

SUMMARY OF THE MAIN ISSUES FROM THE CONSULTATION RESPONSES ON OTHER CONSULTATION ISSUES NOVEMBER 2019

The numbers of responses received from schools and other consultees for these consultation questions are detailed in **Appendix 2**.

For consultation questions 2 to 4 not all questions were applicable to all respondents and some did not answer all the consultation questions

Summaries of the main issues received on the **3** consultation questions and further issues are detailed below.

Please note although these are part of the all school consultation, as required under Schools Forum (England) Regulations 2012 the decisions for consultation questions 2, 3 and 4 are for the relevant Worcestershire Schools Forum (WSF) members as determined under the Regulations.

1. CONSULTATION QUESTIONS

Q2a) – Do you support the transfer of 0.5% of the Schools Block DSG in 2020-21, to the High Needs Block DSG to support cost pressures?

There were **44** responses received from **227** mainstream schools the details of which are in **Appendix 2**. Of these **40** schools were **not** in support.

There was support for this from **1** other consultation responder.

A summary of the issues from those not in support indicated: -

- Appreciate that there are cost pressures in relation to High Needs Block funding, but as a school that has a high proportion of SEND pupils (well above average) whose needs the school is trying to meet without additional funding.
- Removing 0.5% of the schools Block DSG will significantly impact on schools' ability to support SEND children.
- Schools have made applications for top up funding for child with significant needs which have been supported.
- Believe that it is not appropriate to remedy a shortfall by taking money from already tight budgets –which may mean that early provision becomes unavailable which may necessitate High Needs Block Funding for pupils later.
- Central Government should be providing more resources for these needs and WCC should not reduce poorly funded school budgets.
- This funding should be generated separately in line with the recommendations and findings of the Parliamentary Report on SEND.
- There is a clear concern about moving funding intended to support mainstream schools away from provision which benefits all pupils (including SEND) and instead channelling a significant proportion of it into independent and non-mainstream schools, which only benefit those children with the very highest levels of need.

- School budgets are already tight and there is a significant risk that further pressure will impact quality of provision for all children.
- Is it necessary to do this now when the HN funding deficit issue is recognised by DfE with additional funding already promised to help close the gap?
- The school is absolutely opposed to this under any circumstances.
- There is still significant underfunding in Worcestershire schools and continuing cost pressures.
- There is insufficient funding in the Schools' Block to meet the needs of all pupils and in the High Needs' Block to meet the needs of SEND pupils.
- Transferring money from the Schools' Block exacerbates the pressures on schools trying to maintain a high quality of educational provision with a history of chronic underfunding for Worcestershire schools.
- Transferring money from the Schools' Block to High Needs sends the wrong message from a poorly funded LA to the Government – there is chronic underfunding for the High Needs' Block.
- High Needs has run up a significant shortfall, so a transfer of funding from every Worcestershire pupil will merely be used to service this debt, not increase the funding for, or improve the quality of, educational provision for these High Needs pupils.
- Transferring this money from the Schools' Block to the High Needs' Block will reduce schools' ability to support their own SEND students, reducing their capacity and placing even greater pressure on the High Needs' Block when they are no longer able to meet the needs of these students within their schools.
- Using capping as an alternative methodology to make the 0.5% transfer from the Schools' Block to the High Needs' Block will also causes problems.
- As much needs to be retained in the Schools Block as possible.
- Unable to accept this proposal as believe that the top slicing of 0.5% from the DSG will not be the most effective use of school finances.
- There is now a clear expectation that schools aim to be fully inclusive and that SEND students are taught first and foremost in mainstream schools. The loss therefore of this additional funding from budgets would be counterproductive and restrict capacity to provide the resources to support these students.
- The expectation will be for schools to make more provision with reduced funding to address a situation that is not of their making.
- Do not feel the money is used properly by the LA.
- Our school is struggling to set a surplus budget and have very little in reserve. The school has been under-funded for years and cannot afford this transfer.
- Schools and Trusts should not be expected to pay off the debt that has been accumulated by the LA through a lack of due diligence and oversight of Higher Needs spending, particularly surrounding the level of spend that has occurred for students who are educated in specialist provision outside of the county.
- The inevitable consequence of 'reigning in' this spend is that more students with complex and higher needs will need to be educated in mainstream settings, while at the same time reducing the funding, and therefore capacity in those very schools to make adequate provision.
- The money that would be taken is, effectively, to repay the debt that has been generated by ineffective management of SEND services.
- Funding to academy schools does not match pupil need so require maximum funding into school to make up for the financial resources that are not allocated.

