

Meeting – June 12th 2018

THE VIEW ON NFF FOR SCHOOLS

REPORT BY THE NON-TEACHING REPRESENTATIVE - UNISON

Summary:

This report sets out the feelings of both the non-teaching Unison representative and the general feeling within the forum, on Agenda Items.

The discussion at SF is important to Unison and other groups concerned about funding levels within our schools nationally and within West Sussex. Following the restructuring in a significant number of schools in West Sussex, UNISON members working within the schools sector are experiencing increased workloads, larger class sizes, limited cover to cope with staff absences, concern over future job security in the face of a need to find greater efficiencies and both UNISON and parents groups recognise the potential impact on educational outcomes for students.

This report will concentrate only on information in relation to DSG schools funding, any issue discussed in relation to implementing the NFF and any discussions on issues that have a direct impact on Unison members identified during the meeting.

1. Background and Context

The Director of Education and Skills; Deborah Myers informed the meeting, this would be her last address to Schools Forum as she is leaving her post for personal/family reasons. This is the second time that the LA has not retained Senior Directorship Level staff, despite significant salaries often cited to attract staff to senior positions with the skill set and vision required to lead the LA in their specialist field.

The Directors report outlined the SEND Inspection outcome letter for the inspection which took place in the last week of February was received 12/04/18 and indicated that West Sussex was not required to put a statement of actions in place as the counties self-evaluation process and strategy was felt to be robust. Inspectors looked at how effectively West Sussex identified, met the needs and improved outcomes for children and young people with SEND. The inspection evaluated how effectively the local area met its responsibilities, not just how the local authority fulfilled its obligation.

The LA was seeking to put in a bid to the Transformation Board for additional funding. £323k had been used to fund therapies in Schools but the LA was now looking to see if the Independent Sector could offer the same therapies more effectively at a reduced cost. If the application for funding is successful then the LA will look to commission therapies within maintained schools.

OFSTED see the LA approach to SEND as a strength.

The Director mentioned that the Working Group to look into High Needs Block Funding (HNB) will meet in late June. What isn't clear is how this working group has been identified, selected and how the spread of interests have been represented within this group. UNISON have not been asked (neither has to my knowledge the NEU) to be part of this. Politically this is understandable as both professional associations would be opposed to the efficiencies we expect to be put forward to Schools Forum in order to reduce costs in the HNB. However it is likely that we will be marginalised within a small group opposed to the negative impacts of restructuring and increased workloads on our members and the loss of services which have previously been threatened.

On a more positive note, it was confirmed that WSCC is committed to supporting the current overspend in the HNB from local tax payers money, this is seen as necessary to avoid what was described as the "slash and burn" of the HNB that would be required if this support isn't given.

It was also mentioned that there are potential cost savings on the LGPS of approximately £200k that are being explored as a possible way of finding funds within WSCC without reliance upon local tax payers to pick up the bill. This County Council commitment to support the shortfall in education funding was seen as a positive, although some members expressed concern that support might not last, if tax payers and therefore voters begin to challenge this.

2. The Dedicated Schools Grant

Of interest in the discussion around the Dedicated Schools Grant (funding allocated to schools and early years providers, Special Education Needs and specialist support teams etc.) was the variation in the DSG Outturn. The DSG is a specific grant which the LA must account for separately in the LA accounts, any balance or deficit in DSG must be carried forward and dealt with in the following year. Plans for the current

DSG are made before any outturn position is known and therefore plans can be revised in the light of significant variations. In March 2018 at the Schools Forum meeting, an underspend of £1.037m was projected. The final outturn was an underspending of £4.069m. This was considered in part to have occurred due to difficulties in calculating the costs associated with the increase in hours to 30 hrs a week free entitlement for three and four year olds, leading to an underspend in early years of £2.5m. Whilst this is a positive, it is estimated that as much as £2.2m will most likely be clawed back by the Department for Education (DfE) later this year.

School Forum has agreed a draw down from DSG Reserves to fund some commitments in 2018/19 totalling £1.513m. This includes £0.760m to help offset the projected shortfall in HNB funding. The most significant area of volatility relates to the HNB, the projected shortfall of £2.960m can be accommodated from the £2.2m transfer agreed from the Schools Block (on appeal to the DfE Secretary of State), 0.5% of funds (originally blocked by Schools Forum) and the £0.760m from current DSG balances. This is not a sustainable position and in future years action will need to be taken to manage spending within the available budget. This requirement will drive the focus of the working group looking at HNB Funding.

DSG Funding regulations prohibit in year distribution of balances and any underspend in previous years are therefore added to reserves at the end of year and potentially used to cover overspend in other areas of the DSG blocks. One of the changes of the National Funding Formula (NFF) will be to introduce the restriction that 99.5% of the total Schools Block DSG allocation, must be allocated to schools. The 0.5% transfer of funds from the Schools Block to the HNB would mean that from next year any further transfer from balances due to underspending could not take place until the following year as they would have to be carried forward and therefore the solution used this year will not be workable next year.

