to £70m at the end of 2017/18. In 2018/19 - £700k was transferred from the Schools Block and £500k from the CSSB to the High Needs Block. The number of EHCPs increased from 3,843 as at 26/03/2018 to 4,262 as at 01/04/2019, an increase of 10.9%. Actual spend on the High Needs Block increased from £70m in 2017/18 to £75.96m at the end of 2018/19.
2019/20 block movement request	Was there a request for 2019/20? If so, please provide details of this: What was the value of the request? Was it approved? How much (cash and % value) was transferred following the decision? Also provide details if this request represents a longer term plan agreed previously, details of any consultation with schools and voting.	In 2019/20 - £1.7m was transferred from the Schools Block and £500k from the CSSB to the High Needs Block. This year to date, from 1st April to 18th November 2019 the number of EHCPs has increased from 4,262 to 4,621 - 8.42%. Current high needs costs are forecast to be in the region of £80m+ by the end of the year.
Breakdown of specific budget pressures that led to the need to transfer	A full breakdown of the specific budget pressures that have led to the requirement for a transfer. This would include the changes in demand for special provision over the last 3 years, and how the LA has met that demand by commissioning places in all sectors. It is particularly important that any changes in the provision for mainstream school pupils with high needs are highlighted so those schools can understand both why a transfer of funds from the schools block might be needed, and how future transfers might be avoided.	The main budget pressures at the end of 2018/19 were in respect of the following areas: 1) Top-up funding in mainstream schools and FE colleges - £4.8m - this is as a result of the continuing increase in numbers as set out above. Within the FE sector the increase in commissioned places and overall costs over the last 3 years has been significant, and has not been adequately recognised in the funding uplifts received. 2) Special School and High Needs Units - £2.6m - The number of commissioned places within Special Schools and Units has also increased to meet the increasing complexity of need across the county. Between October 2017 and October 2019 we have seen an increase in special school places of 200+. 3) Education Placements - £0.5m - Despite additional funding being targeted towards this area there are a continuing increase in numbers and costs for learners in external placements due to lack of capacity in internal provision. 4) Out of School Tuition - £1m - There has been a continuing increase in the number of children with an EHCPs who are awaiting a permanent school placement. Every effort is being made to place these in mainstream schools, but there is insufficient capacity and expertise in schools to meet their needs.

<p><b>Strategic Financial Plan (A) – Balancing and Sustaining the High Needs Block</b></p>	<p>The local authority should demonstrate an assessment and understanding of why the high needs costs are at a level that exceeds the expected final high needs funding allocation, and that plans are in place to change the pattern of provision where this is necessary, as well as to achieve greater efficiency in other ways.</p>	<p>As noted above there has been a continuing significant increase in the overall number of EHCP's since 2015. What we have also seen during this time is both an increase in the age profile of those learners with EHCPs due to the legislative changes introduced in 2014 and a significant increase in those attending special schools. This has particularly impacted on Cambridgeshire because of the historic low baseline prior to the national funding changes. The original 50% historic funding factor was set at a time when overall numbers and need were significantly lower than they are now and the increase in the other funding factors have not adequately kept pace. Appendix 1 contains graphical representation of some of the challenges being faced. As part of our recovery plan, we have established an SEND recovery board which is focussing on a number of workstreams to build and develop understanding across the organisation, and work with key stakeholders to deliver a sustainable approach to High Needs Funding going forward. Appendix 2 - Overview of workstreams provides a summary of the main areas being developed. Appendix 3 provides a synopsis of the ongoing work around demand management which underpins the other workstreams and is vital to overall delivery.</p>
<p><b>Strategic Financial Plan (B) – DSG Recovery and Schools' Forum</b></p>	<p>The local authority should give details of whether the cost pressure is such that they would anticipate the need to seek schools forum approval for a transfer in subsequent years, and how they are planning ahead to avoid such transfers in the longer term. (Note that the schools forum can only give approval for a one-off transfer of funding out of the 2020/21 schools block.) The local authority should also include here the forecasted DSG brought forward figure for the next 3 years. Finally the local authority must provide updated recovery plans following the additional high need funding announced on 30 August 2019.</p>	<p>The requirement to seek approval for block transfers in subsequent years will be dependent on a number of factors, most significantly the level of continuing increase in demand and the future funding settlements once the national High Needs distribution formula has been reviewed and updated. To the end of 2019/20 a cumulative DSG deficit of £16m+ is currently being forecast. As a result of the additional funding allocation for 2020/21, proposed block transfer and planned savings set against the continuing increase in numbers and complexity of need it is anticipated that the High Needs Block will balance in-year resulting in a similar deficit of circa £16m at the end of 2020/21. It is then anticipated that the deficit will begin to reduce in subsequent years. The attached updated recovery plan template (Appendix 4) reflects these assumptions for future years, including a similar funding uplift in 2021/22. Since the summer we have requested a meeting with the DfE to discuss the details of our recovery plan. Until now a date has not been forthcoming, but we are now due to meet with DfE officials in January and our plan will be updated further following this discussion.</p>
<p><b>Strategic Financial Plan (C) – Collaborative Planning and Partnership working</b></p>	<p>We expect evidence of effective partnership between the local authority, those institutions offering special and alternative provision (including mainstream schools), and parents; and between the local authority and neighbouring authorities.</p>	<p>Our SEND Ofsted inspection stated the following: <i>"Leaders consult with, and work alongside, parents and carers to co-produce a range of services, advice and guidance."</i> and <i>"Senior leaders in the local area are working well together to improve services for children and young people who have special educational needs and/or disabilities."</i> We have strong working relationships with all of our providers for SEND and alternative provision.</p>
<p><b>Health and social care budget</b></p>	<p>Details and evidence of any contributions coming from the health and social care budgets towards the cost of specialist places.</p>	<p>A new SEND Board chaired by the Executive Director for People and Communities has been established and one of its key focusses is consider how Education, Health and Social Care can work together more closely. Of the current 260 external education placement, only 30 are split funded between the various partners in differing proportions based on agreed need. The average total cost of each of these 30 placements is £226k per annum, with approximately 1/3 being charged to the Education element (although individual proportions do vary). Significant challenge goes into all placements which are not education driven and one of the workstreams in appendix 2 is in respect of reviewing our panel processes.</p>
<p><b>Funding HN pupils in mainstream provision</b></p>	<p>Details of how any additional high needs funding would be targeted to good and outstanding mainstream primary and secondary schools that provide an excellent education for a larger than average number of pupils with high needs, or to support the inclusion of children with special educational needs in mainstream schools. Examples that illustrate how the LA would support such inclusive practice are also useful.</p>	<p>The funding is to support existing placements which sit across all schools in the county. We do not differentiate our support on the basis of the quality of the school. Our recovery plan will focus on working with the most appropriate education providers to deliver to children in their local communities.</p>
<p><b>Impact of transfer on Schools block</b></p>	<p>Details of the impact of the proposed transfer on individual schools' budgets as a result of the reduction in the available funding to be distributed through the local schools funding formula.</p>	<p>A 1.8% transfer from the Schools Block to High Needs Block would result in a cap on gains needing to be applied to ensure overall affordability within the available resources. This would therefore limit the gains of those schools who already receive more than £3,750 primary and £5,000 secondary minimum per pupil levels. Those schools previously in receipt of funding below this level would see increases up to a minimum of this level.</p>