- There would be no benefit to the school and money would be 'lost' in covering a deficit.
- Allocation of these funds will not result in improved provision. Ideally, this will not be transferred to the High Needs Block. Short of this, the funds could be ring-fenced for SEND provision and pro-rated to schools based on their percentage of SEND students.
- The school strongly opposes the transfer of any funding from the Schools' Block DSG to the High Needs Block DSG.
- Our view is that a reduction in the Schools Block DSG would be very detrimental to the finances of all schools in Worcestershire given the significant cost pressures that schools budgets are currently and historically been experiencing.
- Schools in Worcestershire really do need the NFF to be applied in full if they are to come anywhere near setting balanced budgets for 2020-2021.
- If this transfer is made to the High Needs Block it is going to further limit the capacity of schools to provide support for students with SEND.
- Central government needs to be under sustained political pressure to provide sufficient funds for the High Needs Block.
- Do not believe that any funds should be taken from hard pressed school budgets to prop up underfunded higher needs especially since this top slice will not result in any change of provision simply reduce a deficit.
- Worcestershire school are underfunded, so taking funds from the DSG will exacerbate this situation. High Needs is underfunded and overspent, so subsidising this debt from the DSG is morally wrong. The concern is that HN will need to be subsidised from somewhere. If it is not the DSG through the 0.5% top slice it will be DSG via the 'backdoor' of an adjustment to the gains cap when adjusting the formula for affordability. The unpalatable irony is that schools' budgets will ultimately subsidise the HN shortfall and the HN recovery plan is focussed on schools being more inclusive. Schools cannot become more inclusive when they are inadequately funded and the squeeze on other services to support the child continue. Whatever the solution it will be a woefully small sticking plaster at best.
- Do not see that any school can agree to the top slice without first seeing a High Needs Block recovery plan from the LA, which is not included within this consultation. There needs to be confidence that WCC have the issues under control and have a clear plan for bringing the deficit under control. Only then will schools agree to give up their funding as if this is agreed to in 2020/21 then it will just go into the pot and not be used effectively.
- Do not support the transfer of 0.5% of the schools' block DSG as this will only service current deficit and mask inefficiencies of current management of spending. Do not believe this will support or improve provision.
- Whether or not the transfer occurs, school wish to see robust management over High Needs provision including checking attendance at and quality of provision within those institutions to whom the LA entrusts our region's children and clear, transparent reporting of these findings to schools.
- Government needs to fund HN according to actual need and not on the broken historical basis which has been discussed much, but no significant change has been forthcoming.
- Moving money around in the DSG is just robbing Peter to pay Paul. When all are deserving this just encourages government to duck its responsibilities again.
- There needs to be a NFF for the HN top-ups and the starting £10k per pupil needs to be reviewed and available to all schools that support SEN pupils and not compromised by proxies and notional SEN values in non-special schools.
- The school is under serious pressures regarding supporting our pupils with SEND at a school level. The school cannot afford any money to be taken from our already squeezed funds.

The Worcestershire Association of Secondary Headteachers (WASH) also sent the following joint response: -

'During our meeting of WASH on 13th November there was unanimous concern about the proposals within the consultation to use 0.5% of the DSG to subsidise the Higher Needs funding shortfall. Secondary schools will notify you via their consultation responses separately, but I expect there will be little to no support for this measure. The purpose of this letter is to inform you, through the collective voice of WASH, about our reasons for objecting to the 0.5% transfer.'

