

Date: Friday, 14 December 2018

Democratic and Members' Services

Fiona McMilan

Deputy Monitoring Officer

10:00hr

and Governance

Shire Hall

Castle Hill

Cambridge

CB3 0AP

**Kreis Viersen Room
Shire Hall, Castle Hill, Cambridge, CB3 0AP**

AGENDA

1. **Apologies for absence and declarations of interest**

*Guidance on declaring interests is available at
<http://tinyurl.com/ccs-conduct-code>*
2. **5th October 2018 Schools Forum minutes** **3 - 12**
3. **Action Log** **13 - 16**
4. **Schools Forum New Appointments** **17 - 18**
5. **Academy Appointments to Forum - to follow**

Details
6. **Schools Budget 2019-20 - to follow**

Details
7. **Growth Fund and New Schools Funding Criteria 2019-20** **19 - 30**

8. **High Needs Block Funding - The Challenges for Cambridgeshire** 31 - 36
9. **EastNet Update** 37 - 40
10. **Agenda Plan - Update December** 41 - 42
11. **Date of Next Meeting - 18th January 2019**

Details

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CAMBRIDGESHIRE SCHOOLS FORUM: MINUTES

Date: Friday 5th October 2018

Time: 10.00am – 11.50 am

Place: Kreis Viersen Room, Shire Hall, Cambridge

Present: Dr A Rodger (Vice Chairman), S Blyth, L Calow,
S Connell, J Digby, A Goulding, A Matthews, J North, D Parfitt, A Reeder,
S Roscoe, Dr K Taylor OBE, R Waldau and M Woods

Observers

Councillor S Bywater	Cambridgeshire County Council
Julie Cornwall	Non-Teaching Union
Councillor P Downes	Cambridgeshire County Council
J Duveen	Teachers' Union

Officers

J Lewis, J Lee, M Wade and R Sanderson (Clerk)

Apologies:

Forum Members: T Davies - Maintained Primary
A Goulding - Academy Secondary
P Hodgson (Chairman)
J Lancaster-Adlam, - Academy Alternative provision
S Tinsley - Academy Special

Observers; Councillor J Whitehead - Cambridgeshire County Council

66. APPOINTMENT OF CHAIRMAN

In his absence, Philip Hodgson was appointed as the Chairman for the academic year 2018-19.

67. APPOINTMENT OF VICE CHAIRMAN

Alan Rodger was appointed Vice Chairman for the academic year 2018-19.

68. ANNOUNCEMENTS

The Vice-Chairman welcomed the members of the public and press in attendance and stated that they were welcome to film, take pictures, tweet or blog during the meeting.

He also wished to place on record his thanks to Richenda Greenhill who had provided excellent support as the clerk to the Forum for the last three years and who had now moved on to other duties.

69. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies were noted as recorded above. There were no declarations of interest.

70. MINUTES OF THE MEETING ON 6TH JULY 2018

The minutes of the meeting on 6TH July 2018 were approved as a correct record and signed by the Vice-Chairman.

71. ACTION LOG

The action log was reviewed and updates noted.

With regard to the review of membership and proportionality and the action to explore whether the Forum could decide to terminate an appointment in the event of a member's repeated non-attendance (rather than asking the nominating group to do so), an oral update was provided. This explained that at Northamptonshire if a member failed to attend for four consecutive meetings without giving a suitable reason, the Forum Secretary was empowered to take steps to secure a replacement. This would be after reasonable efforts had been made to alert members that they were at risk before the meeting at which this rule could be triggered, Democratic Services were seeking further views from other Schools Forums using the Association of Democratic Services Services Officers (ADSO) forum. At the time of the meeting, no further information had been posted.

Mark Woods queried the academy Forum Members nameplate linked to the title designations of forum membership as he highlighted that he not only represented Academy secondary schools but also primary schools, and other members also had multiple representation roles. It was explained that he had been appointed in line with the national guidance to represent a specific sector.

The point was made that the newly appointed Chairman and Vice Chairman had only recently had their membership extended until the end of December 2018 (along with the Chief Executive Mark Woods) and therefore **the position regarding the outstanding election of academies members to the Forum needed to be resolved as a matter of some urgency through the Academy Proprietors Group. Action Jon Lewis.**

The Clerk would seek further updates on those actions reported which remained outstanding.

As an update regarding the Schools Forum Initiative for Fair Funding of Children's Education, the Vice-Chairman highlighted that the recent petition had obtained 3,000 signatures in three weeks. He also made reference to two letters received from the right honourable Nick Gibb, Minister of State for Schools Standards providing details of the funding that Cambridgeshire received, while making no reference to the money that had been taken away or the continual rising costs for schools (*e.g. teachers and staff pay, National Insurance and Pension Inflation and the Apprenticeship Levy*).

CHANGE IN ORDER OF AGENDA

At the request of officers, the Vice Chairman agreed to take Item 10 'Growth Fund and New Schools Formula Funding Criteria' as the next item of business.

72. GROWTH FUND AND NEW SCHOOLS FUNDING CRITERIA 2019-20

Officer highlighted as an update to the report, from information only recently received, that the growth funding allocation from the Education and Skills Funding Agency (ESFA) for Cambridgeshire for 2019-20 appeared to be less than was currently being

spent, and was well below the level that officers had been expecting. For 2017-18 two census points had been used and officers needed to investigate further how the data had been applied. The issues appeared to be related to the number of schools opening and whether they were filled to capacity.

While officers were not expecting to propose significant changes, it was requested that **this report should be deferred and should come back to the next meeting when more accurate information would be available. Action: Martin Wade**

The Special School Academy representative queried whether the allocation should be based on demand for Special Education Needs requirements, as an increasing population would trigger the need for more Special Education Needs places with most special schools planning having been based on demographic trends. The Special School Academy representative suggested that what was needed was a similar paper on the finance needs for growth funding for the High Needs Block, taking account of population and migration. Officers highlighted that the reality would be that if more money was added to the High Needs Block, this would have to be from a reduction of funding in other areas if no additional funding from Government was received.

It was agreed to defer the report.

CHANGE IN ORDER OF AGENDA

At the request of officers, the Vice Chairman agreed to take Item 7 'Dedicated Schools Grant Financial Position 2018-19' as the next item of business.

73. DEDICATED SCHOOLS GRANT FINANCIAL POSITION 2018-19

The report provided a summary of the overall 2018-19 Dedicated Schools Grant (DSG) financial position to the end of August 2018. As previously reported to Schools Forum, a deficit of £720k had been carried forward on the overall DSG at the end of 2017/18. Following confirmation of final prior-year Early Years adjustments by the ESFA, this figure had decreased to £642k. However based on current commitments and the likelihood of increased demand over the latter part of the year it was likely that the DSG deficit would increase and be in the region of £4.5m unless reductions in spend or one-off mitigations were identified.

While it was explained that there were three options to deal with a DSG deficit, given the current in-year deficit position of the Local Authority, the only realistic option was to seek from Schools Forum at the January meeting the authority to carry forward the deficit to the following year, as set out in the options within the DSG conditions of grant. Under the new National Funding Arrangements this would require a recovery plan to be produced and submitted to Central Government. Central Government was indicating that the High Needs Block was too high nationally and needed to be reduced, which for Cambridgeshire would mean that the gap would increase as Central Government provided less resources. The Special School academy representative reiterated that the High Needs Block money received, did not reflect current growth needs.

Forum noted the contents of the report.

74. CAMBRIDGESHIRE 2019-20 FUNDING FORMULA

This report provided Schools Forum with an overview of the School Funding

arrangements for 2019-20. The numbers in the report were indicative as they would need to be updated to reflect October 2018 census data and refreshed data sets, as well as local decisions that might be required. Updated information from the Department for Education (DfE) was not expected until mid-December. As in previous years, there was the requirement to submit the Authority Pro-forma Tool (APT) with final budget figures to the Education and Funding Skills Agency (ESFA) in mid-January.

The overall DSG indicative allocations for Cambridgeshire as announced were set out as follows, with further details still awaited on Early Years. For illustrative purposes that particular figure had been maintained at the 2018-19 level.