It was suggested that the LA might generate significant sums of money by clawing back funds from schools with surplus budgets, the LA however doesn't know the balances in Academies. The LA expressed an opinion that an operating budget of 1-2% in reserve is seen as an ideal position for schools to be operating in. The LA however could give no opinion on how any school in a deficit budget would be able to get to that position.

3. Schools in Deficit Budgets

When pressed, the LA could not specifically outline any support they could offer that would enable a school to move out of a deficit budget position. It is not denied that the LA become involved with schools in this position, monitoring and suggesting budget solutions and working with school leaders on potential efficiency ideas. However it was evident from questions that probed how the local authority could support a "broken" school, there was no specific support or solution offered.

LA strategies in other areas has been to encourage schools identified as not viable to become federations, with the schools coming under the leadership of one Head, one Business Manager and only one Maths and English Lead, with the Head replacing the SENCO. However it was recognised by the LA that in order for this to be effective it requires a high quality of leadership and teaching, which the LA has hinted, does not currently exist as this is also a focus for Area Improvement and Inclusion Boards (AIIB's).

The other area of focus for the LA is in encouraging the smaller schools to become federations. Academy Trusts will not look at taking over any school that is not viable, based on size, this is before financial viability is also considered. The DfE judges that

55 small schools in West Sussex rural locations are not of a sufficient size to be considered viable. Many of these are the same schools disadvantaged by the NFF financially.

As of March 31st there were 26 schools with deficit budgets (25 last year) of which 16 already had agreed licensed deficit budgets in place. The combined deficit was £1.313m (up from £0.729m in 2017).

Schools requiring a licensed deficit are required to submit a recovery plan to the LA and to work with LA Officers on a regular basis, who will continue to support and "Challenge". The Recovery Plan should outline how the school will be brought back into balance within 2 years. Of particular interest amongst the schools in deficit budget positions is 1 school in SEN with an estimated deficit request of £0.220m, especially given the squeeze that can be expected in HNB funding moving forward and the fact that the Head of the school is on public record in a local paper as saying he will resist any attempt by the LA to suggest imposing further efficiency strategies as in an SEN environment in particular, this will increase workloads and could result in health and safety issues for students and staff.

4. School Effectiveness Strategy

WSCC is developing a new School Effectiveness Strategy, setting out how the LA will work in partnership with all education settings. The closing date for consultation was June 15th 2018. The strategy will allow the County Council to respond to any national changes and deliver on its ambitions to "give children the best start in life" and ensure "West Sussex is a prosperous place".

There were criticisms of the consultation document, which some felt could have been worded more sensitively as it suggests that many primary schools are not viable based on size alone and when pressed the LA Officers were unable to assure SF members in a satisfactory manner that they had been proactive in communicating with those schools identified as not viable.

It was also noted that High Quality Leadership and quality teaching staff need to be paid effectively with a corresponding drop in the high workloads currently experienced in order to retain quality staff and the current funding crisis in education restricts this ability or potentially prohibits it totally from being able to be realised. This is the White Elephant that no one in the LA is prepared to talk about. The School Effectiveness Strategy Document seems little more than well-meaning words, which can't be delivered in the current funding situation, even though few would take exception to the obvious good intentions.

5. Apprentice Pay

Apprentice Pay was hurriedly discussed at the end, NJC Pay rates are used as the guide within West Sussex, which is higher or at least above the Market Rate that the Government recommends be paid to an apprentice but lower than the rate paid to a full time permanent employee carrying out the same role. It was noted as well that these would increase again next year in line with the 2 year deal on NJC pay.

There are a number of drivers here:

- Schools budgetary pressures
- Need to use the funds in the apprenticeship levy or they will expire after 24 months
- Need to drive apprenticeship figures up to meet the WSCC target of 360 new starts per annum by 2020 (inc. 240 in schools).

A number of Head Teachers and Business Managers present expressed an interest in securing apprenticeships amongst their school staff and even though much of the

smiling and nodding around the room could be dismissed as not serious intent, UNISON should be concerned that this is not allowed to become a route to lower paid employment in cash strapped schools as a way of saving money. There is a potential that an increase in the number of individuals taken on in schools as apprenticeships in support or admin type roles will see little differentiation in the roles undertaken, training received or expectations of managers and where the only real difference between staff is in grade and salary received, with a drive and desire towards driving these costs down. There are only 66 apprenticeships in schools currently running and many of these are probably non-members.

6. Conclusions

The meeting was notable for three reasons, Deborah Myers departure, Jackie Baker (NEU), stepping down, Jackie has frequently been critical of the LA in meetings and also the departure of Graham Robson, the Head at Manor Green leaving Schools Forum (SF). Graham has been outspoken on many occasions, within the forum and openly stated he felt it the duty of the SF to hold the local authority to account in relation to funding in schools. It will be interesting to see who will replace him, in my opinion the best interests of the special schools, especially given the challenges ahead in HNB funding, need to be met by someone who is also prepared to challenge and hold the LA to account, especially given the Working Group, which will present proposals to the SF on HNB funding and the possibility the County Council could decide to swap from a policy committed to supporting the overspend in the HNB to one of "Slash and Burn".

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