As secondary Headteachers we are concerned that any movement of funding from our budgets would not provide additionality for children with special needs. It will, we understand, simply only serve to reduce the deficit. Whilst this may be appealing from an LA point of view, the fact is that the funds provided are for children in the system this year, and we as headteachers know that they need it. This is compounded by the fact that schools are underfunded in general terms but also struggling to support the most vulnerable. A transfer of funds to the HLN block will inevitably lead to poorer provision in schools. WASH colleagues therefore stand together in their rejection of the proposal to top slice the DSG by 0.5% to support Higher Needs funding.

We do, however, understand that the regrettably, despite the governments 'well spun' announcements of further fairer funding, the quantum of funding for Worcestershire is still woefully comparatively low and insufficient to meet demand. Nevertheless, we are concerned that the only other alternative to make the books balance for Higher Needs will be to subsume this shortfall into the calculation of the funding cap. In other words, should the 0.5% top slice not go ahead, the funding for Higher Needs will still come from school's budgets via the capping 'back door'. Inevitably those schools who expect to gain from the NFF may not receive their full allocations. In the end, it will mean some schools will contribute more than the 0.5% and others probably less or even none at all as they will be topped up to the MFL. It will be those serving the most disadvantaged communities who lose the most funding in any such arrangement in order to service the debt of the LA's HLN budget.

We urge the local authority to go back to the DfE to raise this as a concern in the context of Worcestershire relative funding levels. We feel it is imperative that the DfE are aware of the further damage that will be caused in Worcestershire by this scenario and that the NFF is not delivering as promised.'

A school supporting the transfer felt it showed the whole School community acting collaboratively.

A school supporting the transfer indicated they are aware the High Needs Block funding is critical – although moving the funds from one area to another does not really solve much.

Q2b) – If your answer to question Q2a) is YES please indicate how this adjustment should be made: -

- **A combination of reducing the AWPU and changing the MFG/Capping percentages.**
- **A combination of reducing the Lump Sum and changing the MFG/Capping percentages.**
- **Changing the MFG/Capping only.**

A summary of the issues from those not in support included: -

- Without illustrations cannot see the relative impacts so it is hard to distinguish between the options.
- All three would adversely affect MFG levels, which in previous years were only applied at the lowest level (+0.5%), and now presumably even that level of increase would be under threat representing another successive real term funding cut.
- Recognising that the MFG will be vital to avoid big funding fluctuations for those schools losing out under the NFF, very concerned that all these options would place the biggest burden of reducing the High Needs shortfall on those schools least able to absorb the impact – i.e. small primary schools.
- Concerned that this will necessitate a more severe cap on the ‘gainers’ in the formula and exacerbate the problem.
- Do understand the catch 22 situation regarding the options to take this from either AWPU or lump sum (with its impact on MFL). However, this seems like a double whammy for the schools who should be gaining more as per the formula. It will likely mean that some schools will contribute more than the 0.5% and others probably less or even none as they will be topped up to the MFL. How can this be fair?
- Also, it will be those serving the most disadvantaged communities who lose the most funding in any such arrangement to service the debt of the LA’s HLN budget and subsidise schools serving more affluent areas.
- Funding for the high needs block should not come from the schools’ block in any format, MFG or otherwise. Schools who are set to benefit from the NFF (i.e. those who have been previously under-funded the most) will be disproportionately impacted again.

One school supporting this issue felt they were unable to give an informed choice at this point as there is insufficient information available at present to know which option would be the most beneficial to all schools in Worcestershire.

Q3 – Do you support the arrangements for delegation and de-delegation for 2018-19 and 2019-20 as detailed in Table 2 to continue for 2020-21?

There were **14** responses received from maintained schools the details of which are in **Appendix 2**. Of these **13** schools were in support.