Cambridgeshire 2018-19 Indicative DSG Allocation			
Schools Block	Central Services Schools Block	High Needs Block	Early Years Block (at 2018-19 level)
£346.5m	£8.1m	£66.7m	£35.9m
DSG Total £457.2m			

Issues highlighted included:

- the Schools Block would see an increase in its funding of £5m compared to 2018-19.
- The Schools Block continued to be ring-fenced although some flexibility continued to allow local authorities to transfer up to 0.5% from the Schools Block to other blocks which equated to £1.7m and would be a one-off transfer in 2019-20. Under the operating guidance any such proposal required consultation with all schools.
- The DfE would be allocating Growth funding on a formulaic basis allocated to local authorities as detailed in paragraphs 3.8 to 3.10 and Appendix 1 of the report. Growth funding would continue to be allocated to schools based on the local growth fund criteria for Cambridgeshire. Indicative Growth Funding from the DfE was £3.3m compared to a spend of £5m in 2018/19 meaning a potential shortfall of £1.7m which would impact the Schools Block overall. With a new secondary school also now opening this would require subsidising.
- Paragraph 2.4 of the report highlighted the key High Needs factors contributing to the DSG in year pressures for 2018-19.
- The DfE had announced that the soft formula would be used until 2021.
- The High Needs National Standard Funding Formula (NFF) remained unchanged. There have been minimal changes to the NFF factors with the addition of one optional factor to enable authorities to apply a factor to ensure that there was a minimum 1% increase per pupil funding compared to the 2017-18 baseline. It was not proposed to introduce this funding factor into the Cambridgeshire formula on the basis that all other mandatory NFF factors were being applied, including the minimum per pupil levels of funding.
- There was one change to the unit rates in the NFF, to reduce the Primary Low Prior Attainment unit rate from £1,050 per pupil to £1,022 per pupil as detailed in the report. The Cambridgeshire formula was already aligned to the NFF, following the work undertaken in the 2018-19 budget setting.

- The Minimum Funding Guarantee (MFG) was continuing under the arrangements for 2019-20 and therefore any redistribution within the formula would be limited to a reduction of minus 1.5% per pupil. As in previous years, the initial proposal was that the MFG for 2019-20 should continue to be set at 1.5% in the Cambridgeshire formula. It was highlighted that a funding cap would again be required in order to reflect the cap of 3% in 2019-20, including the DfE's arrangements.
- The DfE had announced increased funding for the High Needs Block representing an uplift of 1.4% in 2019-20 compared to 2018-19 and a 2.9% increase from the 2017-18 baseline. As already discussed, this would be insufficient to cover current growth pressures or to fund existing services.

Given the High Needs pressures discussed and in reports on other agenda items, officers were looking to consult with schools on a transfer of up to £1.7m from the Schools Block to the High Needs Block. The consultation arrangements to be discussed later in the meeting.

In discussion the Early Years representative highlighted that with the removal of Early Years Access Funding some of the money moved to the High Needs Block was required in the Early Years Block to help fund Education and Health Care Plans (EHCPs) as currently there was no funding for under threes. Such funding would help address their needs at an early age and prevent some of the issues experienced as they became older and moved into the primary sector. **The Vice Chairman asked that the implications should be modelled as part of the pressures to be consulted on and reported back to Forum. Action Jon Lewis**

The report was noted.

CHANGE IN ORDER OF AGENDA

At the request of officers, the Vice Chairman agreed to take Item 9 'Central Schools Block Retained Funding and De-delegations as the next item of business.

75. CENTRAL SCHOOL SERVICES BLOCK (CSSB), RETAINED FUNDING AND DE-DELEGATIONS

This report set out the details of:

- Mechanism for the CSSB, and contribution to combined budgets.
- Ongoing functions previously funded by the ESG.
- Proposed de-delegations for maintained primary schools (upon which only the maintained primary representatives were able to vote)

and sought approval in respect of retained funding and the set out de-delegations arrangements.

The Central School Services Block (CSSB) included funding for responsibilities previously within the Education Services Grant (ESG) and responsibilities previously funded through centrally retained Dedicated Schools Grant (DSG). The ability to de-delegate from maintained primary schools was to continue into 2019/20 and along with the CSSB, local authorities were able to request an additional contribution from maintained schools to support the removal of the general duties funding. The report provided an update on the Central Schools Services Block which from the latest figures, was due to receive approximately £8,083k in 2019/20 to be further adjusted based on

the October 2018 census. Illustrative CSSB Funding for 2019-20 was set out in the tables under paragraph 2.1 of the report with more detail included in subsequent paragraphs.

It was highlighted that currently £733k of the contribution to combined budgets supported the Early Intervention Family Workers with £52k, supporting Primary funding arrangements and other contractual arrangements and the remaining £3,027k supporting a number of services within the wider People and Communities Directorate. The funding had been historically retained by the Local Authority (LA) and never formed part of the Schools Budget. Therefore any reduction would impact on services across both maintained and academy schools. If not approved, the Local Authority would have to consider increasing charges to support current activities. This was explained within the wider budget context that the local authority was facing with measures currently being undertaken to seek to address the current year's deficit and a projected deficit of £21m in 2019-20. This had included an announcement the previous day that all council staff above a certain grade would now be required to take three days unpaid leave over the forthcoming Christmas period.

Attention was also drawn to the detail:

- of the new Wide Area Network (WAN) solution, highlighting that the current pooled arrangement for securely-managed network services provided equity across Cambridgeshire Schools and with the new arrangements expected to provide significantly improved services. The annual revenue contribution of £1.458m had previously been approved by Schools Forum until the end of 2019 and future arrangements were being explored.
- of Retained Duties funding, with the proposal to continue to apply retained duties funding received as part of the CSSB to support ongoing functions and to continue to retain £10 per pupil from maintained schools for services specifically provided to maintained schools.

With Schools Forum voting on recommendations a) to d) and the maintained Primary school representatives only voting on recommendation e)

It was resolved:

- a) to approve the continued transfer of £500k from the Central Schools Service Block (CSSB) to the High Needs Block.
- b) to approve the continuation of the £733k for Early Intervention Support Workers and £3,027k for other Historic Commitments to Contribution to Combined Budgets into 2019/20.
- c) to approve the continued use of the retained duties funding (adjusted for final pupil numbers) within the CSSB to support ongoing functions.
- d) to approve the continued retention of £10 per pupil from maintained schools for services specifically provided to maintained schools.
- e) to approve the continuation of de-delegations in respect of:
 - Contingency
 - Free School Meals Eligibility
 - Insurance
 - Maternity
 - Trade Union Facilities Time

76. HIGH NEEDS BLOCK

This report provided Schools Forum with the update detail on the High Needs Block (HNB) which included:

- historical trends, including levels of HNB received in the last five years compared to actual spend and pupil numbers, highlighting that, while the overspend figure shown for 2018-19 in the table in paragraph 1.2 suggested a figure of £3.3m, it would in fact be at least £4.5m by the year end as referenced earlier in the meeting.
- highlighting that the overall number of Education and Health Care Plans. (EHCP's) maintained by Cambridgeshire had increased significantly over the last three years.
- The County was currently experiencing an unprecedented increase in requests for specialist SEMH (social, emotional, and mental health) provision with local provision now full,
- The number of young people not able to be placed in County due to lack of places in SEMH provision added an additional demand to the High Needs Block.
- The rising pressures on the Out of School Tuition Budget. (£60k was spent a week on out of school children)
- There were real difficulties currently with the data from special schools which required further analysis.
- As already referenced earlier in the meeting, of the three options to deal with a deficit detailed in paragraph 1.5 due to the Children and Young People's budget currently forecast to overspend by £8m, the Local Authority (LA) was not in a position to consider meeting the overspend from general resources and therefore the real issue was around option three obtaining consent from Schools Forum or failing that, from the Secretary of State, to fund the deficit from the Schools Budget.

The report set out the key themes that had emerged and the key concerns highlighted within the draft Special Education Needs (SEND) Strategy launched in September 2018 and the actions proposed to be taken. As already referenced, that despite all the actions detailed in the report, there was expected to be a significant deficit at the end of the current financial year to be carried into 2019-20 with the indicative High Needs Block allocation only providing a small uplift in funding compared with 2018-19 levels. As a result, there was a need to review how services could be provided with less money. While the system had been coping, a different mind-set was required going forward.

In the subsequent discussion points made included:

- **a request that for the next meeting the main areas of overspend highlighted in the table under para 1.4 needed to be broken down further to show age profile and location in the County. Action: Jon Lewis**
- stating that while reference was made to the suggestion to increase the funding to the High Needs Block, the report did not provide details of the implications for money per pupil and officers required more time to model what the implications were of the High Needs pressures, including those in early years settings.
- Raising a question on where Health sat in the discussions, as if the focus was on a system shift, they required to be part of the solution. Reference was made to diagnosis of special needs now being identified as early as two weeks old.
- Health visitors encouraging parents to apply for EHCP's as well as the demand from parents for them. Parents had much higher expectations for specialist

treatment support. Tribunals also tended to uphold decisions where specialist treatment had been sought and initially denied.

- **With reference to home tuition, there was a request for information on how many of them had an EHCP Action: Jon Lewis**
- More detail being required with regard to actions in areas such as reducing Out of County placements and reducing Home tuition and the effect they were having. A headteacher made the point that they did not have enough information currently to make an informed decision. Officers undertook to organise training workshops to provide more information in order that decisions could be made at a later Schools Forum meeting.
- The special maintained representative made the point that capacity had been built over a period of time to improve the opportunities for pupils, but this was now not sustainable going forward within current resourcing.
- The special academy representative highlighted that positive steps had been made with heads and schools being more involved in terms of early diagnosis. As a result of the work undertaken by special schools many more children now able to stay in main stream schools. However, the Government needed to provide sufficient funding to properly resource the needs identified.
- It was suggested that SEMH needs provision required to be resourced at a local level in networks of primary and secondary schools working with special schools.
- One observer asked what was the professional opinion regarding the main reason for the huge increase in SEN requirements; was it in respect of medical advances or social changes / factors? In reply there were various reasons including more foetal abnormalities identified and then surviving through improved medical care, earlier detection of autism / behavioural issues, greater identification of genetic / chromosome issues. As a result, there was better detection, linked to the drive to identify special education needs at an earlier stage. Due to this, it was then vital to target funding as early as possible to help provide the best outcomes for the child going forward.