Any further information about the request not included above.

For any references made to documents supplied separately, please provide details (e.g. page numbers) of where relevant information can be found within the supporting documentation.

Name of requestor	Jonathan Lewis
Job Title	Service Director: Education
Telephone number	
Email address	<a href="mailto:jonathan.lewis@cambridgeshire.gov.uk">jonathan.lewis@cambridgeshire.gov.uk</a>
Date	28th November 2019

## Equality Impact Assessment For employees and/or communities

*This EIA form will assist you to ensure we meet our duties under the Equality Act 2010 to take account of the needs and impacts of the proposal or function in relation to people with protected characteristics. Please note, this is an ongoing duty. This means you must keep this EIA under review and update it as necessary to ensure its continued effectiveness.*

### Section 1: Proposal details

Directorate / Service Area:		Person undertaking the assessment:	
Finance		<b>Name:</b>	1. Jon Lee 2. Martin Wade
<b>Proposal being assessed:</b>		<b>Job Title:</b>	1. Head of Integrated Finance 2. Strategic Finance Business Partner
2020/21 Schools Block Funding		<b>Contact details:</b>	1. 07921 940444 2. 07917 596176
<b>Business Plan Proposal Number:</b> (if relevant)	N/a	<b>Date commenced:</b>	28 November 2019
		<b>Date completed:</b>	
Key service delivery objectives:			
<p><i>Include a brief summary of the current service or arrangements in this area to meet these objectives, to allow reviewers to understand context.</i></p> <p>Each year the authority receives Dedicated Schools Grant funding – a ring fenced grant from central government to fund schools and early years. The DSG is provided in 4 blocks:</p> <ul style="list-style-type: none"> <li>• <b>Schools Block</b> – the schools funding formula which funds individual school budgets and the growth fund for new and growing schools under certain criteria;</li> <li>• <b>Central Schools Services Block</b> – funds historic commitments previously agreed between the Schools Forum and the authority and ongoing responsibilities that the authority has in respect of education;</li> <li>• <b>High Needs Block</b> – provides the funding to support pupils with high needs in various high need settings such as special schools, out of county placements, alternative provision, special education needs units and top up funding for pupils in mainstream schools that need additional support. This block also funds teams within the authority that support the high needs sector to meet the needs of high needs pupils; and</li> <li>• <b>Early Years Block</b> – funds all settings providing early years places in respect of 2 years olds, and 3 - 4 year olds with an element of the block funding teams within the authority to manage and administer the early years arrangements.</li> </ul>			

## **Equality Impact Assessment**

### **For employees and/or communities**

This EIA is concerned only with the Schools Block funding and the local schools funding formula for Cambridgeshire. This remains a local authority decision despite the DfE implementing their national funding formula. The local schools funding formula is the mechanism by which all maintained schools and academies (excluding Nursery Schools and Special Schools) receive their individual budget share from the Schools Block within the DSG.

#### **Key service outcomes:**

*Describe the outcomes the service is working to achieve*

Schools as individual educational establishments provide education for 5 to 16 years olds. The service outcome aspired to is to ensure that schools have the maximum amount of funding available to educate their pupils and raise attainment levels in education across the county.

#### **What is the proposal?**

*Describe what is changing and why*

In July 2019 central government announced significant levels of investment in schools. £2.6 billion being made available in 2020/21 to boost school funding. Indicative figures published by the DfE set out an increase of £17.9m for Cambridgeshire schools. This will be updated in December to take account of the latest pupil numbers from the October 2019 census and therefore is indicative at this stage.

Alongside the announcement the DfE has made changes to their national funding formula (NFF) most notably by introducing a Minimum Per Pupil Guarantee (MPPG). The MPPG means that for 2020/21 all primary age pupils will be funded at a minimum of £3,750 and all secondary age pupils at £5,000. The MPPG is also mandatory under the DfE NFF and has to be applied.

The announcement and the MPPG is a positive development for school level funding in Cambridgeshire. However the High Needs Block within the DSG is under extreme financial pressure overspending by £8.8 million in 2018/19 with a similar level of overspend forecast for the 2019/20 financial year. This means that total deficit on the High Needs Block will be in the order of £16m by the end of the current financial year. The DfE expect that the deficit is recovered and the High Needs Block is brought into a balanced position. This is a significant challenge given the continued increase in demand for support for pupils with high needs. The statutory requirements of the authority to support these pupils means any changes need to be managed carefully and typically have a lengthy lead in time.