For those in support it was indicated: -

- It would also have been useful to have had sight of the financial implications of the de-delegation decisions.
- Schools in other LAs have made difficult decisions to cease de-delegated services so the demands these services have on DSG funds are small, however there seems to be an extensive list for WCC that would have liked more information on.

- This would be a way of freeing up funding within the Schools Block that could perhaps in the future be used to contribute towards the financial recovery of the High Needs Block via a top slice.
- This seems reasonable to support this for this year however would just challenge back to say that maybe a full review of de-delegated is needed in the current climate with growing pressures on the High Needs Block.
- Happy to continue with at least the same arrangement.

One school not in support indicated the previous arrangements for delegation and de-delegation have not been sufficient to adequately support school's financial needs.

<p>Q4 – Do you support the arrangements for centrally retained services as detailed in Table 3 for 2018-19 and 2019-20 to continue in 2020-21?</p>

There were **44** responses received from **227** mainstream schools the details of which are in **Appendix 2**. Of these **38** schools were in support.

There was support for this from **1** other consultation responder.

For those in support it was indicated: -

- That it was important to maintain stability as in previous years.
- Due to limited time, resources and expertise potentially within schools, coordination through the LA is possibly more effective.
- Agree, if the significant payments within this for SEN do not reduce the AWPU minimums.
- These are supported to continue as necessary centrally required services.
- Would like further information about how the £0.06m is spent 'servicing' the Schools Forum. DfE guidance is clear that the cost of running forum can come from centrally retained services budget but would like to understand why this is currently at this level. (Running forum is a small % of this figure).
- Would expect further clarity regarding the WSF not being required for approval about High Needs Block provision in the first point in Table 3 from the consultation document.
- The LA should publish the breakdown of spending in the CSSB, particularly the statutory duties as were funded by the old ESG.

For those not in support it was indicated: -

- The previous arrangements for centrally retained services have not been sufficient to adequately support school's financial needs.
- There are few of these central services offered which the school would utilise but not all of them.
- A 20% reduction to central services will no doubt result on additional cost pressures on schools as services are reduced.
- Maximum funding is needed to maintain key aspects of in-school provision, and too little funding flows centrally into schools.

2. FURTHER ISSUES RAISED

Overall Funding

- The previous funding formula has proved insufficient in supporting school's financial needs, so a dynamic and innovative approach needs to be formulated to ensure adequate financial resources are provided to schools in forthcoming years.
- Believe that the maximum NFF should be shared with schools, even if this is the case the school will still be over half a million pounds below the Midlands average income.

Academisation

- Recently tried to go through the Academy process and realised that during Due Diligence, the school had far more capability to manage its own affairs than previously thought. So, although always protective about the budget, are open to more delegation of LA work to our own organisation.
- Remain supportive of Worcestershire County Council.

High Needs Funding

- There is a clear history of underfunding the HNB as a proportion of the DSG in Worcestershire.
- Worcestershire allocates 12.6% of its total funding to its HNB and this is in the bottom 20% of proportional allocation for all LAs (121 out of 150 LAs) and 1% below the English average which is 13.6%.
- This lower proportion of funds going into the NH block from the DSG must share a proportion of the blame for the LA's NH block deficit (along with the fact, seen across the entire county, that the grant has not kept pace with demand).
- For special schools the DFE policy direction for 2020-21 should be followed and that '*schools should attract their full core allocations under the formula*'.
- The place base funding (received from the government) nor the top up funding levels, (set by the LA) have been increased for at least 6-8 years.
- Due to large workforces of predominately non-teaching support staff, special schools have been disproportionately and significantly affected by the non-teaching staff pay award.
- Worcestershire Special schools are some of the most poorly funded in the country, within the bottom 10% of all special school nationally.
- Rather than try to mask the funding shortfall in high needs by taking from the schools' budget, LAs should be working together to show central government that total funding in the system is insufficient and cannot be sustained.