In a discussion on decision timings, it was considered that the reserve date on the 9th November was too early to make any decisions regarding moving resources from the Schools Block to the HNB as consultation with schools as more detail was still required. In addition, members of Forum also required more detail on:

- The learning difficulties of Out of County placements
- Information to have a discussion on 19-25 provision
- Demography analysis to extrapolate what was coming through in terms of identified requirements and how they were to be dealt with.
- A Risk Management Framework document for schools.

It was agreed that the 9th November date would be appropriate for a private workshop for Forum, concentrating on the pressures around the Special Needs Block and early years' settings, with an invite to be extended to Families / Social Care / Health and Business Intelligence officers. Action: Jon Lewis

Officers would arrange separate briefings with Primary and Secondary heads and also governors regarding the consultation document to include:

- **implications for removing up to £1.7m and its impact per pupil and individual schools,**
- **risk management, including the implications of heads not agreeing to a transfer of additional resources to the HNB from the Schools Block and**

what other options were available and their costs on the knowledge currently available.

- Time tables on what options were available and the potential cost of any identified redundancies.
- Outlining the position on growth funding.
- Making explicit what the LA was recommending.

Actions on the above: Jon Lewis

In addition, regarding having papers available two weeks before Forum, the 30th November meeting was seen as being too early and therefore it was agreed officers should look for a date later in December. **Action Democratic Services** (*post meeting note: subsequently scheduled for 14th December*)

77. AGENDA PLAN

The agenda plan was reviewed and noted to include the change to the dates and to include the Growth Fund deferred Report in the next scheduled meeting of Forum.

78. DATE OF NEXT MEETING

The reserve date of 9th November to be used for a Special Needs Block discussion workshop. The 30th November date to be moved to a date in December. (*post meeting note: subsequently scheduled for 14th December*)

Chairman
14th December 2018

SCHOOLS FORUM MINUTE ACTION LOG

The Action Log captures the actions arising from meetings of the Cambridgeshire Schools Forum. This is the updated action log as at 5th December 2018

MINUTES OF THE MEETING ON 6 JULY 2018

Minute Number	Title of Report	Lead Officer	Action	Update	Status
63.	Review of Membership and Proportionality a) Terminating Forum Appointments	Richenda Greenhill	To explore whether it would be possible for the Forum to decide to terminate an appointment in the event of a member's repeated non-attendance rather than asking the nominating group to do so.	<p>Democratic Services had been seeking further views from other Schools Forums using the Association of Democratic Services Officers (ADSO) forum. No further information has been received.</p> <p>The update advice at the October meeting explained that at Northamptonshire if a member failed to attend for four consecutive meetings without giving a suitable reason, the Forum_Secretary was empowered to take steps to secure a replacement. This would be after reasonable efforts had been made to alert members that they were at risk before the meeting at which this rule could be triggered,</p> <p>Do Forum wish to adopt this approach?</p>	On-going

	b) Academy appointments	Jon Lewis / Academy Proprietors Group	The need to progress the outstanding election of academies members to the Forum including the fact that the Chairman and Deputy Chairman's appointment extension runs out at the end of December.	A report will be circulated	
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MINUTES 5TH OCTOBER 2018

Minute Number	Title of Report	Lead Officer	Action	Update	Status
72.	GROWTH FUND AND NEW SCHOOLS FUNDING CRITERIA 2019-20	Martin Wade	Report deferred at the October meeting to enable more accurate information to come back to Forum.	A report is included on the current agenda	Completed
76.	HIGH NEEDS BLOCK a) More detail on Main Areas of overspend	Jon Lewis	That for the next meeting the main areas of overspend highlighted in the table under para 1.4 needed to be broken down further to show age profile and location in the County.	This is currently being produced and will be circulated to Schools Forum when available.	Ongoing
	b) Home Tuition	Jon Lewis	There was a request for information on how many of them had an Education and Health Care Plan (EHCP)	This is currently being produced and will be circulated to Schools Forum when available.	Ongoing
	c) Private Workshop	Jon Lewis	The 9 th November was agreed to hold a private workshop for Forum, concentrating on the pressures around the Special Needs Block and early years' settings, with an invite to be extended to Families / Social Care / Health and Business Intelligence officers.	This took place as requested	Completed

	d) Briefings on Consultation document		<p>Officers would arrange separate briefings with Primary and Secondary heads and also governors regarding the consultation document to include:</p> <ul style="list-style-type: none"> • implications for removing up to £1.7m and its impact per pupil and individual schools, • risk management, including the implications of heads not agreeing to a transfer of additional resources to the HNB from the Schools Block and what other options were available and their costs on the knowledge currently available. • Time tables on what options were available and the potential cost of any identified redundancies. • Outlining the position on growth funding. • Making explicit what the LA was recommending. 	<p>Two formal consultation briefings were held in Cambridge and March. Around 60 people attended the sessions.</p> <p>Briefings on the high needs funding position were also held with Cambridgeshire Primary Heads, Cambridgeshire Secondary Heads and Cambridgeshire Special Schools meeting.</p> <p>Briefings have also been held with the Leader of Cambridgeshire County Council and the Lead Member. The Children and Young People Committee were also given an overview of the challenges.</p>	Action completed
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SCHOOLS FORUM NEW APPOINTMENTS

To: **Cambridgeshire Schools Forum**

Date: **14th December 2018**

From: **Rob Sanderson
Democratic Services Officer
Telephone 01223 699181
Email rob.sanderson@cambridgeshire.gov.uk**

Purpose: **To inform Forum of a number of replacement appointments**

Recommendation:

- a) To note that Amanda Morris-Drake has been nominated to represent the Maintained Pupil Referral Unit.
- b) To note that Paul Stratford, the Chair of Governors at Alderman Payne Primary School having applied, has been accepted to the vacant place on Forum to represent maintained Governors.
- c) To note that Jane Lancaster Adlam who was the Academy Alternative Provision representative has been replaced by Sarah Roscoe.
- d) To note that Amy Weaver has replaced Sarah Conant as the Diocese of Ely Board of Education / Diocese of Ely Multi Academy Trust (DEMAT) observer on the Forum with Alex Rutterford-Duffety as a named substitute.

1. BACKGROUND

- 1.1 The current report sets out details of appointments made to current vacancies / or replacements notified to the Forum Clerk as a result of people moving on to other posts etc.

2. MAIN ISSUES

- 2.1 The following membership places have been vacant for a period of time:

a) Schools Members

- Maintained schools governor representative
- Maintained Pupil Referral Unit

Appointments have now been made as set out in the recommendations.

b) Non-Schools Members

Post 16 Further Education - still vacant - appointment still being sought

2.2 The following changes have been notified

Observers

Notification has been received of changes to the Diocese of Ely Board of Education appointment.

The Roman Catholic Diocese of East Anglia appointment remains vacant and a replacement will continue to be sought.

Teacher Union Representation - Jon Duveen will be serving in the interim until a permanent replacement is notified.

Non-Teaching Union Representation – At the most recent meetings and for the next few meetings Julia Cornwell will be substituting for Rob Turner.

Academy representation

This will be the subject of a separate report. This report notifies of a current change.

Source Documents	Location
<i>Not applicable</i>	

GROWTH FUND AND NEW SCHOOLS FUNDING CRITERIA 2019/20

To: **Cambridgeshire Schools Forum**

Date: **14 December 2018**

From: **Hazel Belchamber/Clare Buckingham
Martin Wade – Strategic Finance Business Partner**

Purpose: **To provide Schools Forum with the proposed criteria for the Growth Fund and New Schools Funding to be applied from April 2019.**

Recommendation:

- a) Schools Forum are asked to note the national changes to Growth Fund allocations.**
- b) Schools Forum are asked to approve the continuation of the centrally retained Growth Fund at £2.5m for 2019/20.**
- c) Schools Forum are asked to approve the criteria in sections 3.0-3.3 to be applied from April 2019 subject to ESFA approval.**
- d) Schools Forum are asked to approve the amounts for pre-opening and post-opening diseconomies funding as set out in Appendix C to be applied in 2019/20.**

1.0 INTRODUCTION

- 1.1** The following report provides details of national changes to the allocation of funding for Growth to Local Authorities (LAs) alongside the proposed methodology for the local distribution for growth and new schools.
- 1.2** Following national changes to the allocation of the Dedicated Schools Grant (DSG) funding blocks, growth funding is now within the LA Schools Block allocation. For 2019 to 2020, growth funding will be allocated to local authorities using a new formulaic method based on lagged growth data. Further details of the new formula for growth can be seen in **Appendix A**.
- 1.3** In October the Education and Skills Funding Agency (ESFA) published illustrative growth figures based on the new methodology applied to the 2016 and 2017 census data. Following the application of protection the illustrative figures suggest a growth fund allocation of £3.3m. This is compared to an actual allocation in 2018/19 of £2.5m of explicit growth (via the growth fund) and £2.53m of implicit growth (variations to pupil numbers for new schools filling to capacity) funded as part of the Authority Proforma Tool (APT). Therefore based on these illustrative figures there is an approximate differential of £1.7m between the funding generated by the new funding formula and the allocations to support new and growing schools within Cambridgeshire.