Within the NFF arrangements the DfE does allow authorities to transfer up to 0.5% of their Schools Block funding to other blocks. For Cambridgeshire this equates to £1.8m. Any transfer from the Schools Block up to 0.5% must be approved by the Cambridgeshire Schools Forum. Further still transfers above 0.5% can be made but this can only be done if the Authority applies to the Secretary of State for approval.

## **Equality Impact Assessment For employees and/or communities**

Due to the High Needs deficit that Cambridgeshire will have by the end of the financial year, the Authority is currently consulting with schools and academies to potentially transfer 1.8% of the Schools Block to High Needs. This equates to £6.5m.

Ultimately this means that of the £17.9m funding increase for Cambridgeshire schools, £6.5m of it would not be used to fund increases in school budgets. Instead it would be used to support the High Needs budget for 2020/21.

### **What information did you use to assess who would be affected by this proposal?**

*For example, statistics, consultation documents, studies, research, customer feedback, briefings, comparative policies etc.*

In order to submit school budgets to the DfE, the ESFA provide a modelling tool called the Authority Pro-forma Tool (APT). The APT is provided by the DfE and contains all the underlying data sets at an individual school level for the local schools formula to be calculated.

The APT has been used to model the baseline position for schools as to what their estimated budget would be for 2020/21 based on the NFF and for different scenarios. The scenarios that have been modelled include:

- Different MFG levels within the allowable range of +0.5% and +1.84%; and
- Different levels of transfer from the Schools Block to the High Needs Block as follows: 0%, 0.5%, 1.0% and 1.8%.

The data used for the modelling is currently based on the October 2018 school census for pupil numbers and 2018 data sets. Once the DfE confirmed the census and data sets based on October 2019 numbers, they will issue the final APT. This will enable the final school budget modelling to be undertaken.

A lookup tool has been provided with the consultation so that schools can see the impact of these funding scenarios on their individual budgets.

### **Are there any gaps in the information you used to assess who would be affected by this proposal?**

*If yes, what steps did you take to resolve them?*

All of the information used to assess the impact of the proposals is based on government policy and requirements around the NFF for schools.

As stated above the data and modelling tool has been provided by the DfE which has been used to model the effect for Cambridgeshire schools.

The final school budgets will need to be updated for the October 2019 census when the DfE provide that information to the Authority through the 2020/21 APT.

## Equality Impact Assessment For employees and/or communities

### Who will be affected by this proposal?

*A proposal may affect everyone in the local authority area / working for the local authority or alternatively it might affect specific groups or communities. Describe:*

- If the proposal covers all staff/the county, or specific teams/geographical areas;*
- Which particular employee groups / service user groups would be affected;*
- If minority/disadvantaged groups would be over/under-represented in affected groups.*

*Consider the following:*

- What is the significance of the impact on affected persons?*
- Does the proposal relate to services that have been identified as being important to people with particular protected characteristics / who are rurally isolated or experiencing poverty?*
- Does the proposal relate to an area with known inequalities?*
- Does the proposal relate to the equality objectives set by the Council's Single Equality Strategy?*

The proposal affects:

- All children of school age in the county as this is related to the funding that schools will receive to provide education;
- High Needs pupils if a funding transfer is not ultimately made from the Schools Block to the High Needs because additional budget savings would have to be found directly within the High Needs Block. Reducing support for high needs children may impact on all children if schools need to re-direct resources to support high needs provision.
- Analysis indicates that due to the way that the formula works that the schools that will see the greatest gains from the NFF and the additional funding are those with higher levels of deprivation and additional needs. However if a transfer from the Schools Block is made, the gains received by these schools will have to be significantly capped to remain within the funding available; and
- The capping of gains on less deprived schools is much less as they are typically not gaining as much funding through the NFF and in many instances are being 'topped up' so that they are funded at the MPPG level.



## Equality Impact Assessment For employees and/or communities

### Section 2: Scope of Equality Impact Assessment

Scope of Equality Impact Assessment					
Check the boxes to show which group(s) is/are considered in this assessment. Note: * = protected characteristic under the Equality Act 2010.					
*	Age	<input checked="" type="checkbox"/>	*	Disability	<input checked="" type="checkbox"/>
*	Gender reassignment	<input type="checkbox"/>	*	Marriage and civil partnership	<input type="checkbox"/>
*	Pregnancy and maternity	<input type="checkbox"/>	*	Race	<input type="checkbox"/>
*	Religion or belief (including no belief)	<input type="checkbox"/>	*	Sex	<input type="checkbox"/>
*	Sexual orientation	<input type="checkbox"/>			
	Rural isolation	<input type="checkbox"/>			Deprivation

### Section 3: Equality Impact Assessment

***The Equality Act requires us to meet the following duties:***

*Duty of all employers and service providers:*

- *Not to directly discriminate and/or indirectly discriminate against people with protected characteristics.*
- *Not to carry out / allow other specified kinds of discrimination against these groups, including discrimination by association and failing to make reasonable adjustments for disabled people.*
- *Not to allow/support the harassment and/or victimization of people with protected characteristics.*

*Duty of public sector organisations:*

- *To advance equality of opportunity and foster good relations between people with protected characteristics and others.*
- *To eliminate discrimination*

For full details see the [Equality Act 2010](#).

We will also work to reduce social deprivation via procurement choices.

Research, data and/or statistical evidence
List evidence sources, research, statistics etc., used. State when this was gathered / dates from. State which potentially affected groups were considered. Append data, evidence or equivalent.
2020/21 indicative DSG allocations from the DfE (October 2019): <a href="https://www.gov.uk/government/publications/national-funding-formula-tables-for-schools-and-high-needs-2020-to-2021">https://www.gov.uk/government/publications/national-funding-formula-tables-for-schools-and-high-needs-2020-to-2021</a>
2020/21 guidance on the NFF issued by the DfE (October 2019)

## Equality Impact Assessment For employees and/or communities

Authority Pro-Forma Tool provided by the DfE which includes the data sets was used to undertake modelling (October 2019)

DSG High Needs budget position for Cambridgeshire (monitored monthly within the Finance team)

### Consultation evidence

*State who was consulted and when (e.g. internal/external people and whether they included members of the affected groups). State which potentially affected groups were considered. Append consultation questions and responses or equivalent.*

All Cambridgeshire schools and academies (mainstream schools) have been consulted. The consultation was released on 12 November 2019 and is open until 13<sup>th</sup> December 2019.