1.4 The final allocation for 2019-20 will be based on the changes between the October 17 and October 18 census, and despite a complete version of the census not yet being available, initial analysis suggests little or no change to the allocation shown in the illustrative figures. The main issue appears to be the number of new schools which have opened in the last 5 years, and will be opening in the future. As many of these schools are supporting new communities, with a significant amount of new housing, we have funded on an agreed number of classes to provide capacity, whilst the schools fill year on year. Due to releases of new housing it is very rare a new school will be full in each cohort from the opening date and as such by funding guaranteed numbers it provides the school some level of certainty around funding and staffing levels as pupils are likely to join at any point throughout the initial years of opening. Without recognition of this implicit diseconomies funding, or a standard national approach to funding new schools, this will always result in the existing schools having to subsidise new schools whilst they fill to capacity.

1.5 The above issue was raised with the ESFA and the following response received:

“..we do recognise that the actual amount that local authorities spend on growth will be partly influenced by local factors not captured by our measure, such as local authorities choosing to fund schools based on higher, guaranteed pupil numbers in the way you describe. That is why we are not changing the flexibility local authorities have to decide how to allocate this funding, or to ‘top slice’ their schools block funding to pay for growth, with agreement from their schools forum.

We have listened to feedback about the specific additional costs associated with new schools, and included a lump sum in the growth factor of £65,000 in respect of each new school. We will, of course, continue to consider how we can best account for the costs of new schools going forward.”

1.6 The Growth Fund can only be used to:

- support growth in pre-16 pupil numbers to meet basic need
- support additional classes needed to meet the infant class size legislation. (Please note: The growth fund is not used for this purpose within Cambridgeshire due to the overall cost.)
- meet the cost of new schools. (Pre-opening and diseconomies funding as prescribed in the New Schools Funding Policy.)

The Growth Fund **may not** be used to support schools in financial difficulty.

1.7 The Growth Fund will need to be ring-fenced so that it is only used for the purposes of supporting growth in pupil numbers to meet **basic need** in both maintained schools and Academies. Any growth or expansion due to parental preference/popularity will **not** be eligible to be funded from the growth fund.

1.8 LAs are required to propose the criteria on which any growth funding is to be allocated to Schools Forum for approval. The criteria should both set out the circumstances in which a payment could be made and provide a basis for calculating the sum to be paid. The LA will also need to consult Schools Forum on the total sum to be retained and must update Schools Forum on the use of the funding. It is essential that the use of the Growth Fund is entirely transparent and solely for the purposes of supporting growth in pupil numbers.

- 1.9 Further guidance states that the growth fund should **not** be used to support schools which are undergoing reorganisations to change the age range and /or admitting additional year groups. In these instances LAs should request a variation to pupil numbers to reflect the change in all relevant formula factors and not just a marginal cost or Age Weighted Pupil Units (AWPU) only allocation.
- 1.10 In 2018/19 the growth fund remained at **£2.5m**, with total commitments to date in the region of **£2.55m** (allowing for academy adjustments).
- 1.11 Despite the original proposal to increase the growth fund from £2.5m to £3m, in light of the potential lower allocation from the ESFA it is now proposed to maintain the growth fund at £2.5m for 2019/20. It is recognised that this will require close scrutiny throughout 2019/20 and the criteria as set out in section 3.0 below will need to be applied rigorously to ensure schools do not receive growth funding without certainty around forecast numbers.
- 1.12 In respect of the implicit growth for new schools growing to capacity funded via the APT (Appendix D) the remainder of the amount received from the ESFA will be allocated in the Schools Block, but is likely to impact on the final basic entitlement per pupil as overall funding is scaled down to be within available resources.

2.0 FALLING ROLLS FUND

- 2.1 LAs may also create a small fund to support schools with falling rolls where local planning data show that the surplus places will be needed in the near future. However as there is a mandatory requirement that *“Support is available only for schools judged Good or Outstanding at their last Ofsted inspection”*, Forum have previously taken the view that it was not appropriate to apply such a factor.
- 2.2 Based on previous analysis only one Cambridgeshire school would meet the criteria for falling rolls funding. This will be kept under review on receipt of revised October census information and forecast data, but at this time there is insufficient supporting evidence to justify creating a Falling Rolls Fund in 2019/20.

3.0 GROWTH FUND CRITERIA 2019/20

- 3.1 It is proposed to apply the criteria below in 2019/20 where a school is growing or expanding to meet basic need in their area:
- Where the predicted numbers for a **Primary** School (excluding nursery classes) for the following September show an increase, due to basic need, requiring the running of additional classes or significant restructure they **may be** able to access additional funding.
 - Where the predicted numbers within the LA’s planning area as agreed with the DfE (for the purposes of calculating its basic need funding allocation) for a **Secondary** School for the following September show an increase (excluding Post-16), requiring the School to run one or more additional classes and/or undertake a significant restructure they **may be** able to access additional funding.
 - Where schools have chosen to admit above their Published Admissions Number

(PAN) to meet parental preference from outside of their agreed planning area and **not** basic need they will **not** be eligible to receive funding from the Growth Fund in recognition that the LA could have secured places for the children concerned at other schools.

- Where schools take the decision to extend their admission arrangements to give priority to children attending or in the catchment area of an out-of-county or out-of-area school, they will not be eligible to receive Growth Funding for the pupils concerned.
- In instances where the LA has specifically requested a school to expand to take an additional class to create capacity, but the forecast numbers do not represent the need for an additional class, schools may be able to claim additional funding. The funding will only be payable if the school is unable to reorganise its class teaching structure to meet the request.
- Where the LA has not specifically requested a school to operate an additional class, the school will be required to provide evidence that an additional class or tutor group and/or significant restructure would be required to meet basic need. (Views will also be sought from relevant officers in the Education Directorate and Finance.)
- A class is defined as “additional” if it requires a change in the school’s current or historical class organisation or number of classes. In Primary schools this may result in mixed year teaching where numbers dictate and this is seen as the most prudent option for the organisation of the school as a whole.
- Schools that have historically operated mixed-age classes or have a Published Admission Number (PAN) in a multiple of less than 20 would be normally expected to operate some mixed-age classes. (The Growth Fund cannot be used to reduce class sizes.)
- Should additional pupils be admitted following successful appeals, the expectation is that the school would be able to accommodate these without the need to reorganise or employ an additional teacher.
- The requirement for additional classes or forms of entry will be reviewed on a case-by-case basis. Funding will be allocated based on the requirement for additional support / classes / forms of entry.
- Allocations will be calculated at the following rates:

Phase	Academic Year	Financial Year (7/12ths)
Primary (0.5FE)	£27,000 + £2,000	£15,750 + £2,000
Primary (1FE)	£54,000 + £4,000	£31,500 + £4,000
Secondary (0.5FE)	£42,500 + £2,000	£24,792 + £2,000
Secondary (1FE)	£85,000 + £4,000	£49,583 + £4,000

- **Please note:** The allocations include a £4,000 (pro-rata) allowance towards the cost of resourcing a new classroom. Once agreed these amounts are guaranteed irrespective of actual pupil numbers to allow schools to staff appropriately.
- Initial growth funding requests will be evaluated using Admissions data and demographic forecasts to aid schools with budget setting. Where there is uncertainty or disagreement around the predicted pupil numbers, funding will not be allocated until receipt of the actual October Census data.
- In instances where actual growth was at lower levels than original estimates, schools will **not** be subject to claw-back on any funding already allocated.
- No funding adjustments will be made in respect of “missing” pupils in Key Stage 1.

3.2 **Other Considerations**

- Any school with a revenue balance deemed as excessive would **not** be permitted to claim the full value of the additional growth funding. These instances will be reviewed on a case-by-case basis.
- Given that the funding formula now allocates an equal lump sum to all schools regardless of size no further additional funding will be provided to support any changes in leadership structure.
- Where schools are in areas of high growth, support may be provided to allow schools to maintain class structures where there is uncertainty over timescales for the completion and occupation of new housing developments. As these arise, they will be addressed on an individual basis and will be funded using estimates of the number of places required to meet demand from the local planning area as determined by the LA.
- Where the LA supports a school’s decision to extend its age range, additional support will be made available subject to meeting the criteria in 3.1 above.
- All maintained schools funding is only guaranteed for the financial year to which it relates. Future years funding will be assessed annually during the budget setting process.