As the consultation is with schools and academies this represents stakeholders that are both internal and external to the Authority.

The consultation is a requirement of DfE regulations in order to transfer any funding from the Schools Block. The regulations also refer to the consultation being with schools. Therefore consultation is not open to the wider public or other stakeholders, affected groups.

The potentially affected groups are represented by the schools being consulted.

A consultation document has been produced and was released to schools along with a look up tool that demonstrates the impact on every individual school to inform their response.

In addition the Schools Forum were consulted at their meeting on 8 November 2019 to inform the draft consultation document before release.

The CYP Committee received a report on the 12 November 2019 updating them on the funding, implications and consultation approach.

The results of the consultation will be presented to the Schools Forum at their meeting on the 18 December 2019 to inform their vote whether to transfer funding from the Schools Block or not.

Following that the CYP Committee will meet in January to make the final decision on the local Cambridgeshire schools funding formula for 2020/21.

## Equality Impact Assessment For employees and/or communities

### Based on consultation evidence or similar, what positive impacts are anticipated from this proposal?

*This includes impacts retained from any previous arrangements. Use the evidence you described above to support your answer.*

- Due to the significant investment by the DfE into Education funding, with a transfer at the highest level proposed in the consultation document, no school will receive a funding reduction in 2020/21 compared to their 2019/20 budget (except where the number on roll may have fallen).
- All schools will receive a Minimum Per Pupil Guarantee (MPPG) level of funding of at least £3,750 per pupil for primary schools and £5,000 for secondary schools.
- If no transfer is made from the Schools Block and the Minimum Funding Guarantee (MFG) is set at the maximum amount of 1.84%, then 81.5% of schools will see a funding increase of £20k or more with 22.1% receiving a funding gain in excess of £100k.
- If a transfer of £6.5m is made then the equivalent figures in respect of the bullet point above are 38.6% of schools receiving a funding increase of £20k or more and 16.4% receiving a funding gain in excess of £100k or.
- The proportion of funding between Primary and Secondary schools in the baseline position is 55% Primary and 45% Secondary. With the transfer of £6.5m and the interplay between the different formula elements, the ratio moves to 50% Primary and 50% Secondary. This therefore positively impacts on the Secondary sector and children aged 11 to 16.
- Secondary schools gain the most funding due to the introduction of the £5,000 MPPG. This is the result of the uplift in the per pupil minimum and the numbers on roll that secondary schools have.
- The transfer of £6.5m will provide funding to support those pupils with high needs. Without this funding further savings will be required within the high needs block.
- **Additional comments and feedback to be added on receipt of all consultation responses**

### Based on consultation evidence or similar, what negative impacts are anticipated from this proposal?

*This includes impacts retained from any previous arrangements. Use the evidence you described above to support your answer.*

- The full amount of the DfE investment into school funding is not being passed on to schools.

## Equality Impact Assessment For employees and/or communities

- The inclusion of the MPPG has a disproportionate impact depending on a schools baseline funding position. For those schools with low levels of additional needs (deprivation, English as an additional language, low prior attainment, mobility) their funding in previous years has been below the MPPG level. Therefore schools in this funding position are being topped up to the MPPG and therefore not subject to the funding cap on their funding.

Whilst this is positive for the schools in this position there is a disproportionate impact on schools that under the NFF have higher levels of additional needs. These are typically schools in deprived areas where the NFF allocates greater funding to them due to the additional needs. As a consequence schools in this situation under the NFF generate potentially large gains but are negatively impacted through the funding cap required to keep the funding formula within the funding available. This means that these schools have any funding gains under the NFF capped, and in some cases schools are significantly capped, as the NFF allocates them far more than the MPPG. There is a negative impact on schools in deprived areas or with high levels of additional needs.

- Small schools are adversely affected by the NFF and the MPPG although this is not directly linked to the Authority's consultation proposal. The DfE's NFF and calculation of the MPPG takes into account the lump sum of £114,400 for 2020/21. For small schools this means the lump sum is spread across fewer pupils and they are either above the MPPG and receive no MPPG top up, or they receive smaller amounts of top up funding to the MPPG.
- The proportion of funding between Primary and Secondary schools in the baseline position is 55% Primary and 45% Secondary. With the transfer of £6.5m and the interplay between the different formula elements, the ratio moves to 50% Primary and 50% Secondary. This therefore negatively impacts on the Primary sector and children aged 5 to 11.
- Whilst the secondary schools are the schools that gain the most due to the MPPG and the numbers they have on roll, where they are subject to the funding cap they are negatively impacted on the most by having larger amounts of funding withheld to remain affordable.
- **Additional comments and feedback to be added on receipt of all consultation responses**

## Equality Impact Assessment For employees and/or communities

### How will the process of change be managed?

*Poorly managed change processes can cause stress / distress, even when the outcome is expected to be an improvement. How will you involve people with protected characteristics / at risk of deprivation/isolation in the change process to ensure distress / stress is kept to a minimum? This is particularly important where they may need different or extra support, accessible information etc.*

The results of the consultation will be presented to the Schools Forum at their meeting on the 18 December 2019 to inform their vote whether to transfer funding from the Schools Block or not.

Following that the CYP Committee will meet in January to make the final decision on the local Cambridgeshire schools funding formula for 2020/21.

Once the final decision is made schools will be made aware of the final position and final school budgets will be issued as soon as possible to enable schools to begin budget planning for 2020/21.

The schools are the direct providers of education and therefore will plan their budgets based on the levels of funding that are ultimately issued. The Schools Financial Advisors will support maintained schools in setting their budgets.

If the final decision is not to transfer the £6.5m to High Needs then there will need to be a separate set of proposals for budget savings in relation to these budgets which will be supported by equality impact assessments.

**Based on the final outcome, this section will need to be updated**

### How will the impacts during the change process be monitored and improvements made (where required)?

*How will you confirm that the process of change is not leading to excessive stress/distress to people with protected characteristics / at risk of isolation/deprivation, compared to other people impacted by the change? What will you do if it is discovered such groups are being less well supported than others?*

The consultation feedback will be analysed and any alternative proposals considered. This may involve approaching the Secretary of State to dis-apply the MPPG so that all schools share more equally in the impact of transferring £6.5m from the Schools Block to High Needs.

## Equality Impact Assessment For employees and/or communities

### Section 4: Equality Impact Assessment - Action plan

See notes at the end of this form for advice on completing this table.

Details of disproportionate negative impact (e.g. worse treatment / outcomes)	Group(s) affected	Severity of impact (L/M/H)	Action to mitigate impact with reasons / evidence to support this or Justification for retaining negative impact	Who by	When by	Date completed
Table to be completed based on final decision following consultation						

### Section 5: Approval

<b>Name of person who completed this EIA:</b>	1. Jon Lee 2. Martin Wade	<b>Name of person who approves this EIA:</b>	Jon Lewis
<b>Signature:</b>		<b>Signature:</b>	
<b>Job title:</b>	1. Head of Integrated Finance	<b>Job title:</b>	

## Equality Impact Assessment For employees and/or communities

	2. Strategic Finance Business Partner	<i>Must be Head of Service (or equivalent) or higher, and at least one level higher than officer completing EIA.</i>	
<b>Date:</b>	28 Nov 2019	<b>Date:</b>	

### Guidance on completing the Action Plan

*If our EIA shows that people with protected characteristics and/or those at risk of isolation/deprivation will be negatively affected more than other people by this proposal, complete this action plan to identify what we will do to prevent/mitigate this.*

### Severity of impact

*To rate severity of impact, follow the column from the top and row from the side and the impact level is where they meet.*

		Severity of impact				Priority and response based on impact rating		
		Minor	Moderate	Serious	Major	High	Medium	Low
<b>Likelihood of impact</b>	<b>Inevitable</b>	<b>M</b>	<b>H</b>	<b>H</b>	<b>H</b>	<i>Amend design, methodology etc. and do not start or continue work until relevant control measures are in place. Or justify retaining high impact</i>	<i>Introduce measures to control/reduce impact. Ensure control measures are in use and working. Or justify retaining medium impact</i>	<i>Impact may be acceptable without changes or lower priority action required. Or justify retaining low impact</i>
	<b>More than likely</b>	<b>M</b>	<b>M</b>	<b>H</b>	<b>H</b>			
	<b>Less than likely</b>	<b>L</b>	<b>M</b>	<b>M</b>	<b>H</b>			
	<b>Unlikely</b>	<b>L</b>	<b>L</b>	<b>M</b>	<b>M</b>			

### Actions to mitigate impact will meet the following standards:

- Where the Equality Act applies: achieve legal compliance or better, unless justifiable.
- Where the Equality Act does not apply: remove / reduce impact to an acceptably low level.

## **Equality Impact Assessment**

### **For employees and/or communities**

#### ***Justification of retaining negative impact to groups with protected characteristics:***

*There will be some situations where it is justifiable to treat protected groups less favourably. Where retaining a negative impact to a protected group is justifiable, give details of the justification for this. For example, if employees have to be clean shaven to safely use safety face masks, this will have a negative impact on people who have a beard for religious reason e.g. Sikhism. The impact is justifiable because a beard makes the mask less effective, impacting the person's safety. You should still reduce impact from a higher to a lower level if possible, e.g. allocating work tasks to avoid Sikhs doing tasks requiring face masks if this is possible instead of not employing Sikhs.*