3.3 **Academies** will take account of the additional guidance in **Appendix B** and be subject to the same criteria as above with the following additions and amendments:

- Where an academy is expanding due to parental preference rather than basic need the academy can bid directly to the ESFA, rather than being funded from the LA Growth Fund.
- Any funding allocated would be for the full academic year as original funding is based on the previous October Census. This would be subject to confirmation of actual funded numbers from the ESFA and would be calculated on receipt of the October Census at the start of the new academic year.

DfE additional guidance states:

“Where academies are funded on estimates, however, there is no need for them to access the growth fund for this purpose. This is because they will receive additional funding through a pupil number adjustment for actual numbers. We will identify academies funded on estimates in the January edition of the APT. Around 90% of former non-recoupment academies are funded on estimates.”

4.0 NEW SCHOOL FUNDING CRITERIA 2019/20

- 4.1 Where a new school is due to open, the regulations require that local authorities should estimate the pupil numbers expected to join the school in September and fund accordingly, explaining the rationale underpinning the estimates. Under these regulations, local authorities should estimate pupil numbers for all schools and academies, including free schools, where they have opened in the previous seven years, and are still adding year groups. Local authorities can adjust estimates each year, to take account of the actual pupil numbers in the previous funding period. For academies an allocation of funding is recouped from each LA and following formula replication by the ESFA an annual grant allocated.
- 4.2 Pre-opening costs and diseconomies funding in respect of new basic need academies is also payable from the Growth Fund. Details of the current amounts payable can be found in the New Schools Funding Policy (**Appendix C**), which is also subject to approval on an annual basis.
- 4.3 This funding must be made available to new basic need academies on the same basis as maintained schools, including those funded on estimates – the only exception is that the ESFA will continue to fund start-up and diseconomy costs for new free schools where they are not being opened to meet the need for a new school as referred to in section 6A of the Education and Inspections Act 2006.
- 4.4 The table at **Appendix D** below shows proposed estimates for new school funding for the 2019/20 financial year to be submitted as part of the budget submission to the ESFA in January. **Please note:** All of these figures are to be confirmed on receipt of the October 2018 census and forecast data.

5.0 AMENDMENTS TO FUNDING CRITERIA

- 5.1 It is possible to amend the above Growth Fund criteria during the year where this becomes necessary; however the revised criteria must be submitted to the ESFA for compliance checking and must also be approved by Schools Forum before the revised criteria can be implemented.

Source Documents	Location
National Funding Formula for Schools and High Needs: 2019 to 2020	https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/728273/National_funding_formula_policy_document_-_2019_to_2020_-

<p><i>Schools Revenue Funding 2019 to 2020: Operational Guidance</i></p>	<p><u>BRANDED.pdf</u></p> <p><u>https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/730636/Operational_guide_2019_to_2020.docx</u></p>
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Appendix A – ESFA Growth Funding Formula 2019-20

The ESFA will allocate funding to local authorities based on the actual growth in pupil numbers they experienced the previous year. This will ensure that over time local authorities are funded on the basis of the actual growth they experience (albeit on a lagged basis), rather than historic spending decisions.

Growth will be measured within local authorities at middle layer super output area (MSOA) level. We are using MSOAs as these are small enough geographical areas to detect 'pockets' of growth within local authorities. The increase in pupil numbers in each MSOA in the local authority will be calculated between the two most recent October censuses. Only positive increases in pupil numbers will be included, so a local authority with positive growth in one area, and negative growth in another, will not be denied growth funding.

Allocating funding for growth

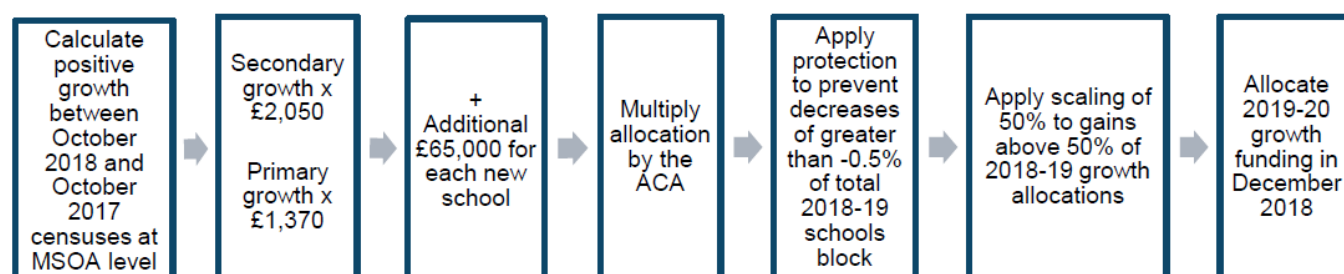
For each local authority, the growth factor will allocate:

- £1,370 for each primary 'growth' pupil,
- £2,050 for each secondary 'growth' pupil, and
- £65,000 for each brand new school that opened in the previous year (that is, any school not appearing on the October 2017 census but appearing on the October 2018 census)

These values were set by looking at the amount spent on growth across all local authorities in 2017-18.

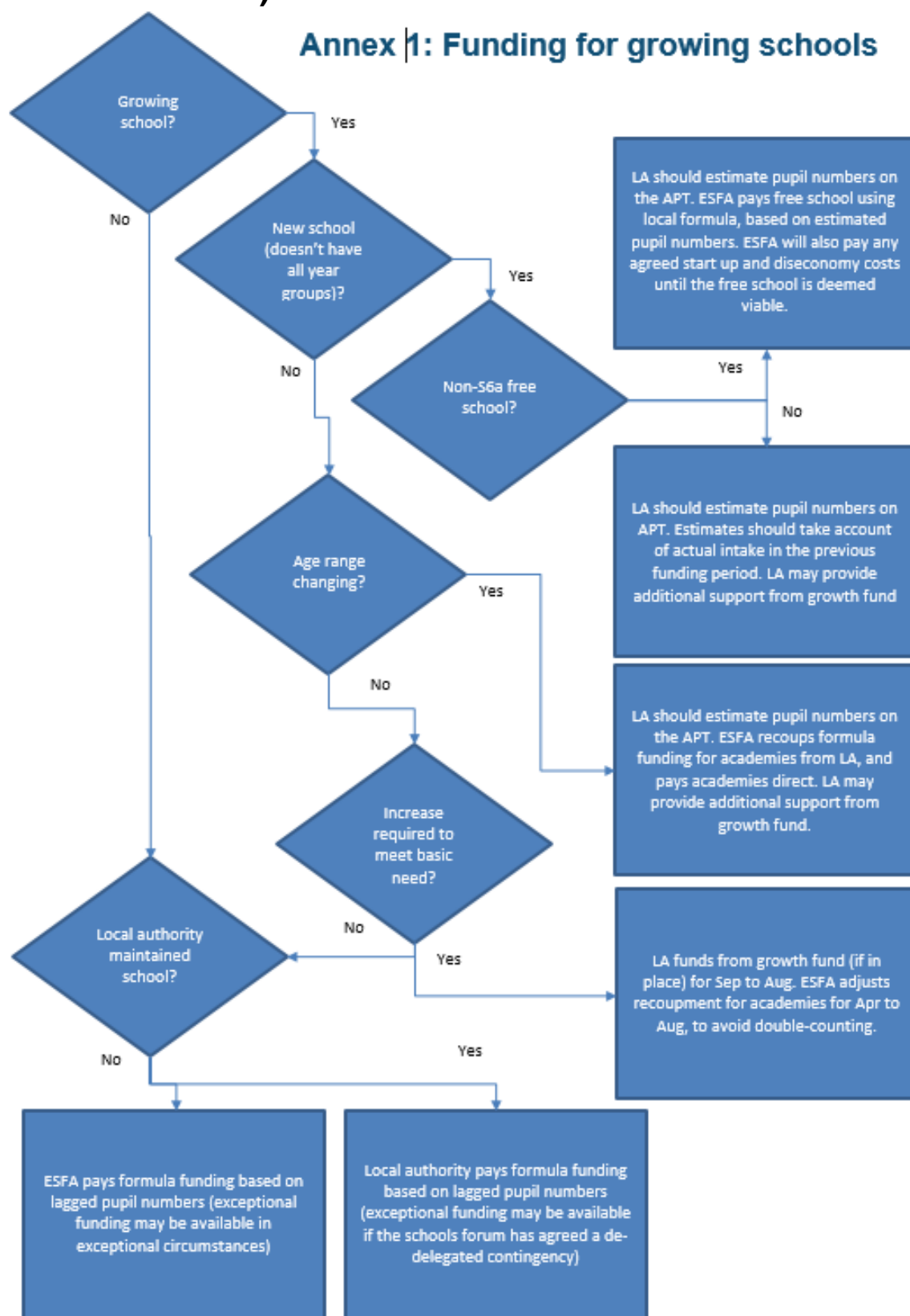
The ESFA do not expect local authorities to use these rates in their local arrangements for funding growth. Local authorities will generally allocate growth funding for a smaller number of pupils (where additional pupils have required an additional class), and will use higher factor values. The growth factor in the national funding formula is a proxy for overall growth costs at local authority level, and not at the level of individual schools.

Equally, they are not illustrating allocations of growth at school level and do not expect local authorities to necessarily use this methodology to decide how much growth funding to allocate to individual schools. Local authorities should continue to make decisions about growth funding locally as they do now. Finally, they not do anticipate that local authorities' spending on growth will necessarily match precisely the sum allocated to them for growth, and they will continue to have the ability to 'top slice' their overall schools block funding to fund pupil number growth.



Appendix B – Funding Flow Chart for Growing Schools (from EFSA Guidance)

Annex 1: Funding for growing schools



Appendix C – New School Funding

Pre-Opening Funding for New Schools

The pre-opening funding is intended to cover all revenue costs up to the opening of the school. Capital costs to secure and develop the school's site, and ICT to support the curriculum, are funded separately for the LA's five year rolling programme of capital investment. Books and other curriculum materials may be purchased before opening, using an advance of the post-opening diseconomies funding.

The pre-opening funding is to cover:

- project management (support to coordinate all work leading to the development of the school);
- staff recruitment (including the head teacher/principal);
- salary costs (which often include the head teacher/principal, finance/business manager and administrative support in advance of opening);
- office costs;

Primary Schools - funding is calculated on the basis of 1 term prior to the date of opening.

Secondary Schools - funding is calculated on the basis of 2 terms prior to the date of opening.

Special Schools - funding is calculated on the basis of 2 terms prior to the date of opening.

In all instances the funding can be accessed earlier, but the total amount to be received remains as detailed below.

Primary	£50,000
Secondary	£150,000
Special	£130,000

Post-Opening Diseconomies Funding

Resources –

Paid annually as the school builds up to capacity –

- £125 for each new mainstream place created in the primary phase (years R to 6)
- £500 for each new mainstream place created in the secondary phase (years 7 to 13)

New places will be calculated annually based on the increases in roll from year to year.

Leadership –

Paid annually based on the number of year-groups that the school will ultimately have. The amount paid to mainstream schools with pupils aged 4 – 15 each year is set out below:

Year	1	2	3	4	5	6	Total
Primary	£40,250	£33,750	£27,000	£20,250	£13,500	£6,250	£141,500
Secondary			£125,000	£93,500	£62,500	£31,000	£312,000

Please note: *Diseconomies funding for all-through schools serving the 4-15 age range will be considered as and when the situation arises.*

Appendix D - Estimated Pupil Number Adjustments for New Schools 2019/20 – Subject to change prior to final submission.

School	Year Opened	Estimated Numbers to be funded - April to Aug (5/12ths)	Estimated Numbers to be funded - Sept to Mar (7/12ths)	Total Estimated Numbers to be Funded (5/12ths / 7/12ths)	Comments
The Shade Primary School	Sep-13	210.00	240.00	227.50	
Chesterton Primary	Sep-13	180.00	210.00	197.50	
Isle of Ely Primary	Sep-14	300.00	360.00	335.00	
University of Cambridge Primary	Sep-15	390.00	480.00	442.50	
Trumpington Community College	Sep-15	360.00	480.00	442.50	
Godmanchester Bridge Academy	Sep-16	120.00	150.00	137.50	Pupils in each year group - Disapplication request required.
Ermine Street Primary	Sep-16	120.00	150.00	137.50	Pupils in each year group - Disapplication request required.
Pathfinder Primary	Sep-17	150.00	180.00	167.50	Pupils in each year group - Disapplication request required.
Trumpington Park Primary	Sep-17	150.00	210.00	185.00	
Littleport Secondary	Sep-17	240.00	360.00	310.00	
Wintringham Park	Sep-18	60	60	60	
Northstowe Secondary	Sep-19	0	120	70	New School – Opening September 2019

HIGH NEEDS BLOCK FUNDING – THE CHALLENGES FOR CAMBRIDGESHIRE

To: **Cambridgeshire Schools Forum**

Date: **14 December 2018**

From: **Jonathan Lewis – Service Director - Education**

Purpose: **To provide Schools Forum with an overview of the challenges around high needs funding, both nationally and in Cambridgeshire. The paper also suggests area of review within high needs spending in order to remain within the funding Cambridgeshire receives from the high needs block.**

Recommendation:

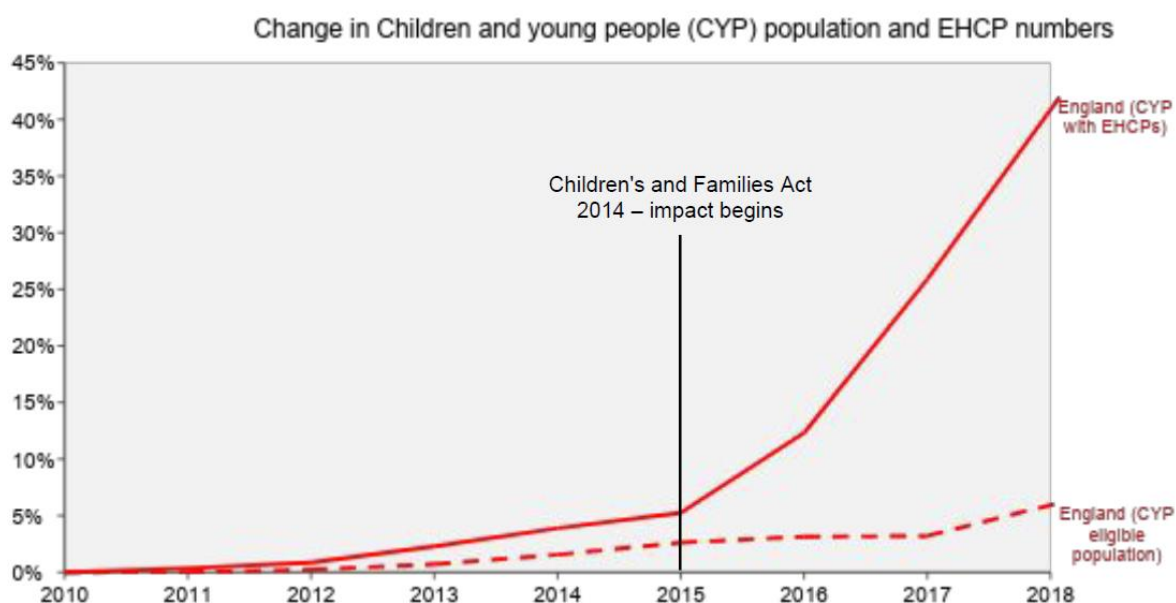
- a) Schools Forum are asked to note the position around high needs funding – both nationally and within Cambridgeshire.**
- b) Schools Forum is asked to continue to work with officers to consider areas where efficiencies can be found and demand for high need services may be reduced.**

1.0	INTRODUCTION AND CONTEXT					
1.1	In July 2018 the Department for Education (DfE) published its update to the National Fair Funding for schools and high needs. The Dedicated Schools Grant (DSG) continues to be ring-fenced. There are now four separate blocks as set out below with the introduction of the Central Services Schools Block in 2018-19 (see the table below). The Schools Block continues to be ring-fenced with one exception that the Authority has the ability to move up to 0.5% of the Schools Block to other blocks after consultation with schools and with the agreement of the School’s Forum. The recent consultation has made this transfer request.					
		DEDICATED SCHOOLS GRANT				
		SCHOOLS BLOCK	CENTRAL SERVICES SCHOOLS BLOCK	EARLY YEARS BLOCK	HIGH NEEDS BLOCK	
		This Block funds: - Individual school budgets; - Services de-delegated from maintained school budgets and The Growth fund	This Block funds: - Historical commitments previously agreed with Schools Forum such as the Public Sector Network (broadband) contract; and Ongoing responsibilities of the Authority such as Admissions, the servicing of the Schools Forum, copyright licenses and services to meet statutory responsibilities	This Block funds: - The 2 year old Early Years single funding formula; - The 3 and 4 year old Early Years single funding formula (universal and extended entitlement); - The Disability Access Fund; - Maintained Nursery school supplementary funding; and Any central expenditure by the authority to support early years services	This Block funds: - Special school budgets; - Special schools outreach; - Top up funding for pupils with High Needs; - Out of County SEN placements; - SEND specialist services; - Early Help District Delivery Services; - Alternative provision such as PRUs, High Needs Units; - EOTAS devolution; and Commissioning Services	
1.2	In recent years, the high needs block has been under significant challenge as a result of a number of issues (outlined in section 2 of this report). The 2018/19 budget includes £1.2m of transfers from other funding blocks (£0.5m from Central Block and £0.7m from the Schools Block). The financial position of the high needs block in Cambridgeshire can be found in the table below -					
		Year	High Needs Block Income	High Needs Budgeted Expenditure	High Needs Actual Expenditure	Overspend Value
		2014-15	63.8	60.5	61.8	£1.3m
		2015-16	64.1	61.9	63.2	£1.3m
		2016-17	64.9	63.0	65.7	£2.7m
		2017-18	64.3	65.3	70.0	£4.7m
		2018-19	65.9	67.1	73.2	£6.1m (latest estimate)
1.3	These figures are demand driven so may change before the end of the financial year so further work is required to refine our estimate. The accumulated deficit on the DSG is					