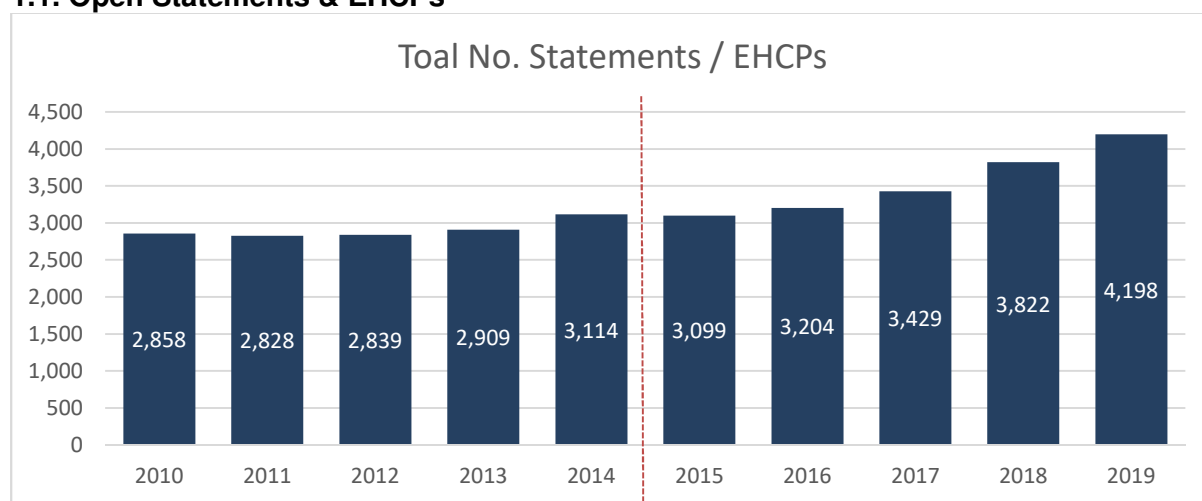
DRAFT



## **Appendix 1 – SEND data analysis**

- EHCPs supported by CCC have increased from around 3,000 open on census day prior to the reforms to nearly 4,200 in Jan 2019 – and still increasing since then to 4,500 now
- There has been a significant growth in the number of children / young people with an EHCP who are attending a special school or a post 16 provision over the last 3 years
- The majority of the growth in the number of EHCPs is in post 16. There are approximately 1,000 more CYP with EHCPs who are 16 and over than in 2014, whereas the number under this age has only increased by 109 in the same period.
- Growth has been particularly quick in primary needs of Autistic Spectrum Disorder, Soc, Em Mental Health, and Physical Disability since 2014. Although there are not many CYP with primary need of Profound and Multiple Learning Difficulties, comparing 2019 to 2014 there has been a 61% growth.

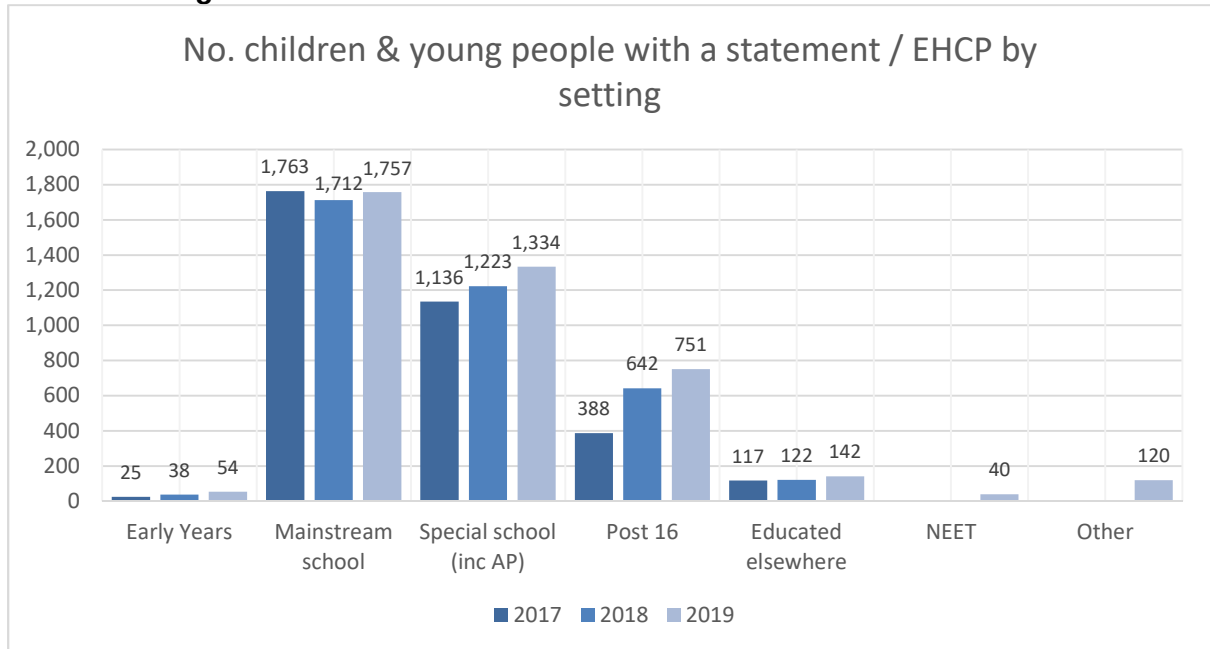
### **1.1. Open Statements & EHCPs**



Source: SEN2 return SFR, Table 1

Analysis of the nationally published SEN2 return data shows that the number of children / young people in Cambridgeshire with an open SEN statement / EHCP has increased significantly since the change in legislation introduced in 2014 (by 35%).

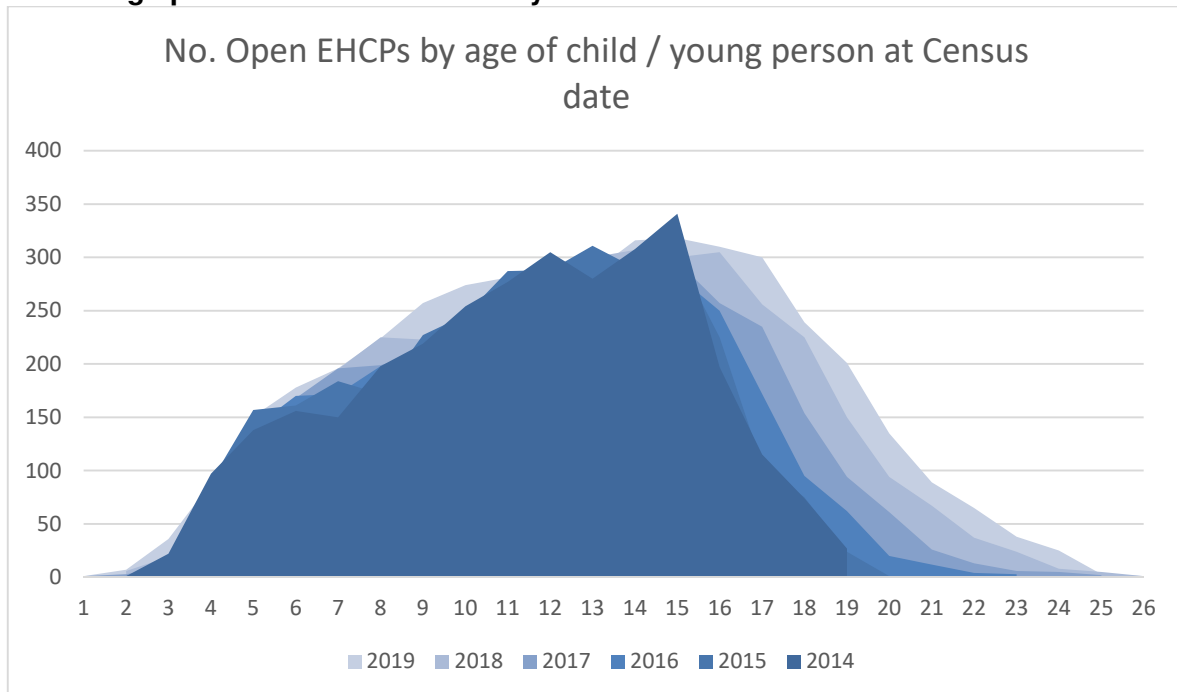
## 1.2. Settings



Source: SEN2 return SFR, Table 5b (used three years only because categories changed)