	likely to be in the region of £6.7m based upon current estimates. This equates to around 10% of spend.
1.4	<p>Based on the Dedicated Schools Grant (DSG) conditions of grant there are three options when there is a deficit carried forward:</p> <ul style="list-style-type: none"> • The local authority (LA) may decide to fund all the overspend from its general resources in the year in question. • The LA may decide to fund part of the overspend from its general resources in the year in question and carry forward part to the schools budget in the next year or the year after that. • The LA may decide not to fund any of the overspend from its general resources in the year in question and to carry forward all the overspend to the schools budget in the next year or the year after that.
1.5	A local authority needs to obtain the consent of the Schools Forum, or failing that the Secretary of State, to fund this deficit from the schools budget. Given the financial pressures the LA is currently not in a position to consider meeting the overspend from general resources.
1.6	Additional to these conditions, the DfE have recently published a consultation on the implementation of new arrangements for reporting deficits of the dedicated schools grant. In the last two years the number of authorities reporting a cumulative DSG deficit has substantially increased. Because of this, the DfE have decided that there is a need to tighten up the reporting arrangements. Through conditions of grant the DfE will require a report from all local authorities that have an overall cumulative DSG deficit of 1% or more at the end of the 2018 to 2019 financial year, outlining their recovery plans. It is likely with the financial position outlined in 1.2 that Cambridgeshire will be required to submit a recovery plan.
2.0	THE NATIONAL CONTEXT AND THE CHALLENGE IN CAMBRIDGESHIRE
2.1	<p>The national context around high needs funding is significant. In a recent letter to the Secretary of State for Education, the Society of County Treasurers and the Society of London Treasurers wrote –</p> <p><i>“The majority of Councils that we represent are in real difficulty with many not only reporting in-year deficits of costs against allocated funding, but also with deficits being carried forward on their balance sheets with no prospect of these positions being improved. Much work is being done by all Councils to jointly share ideas and best practice to try and minimise demand and costs, but this isn’t going to be anywhere near enough to recover the position. There is only limited scope for moving money out of direct school budgets to help with this pressure, and in any case with many schools finding it difficult to cope with the new National Funding Formula this isn’t an ideal or sustainable solution.”</i></p>
2.2	The graph the group produced (see over) shows the significant increase in demand for Education and Health Care Plans (EHCPs). It shows that since the introduction of the Children and Families Act 2014 there has been a 35% increase nationally in the number of EHCPs, and yet the eligible child population over the same period has only increased by 1% nationally. Research recently carried out by both Societies show that 94% of surveyed Counties are expecting a deficit on the DSG high needs block this year and for London the figure is 88%, with 100% expected to be in deficit the following year. Many authorities are already carrying forward cumulative deficits from the previous year, which is predicted to rise to almost £250m for those authorities by the end of this year.

Appendix A

The no. of CYP with an EHCP has risen significantly across England – particularly since 2015



Source: ONS (MYE and SNPP) estimates; DfE (SEN2 data)

- The number of children and young people with an EHCP/ Statement has increased by 40% nationally since 2010/11
- The eligible child population has increased by 3% nationally since 2010/11

2.3 F40 have identified similar challenges in a presentation they made in MPs in Parliament in October. They identified that the 'funding crisis' was created in part by the continued use of historic funding levels and the short-term attempts to fix the problem are woefully inadequate. F40 sought an immediate injection of new funding, estimated on increased costs and demand since 2015, of at least £1.5bn per annum being required. They also suggested there needed to be a review of SEN policy and guidance to help manage down demand more effectively.

2.4 The challenges nationally are significant and the Department for Education recently highlighted the following areas they felt were contributing to the pressures on the high needs block -

1. A higher proportion of children and young people in more specialist provision, which costs more, driven in part by mainstream schools' behaviour and accountability systems.
2. A shortage of special school places leading to more reliance on the (more expensive) independent sector.
3. More EHC plans in the 0-5s cohort, and enhanced expectations of continuing education beyond the age of 19.
4. Greater complexity of need – e.g. more identification of autism and development of specialist provision to cater for children with such needs, mental health needs more apparent.

2.5 In addition, from a Cambridgeshire context the following challenges have been forthcoming which are considered to contribute to the high needs overspend position -

5. Demographic Increases – 4% increase in our population between 2011 and 2016 with a corresponding increase in SEND needs. 7308 in reception in 2018 compared to 5,515 in year 11 so this trend is likely to continue.
6. The historic nature of funding we receive in Cambridgeshire for high needs has a significant impact especially where demand is changing. Currently 50% of our funding based upon historic funding not reflecting current volume or complexity of

	<p>need.</p> <p>7. The general level of schools funding in Cambridgeshire remains low and this places significant strain on schools to support children with SEND who might be support below the level of EHCPs.</p>
2.6	<p>The data we have analysed backs up these trends and include –</p> <ul style="list-style-type: none"> • The number of EHCPs has risen from 3,099 (2015) to 4,221 in 2018. In additional the volume of requests for statutory assessment has grown from 191 in 2013 to 544 in 2018. • Our historic data and projections show the number of EHCPs continues to rise while those children with the category of 'SEND Support' is declining. This may suggest that the complexity of need is changing or due to the low levels of funding in Cambridgeshire schools are having to seek financial support. • We have seen increases in particularly areas of needs. The main change is in Autism Spectrum Condition (ASC) where the increase in identified need could be as high as a 50% increase from 2014 to 2022. Other groups of need which have seen significant increase are Social, Emotional and Mental Health Difficulties (SEMH), Moderate Learning Difficulties (MLD) and Speech, Language and Communication Needs (SLCN). • Our spend supporting young people in Further Education settings has increase from £3.6m in 2015 to £7.3m in 2018. This has been impacted by the extended age range of the EHCPs to 25 and this demand will continue to increase for at least the next 3 years as the remaining age cohorts to 25 become populated. We estimate that compared to the funding we received for this additional responsibilities with the SEND reforms, we have a shortfall in funding of around £3.5m. • The number of special school places in Cambridgeshire has increased from 967 in May 2015 to 1111 in May 2018. However our relative density of special school places remains below our statistical neighbours and our plans to add a further 3 special schools is required to meet the current and future level of demand. • The number of placements in independent special schools or other local authorities special schools remain broadly static from the previous financial year but the cost of the placement has increased by £500k which suggests the complexity of needs are increasing as birth survival rates and medical science improves.
2.7	<p>In order to highlight these challenges, discussions have taken place with all headteachers groups and as part of the two consultation sessions on the budget proposals undertaken in October. We have also held two workshops with Schools Forum to consider the areas in which we spend our high needs funding. The proposed areas for review are -</p>
2.8	<ul style="list-style-type: none"> • A focused review of all externally commissioned school places to look for volumes discounts, checking whether current provision matches needs and potential partnership arrangements for particular areas of need. • Undertaking a Full review of internal services provided to schools with an expectation of savings including review the statutory requirement for services in these areas. • Challenge to Health and Social Care on the level of their contribution for children's education funded by the high needs block. • Transition all children currently receiving tuition out of school into a suitable education provision and stop any further tuition unless commissioned short term by schools with a plan for re-integration back into schools. • Review the level of spending on alternative provision including the current behaviour and improvement partnership (BAIP) arrangements and the model of support for primary schools. Our current level of spend in these areas is above our statistical neighbours.

	<ul style="list-style-type: none"> • Review decision making panels and process to ensure there is increased rigour on requests for support and that all options are considered before further funding is granted. However the system needs to be more responsive to need and it may be appropriate to consider whether funding is moved to support children and young people earlier rather than going through a statutory process. • Undertake a full review of all top of funding for EHCPs to ensure that thresholds are appropriate and there is the correct level of support for every child. • Develop a full action plan for areas identified in the sufficiency of SEND provision. We need to develop a continuum of support for pupils locally including using the expertise our special schools have to support inclusion. This will avoid the need for placements in independent special schools. • Investing in improving and sharing of data – supporting the decision making we need to take and ensuring we are consistent in our approach across the county. • Reviewing our early help and SEND offer to ensure we meet the needs of children across the county.
4.0	NEXT STEPS
4.1	<p>Clearly this is a high emotive and complex area and the next stages of the development of a plan to address the overspend needs to be considered in an appropriate way. It is therefore proposed that the next steps are -</p> <ul style="list-style-type: none"> • Officers will continue to work with the schools forum working group need a steer on the areas they can explore in further detail in light of the information in this report and the presentation shared previously. This will including short term, medium term and longer term proposals to address the challenges we face. • At the appropriate time, we will consult with all stakeholders including schools and parents on any proposals we need feedback on before considering any changes to funding. • The challenge of our overall funding level remains. We need to consider how Cambridgeshire's Schools Forum may make representation to the Secretary of State or to our MP's on the impact these changes may have on children and our schools. It will be important to engage parents in this discussion.