Analysis of the settings data reported in the SEN2 return shows that there has been a significant growth in the number of children / young people with an EHCP who are attending a special school or a post 16 provision.

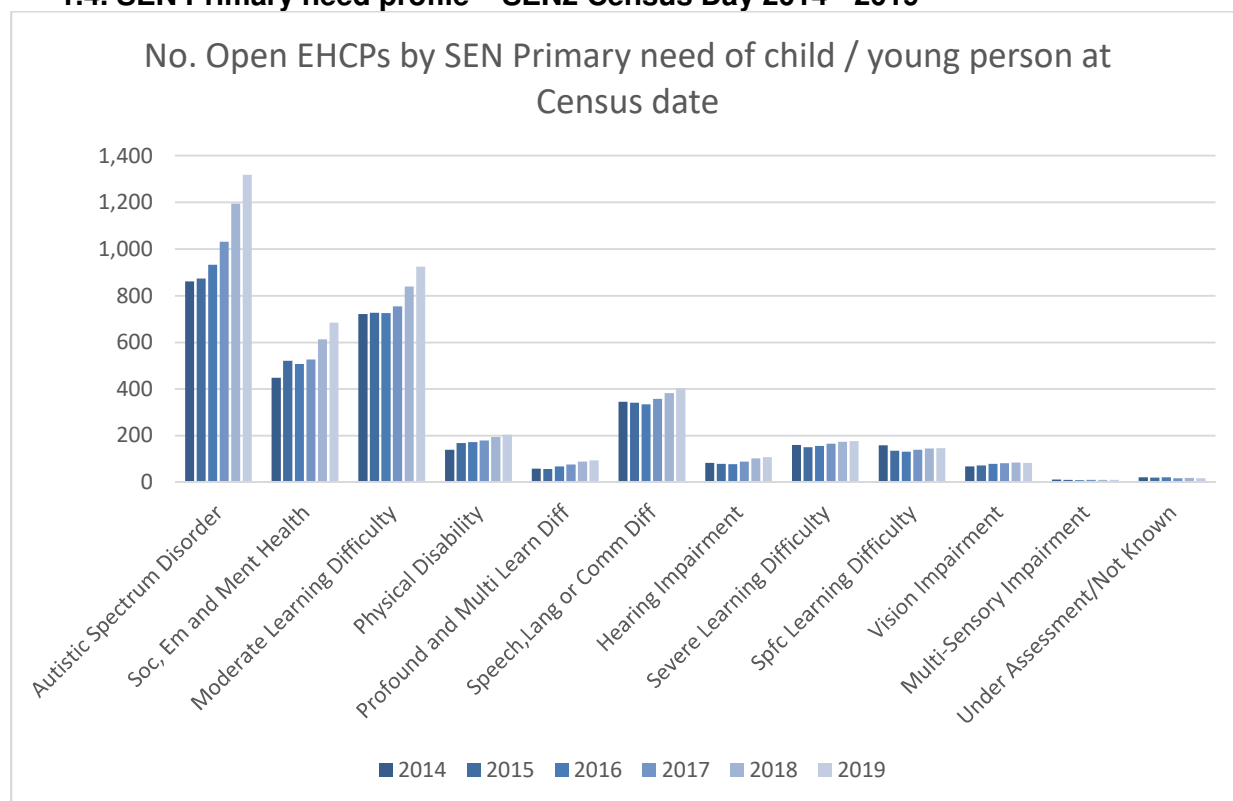
## 1.3. Age profile – SEN2 Census Day 2014 - 2019



Source: MI Statemented Pupils with Open Involvement report

Analysis of the SEND data held on the Capita One system shows that the number of young people aged 16+ with an open EHCP are growing, in line with the legislative changes introduced in 2014.

#### 1.4. SEN Primary need profile – SEN2 Census Day 2014 - 2019



Analysis of the SEN Primary need data held on the Capita One system shows that the three of the four most common SEN need types (ASD, SEMH, MLD) also experienced the fastest level of growth over the past 6 years.

## SEND Strategy

- SEND is everybody's business
- Identify and Respond to needs early
- Deliver in the right place at the right time

12

**Demand Management and Invest to Save opportunities**

13

Journey



IAG

Early  
Intervention  
/ Early Years

Preventing  
exclusions

EHCP  
requests  
& panels

SEND Support  
inc. in  
mainstream

Special &  
AP settings

Preparing  
for  
Adulthood

11

Home to  
School  
Transport

5

Top Up Fees

6

RAIISE

6

High cost top up review

7

Enhanced  
Resource  
Centres /  
Bases

8

Out of  
School  
Tuition

9

Alternative  
Provision

11

Home to School Transport

Enablers

2

Business Process Mapping

3

Quality Assurance Framework and Process

4

Performance Data (inc. Management System and SEND Sufficiency Review)

10

SEND Service Delivery Review

Communications and the Local Offer

### Appendix 3 – Demand Management in SEND

There are fourteen main work streams identified in the SEND Recovery Plan, one of which is Demand Management.