Source Documents	Location
<i>Fair Funding for Schools: PowerPoint Presentation to MPs 15 October 2018 (F40)</i>	<i>Shire Hall, Cambridge</i>
<i>Letter to the Secretary of State from the Society of London Treasurers and the Society of County Treasurers re. Dedicated Schools Grant (DSG) - High Needs Funding – 27th November 2018</i>	<i>Shire Hall, Cambridge</i>

EASTNET UPDATE REPORT

To: Cambridgeshire Schools Forum

Date: 14th December 2018

From: John Chapman
ICT Service Manager
John.chapman@theictservice.org.uk

Purpose: To provide an update on the implementation of the EastNet Broadband contract from April 2019.

Recommendation:

Schools Forum are asked to:

- a) Agree that the previously approved 19/20 retained £1.458m be used to pay for Year 1 of the EastNet contract in 2019/20.**
- b) Approve the proposal to request a continuation of current funding arrangements from the Education and Skills Funding Agency (ESFA) from 2020 onwards.**
- c) Note the potential risks for future years.**

1. BACKGROUND

- 1.1 As previously highlighted to Schools Forum, you will be aware MLL Telecom, a leading provider of secure managed network services for the UK public sector, has been awarded the EastNet contract to deliver a new Wide Area Network (WAN) solution and centralised services to Cambridgeshire County Council and the wider community served by EastNet. The new network framework, which will be effective for six years, will replace the legacy Cambridge Public Services Network (CPSN) Partnership. MLL Telecom aims to migrate all school sites in a phased approach to ensure the transition is completed effectively with minimal service disruption by December 2019.
- 1.2 Schools Forum have previously approved the £1.458m annual revenue contribution for CPSN as part of the Central Schools Services Block (CSSB) until the end of 2019. As previously reported these arrangements are only permitted for existing contracts entered into prior to April 2013 and as such we are currently exploring mechanisms as to how this will operate in future to minimise both risk and unnecessary administration costs.
- 1.3 The current pooled arrangement provides equity across Cambridgeshire schools and we believe a continuation of such an arrangement within the new contract will

not only result in a significantly improved service, but will continue to deliver value for money compared to other providers.

2.0 EastNet Update

- 2.1 Previous work on EastNet has been based around two options, both options present different technical solutions and would therefore impact the price schools pay. These technical options are based around the security, filtering and internet access (Core) of the education network either being in the national datacentres or within the Cambridgeshire County Council (CCC) datacentre. Having reviewed these options, we feel the national datacentre option pushes school finances to a point where EastNet would not be financially viable as it would result in considerable additional costs over the initial 3 years.
- 2.2 The proposals below are therefore focused on a solution based around the Core being housed within the CCC datacentre. It should be noted we have not considered any future project where there may be a requirement to move out of the current datacentre, at this time it is not clear to us if the CCC datacentre, attached to the back of Shire Hall will move, or when.
- 2.3 As part of the overarching project there has been agreement for CCC to cover the following as part of the transition and exit costs:
- CPSN Circuit rental post March 2019 until each school's migration date - £729k. (current estimate) - MLL are currently working on an updated model based on what they expect the actual migration dates to be.
 - CPSN Exit - £200k. (current estimate)
 - EastNet Circuit Install - £740k - this covers all school circuit installs.
- 2.4 Further to this there is significant investment of circa £2m by CityFibre to support the continued rollout of full fibre connectivity and maximise the benefits for the wider community. In order for this infrastructure investment to be undertaken within the next 12 months it is imperative that schools in the CityFibre area sign up to the EastNet contract as soon as possible.

3.0 Impact for Schools

- 3.1 The proposed solution, will provide a fully working, serviceable and affordable solution for all schools up to 20Gbps of internet traffic. This includes firewalling, web filtering, Anti-Virus, Janet internet connections, management both of the project and the 3-year service management, E2BN and Legal fees. The local school access circuits will be a mix of 100Mbps and 200Mbps for primary, Nursery and special schools. For secondary schools, a 1000Mbps connection will be provided. The flexibility available in the design for both the core network and access circuits means schools could increase their bandwidth without the need for an expensive dig or additional fibre installations.
- 3.2 All schools will benefit from a wide range of safety, security, support, performance, and service level guarantees by opting for the Eastnet broadband solution. For example:
- Central Firewalling and Security infrastructure
 - Janet Internet connectivity. Adding further security to your network and Internet connection.
 - 1:1 connection via fibre.

- Built in ability to control access between school sites making sharing of data and services easy.
- No additional costs for fibre installation, it's all taken care of, guaranteed.
- Fully project managed process of migration.
- Standard web filtering for staff and students both in school and when off the network.
- Full antivirus protection licenses.
- Easy upgrade options for Primary, Nursery and Special Schools will receive a minimum of a 100Mbps connection.
- Secondary Schools will receive a 1000Mbps connection.

3.3 If schools as a whole need to expand beyond 20Gbps internet traffic during the initial 3-year period then a technical redesign of the core and finance model will be required. This could have significant capital costs which would need to be financed by schools.

3.4 The aim has been to keep the costs for EastNet as close as possible to the existing retained funding for CPSN of £1,458,540. Based on the latest design the equalised cost to schools per year for a 3-year contract is £1,459,819, including investment required to significantly improve the current infrastructure. Throughout this project there are timing and finance phasing issues due to when a school moves from one network to another and, when a supplier would need capital costs paid. With this in mind, the figures provided are equalised over the 3 years.

3.5 The main financial risk with this approach is that under ESFA legislation the LA will no longer be able to centrally retain the £1.458m beyond 2019/20, and as such funding will need to be delegated to individual schools budgets from 2020/21 and then recovered as a charge. Therefore if not all schools sign up to EastNet the model will not be financially viable.

3.6 A further risk is that it is still not clear how funding recycled into other funding blocks, i.e. If funding is moved between blocks is there a danger it will be "lost" at the point hard funding rates are introduced in future years? Or as a result of the expectation that other historic commitments will reduce?

3.7 In response to this it is proposed that with Schools Forum approval a case is put to the ESFA to continue with the existing retained funding arrangements for 2020/21 and 2021/22.

3.8 Summary of risks to be aware of:

- This model only works if all schools sign up to EastNet
- If all schools don't sign up, how is the shortfall covered, and by whom?
- If around 50% of the schools decided not to sign up for EastNet then a redesign would be required with a view to reducing costs.
- Future arrangements may require funding to be delegated to and charged at individual school level. The intention would be to make this cost neutral to individual schools.
- If current central funding is removed this will result in an additional cost for all schools. Please note: This would be no different as to if there was no central funding held. i.e. it would be a cost to individual schools now if the existing arrangements were not already in place.

4.0 Next Steps

- 4.1 Subject to approval from Schools Forum the LA will contact the ESFA to request a continuation of current funding arrangements until 2022. Should this request not be approved the mechanism for delegation of the retained funding from 2020/21 will need to be agreed and sign-up from individual schools sought.
- 4.2 Communication providing an update to all schools will be circulated early in the new year.

Source Documents	Location
<i>None</i>	

CAMBRIDGESHIRE SCHOOLS FORUM – FORWARD AGENDA PLAN

All meetings will be held at 10.00am in the Kreis Viersen Room, Shire Hall, Cambridge CB3 0AP unless otherwise specified.
Correct as at 16.10.18.

Date of meeting	Agenda Item	Report author	Reports due to reach Democratic Services by:
			Reports due to reach Democratic Services by:
Friday 18 January 2019	Apologies for absence and declarations of interest	<i>verbal</i>	Tuesday 8 January 2019
	Schools Budget 2019/20– late changes	<i>J Lee</i>	
	Minutes of the Meeting on 9 March 2018	Rob Sanderson	
	Action Log	Rob Sanderson	
	Agenda Plan	Rob Sanderson	
	Date of Next Meeting	<i>Verbal</i>	
			Reports due to reach Democratic Services by:
Friday 29 March 2019	Apologies for absence and declarations of interest	<i>verbal</i>	Tuesday 19 March 2019
	Minutes of the Meeting on 9 March 2018	Rob Sanderson	
	Action Log	Rob Sanderson	
	Agenda Plan	Rob Sanderson	
	Date of Next Meeting	<i>Verbal</i>	
			Reports due to reach Democratic Services by:
Friday 17 May 2019 <i>(reserve meeting date)</i>			Tuesday 7 May 2019

			Reports due to reach Democratic Services by:
Friday 12 July 2019	Election of the Chairman/woman and Vice Chairman/woman	<i>verbal</i>	Tuesday 2 July 2019
	Apologies for absence and declarations of interest	<i>verbal</i>	
	Minutes of the Meeting on 9 March 2018	Rob Sanderson	
	Action Log	Rob Sanderson	
	Agenda Plan	Rob Sanderson	
	Date of Next Meeting	<i>Verbal</i>	