It has been identified that alongside the changes to process and procedure, there is value in understanding the strengths based and outcomes focused approach of practitioners and how this informs the CCC and partner response to children, young people and their families. Demand for high needs support is primarily driven by services outside the direct control of CCC and requires the ability to influence and work effectively with a range of partners. CCC are planning to undertake work to develop effectively identify the current behaviours (and drivers of behaviour) in the system, basing subsequent interventions on jointly owned challenges and opportunities.

It is crucial that any approach to change strengths-based working is system wide, spanning education, social care and health. Successful delivery will positively shift how the system feels, thinks and behaves.

Undertaking robust and targeted qualitative analysis such as case reviews, surveys, interviews and observations will allow us to assess where there are opportunities to further embed strengths-based practice, supporting improved independence and outcomes for young people. Subsequently we will be able to identify, develop and test opportunities for different ways of working to positively influence demand and will develop recommendations and opportunities for CCC and partners to effectively and sustainably respond to demand and system pressures over the longer term.

Dependent on the findings of the demand analysis and the opportunities developed, opportunities to be delivered and tested could include:

- Introducing a changing the conversation workforce development approach (behavioural science led framework) by delivering workshops on strengths based practice and behavioural science techniques with specific CCC and partner staff. This will develop strengths based practice at key interaction points across a family and child's journey, building positive relationships and identifying appropriate support and independence focused outcomes for children and young people
- Reviews of higher cost placements, using strength-based conversations and a tool to codify needs, to ensure provision is appropriately matched to needs and consider where changes to existing placements and support could better meet outcomes at lower cost. This will link closely with the RAIISE project (work stream in the SEND Recovery Plan) already underway
- Using behavioural science techniques to design and trial changes to decision-making processes around EHCP requests, approvals and plans and panel processes. This will ensure these are robust and transparent to parents/carers and professionals, contain appropriate needs based and outcomes focused challenge prompted through chair and attendee prompts, and that plans are the best way forward to appropriately meet a child or young person's needs

The overall outcome is to deliver and demonstrate positive impact on the DSG deficit through reduced demand and cost, highlight the positive outcomes delivered, and build confidence in the demand management approach. At this stage the level of savings that will be directly deliverable from this work are unclear, however projects of this sort undertaken at other local authorities have resulted in cashable savings.

DSG Deficit Recovery Plan

Ref.	Block	Type of provision  e.g. special schools	Action e.g. increasing special school places	Year 1	Year 2	Year 3	
				2018-19	2019-20	2020-21	2021-22
				£	£	£	£
DSG Balance b/f					7,171,000	16,029,095	16,081,095
Savings (figures should be entered as negative values)							
S1	High Needs	Top-Up Rates	Active engagement of local schools and colleges in designing services and provision		0	(851,667)	(608,333)
S2	High Needs	High Needs Units	Active engagement of local schools and colleges in designing services and provision		(50,000)	(200,000)	(50,000)
S3	High Needs	SEND Placements	Active engagement of local schools and colleges in designing services and provision		(583,333)	(416,667)	(350,000)
S4	High Needs	Out of School Tuition	Active engagement of local schools and colleges in designing services and provision		0	(291,667)	(208,333)
S5	High Needs	Alternative Provision	Active engagement of local schools and colleges in designing services and provision		0	(291,667)	(208,333)
S6	High Needs	Other	Active engagement of local schools and colleges in designing services and provision		(291,667)	(208,333)	(150,000)
S7	High Needs	16-25 Funding	Other				
Total savings				0	(925,000)	(2,260,000)	(1,575,000)
Pressures (figures should be entered as positive values)							
P1	High Needs	Mainstream Schools - Top-Up	Increase in the number of EHC Plans	1,977,000	2,500,000	3,500,000	1,500,000
P2	High Needs	Special Schools & Units	Pressure on maintained special school capacity	2,677,000	3,500,000	3,500,000	1,500,000
P3	High Needs	FE Places	Post-16 responsibilities	2,900,000	4,500,000	2,500,000	1,500,000
P4	High Needs	Out of School Tuition	High rates of exclusions and use of AP	1,026,000	2,000,000	2,500,000	1,000,000
P5	High Needs	SEND Placements	Increased use of INMSS or out of area placements	181,000	1,000,000	1,500,000	500,000
Additional Pressures (figures should be entered as positive values)				8,761,000	13,500,000	13,500,000	6,000,000
Cost reductions from impact of recovery plan				8,761,000	12,575,000	11,240,000	4,425,000
Total DSG forecast overspend							
Net in year impact on High Needs DSG				8,761,000	12,575,000	11,240,000	4,425,000
Estimated High Needs Block change (additional grant)					(2,801,012)	(5,750,000)	(5,750,000)
Approved transfer of schools block to HN block					(1,000,000)	(5,438,000)	0
Other adjustments				(1,590,000)	84,107	0	0
Net in year Forecast Outturn Variance				7,171,000	8,858,095	52,000	(1,325,000)
DSG Balance – show a deficit as a positive value				7,171,000	16,029,095	16,081,095	14,756,095
				DEFICIT	DEFICIT	DEFICIT	DEFICIT

Key
User entry required

Education, Health and Care Plans

	Number of CYP with Statements/ EHCPs	Total HNB	Outturn	Cumulative
2016	3204	£63,001	£65,701	
2017	3429	£65,251	£69,999	
2018	3822	£67,110	£75,958	
2019	4198	£70,729	£80,000+	Forecast
2020				
2021				

	2016	% against total	2017	% against total	2018	% against total	2019	% against total	2020	% against total	2021	% against total
Under Age 5	134	4%	127	4%	157	4%	192	5%		-		-
Aged 5-10	1119	35%	1129	33%	1192	31%	1304	31%		-		-
Aged 11-15	1443	45%	1424	42%	1408	37%	1419	34%		-		-
Aged 16-19	484	15%	671	20%	871	23%	1001	24%		-		-
Aged 20-25	24	1%	78	2%	194	5%	282	7%		-		-
Total	3204	100%	3429	100%	3822	100%	4198	100%	0	0%	0	0%