

# Public Document Pack



## Schools Forum

**Tuesday, 16 October 2012 5.00 p.m.  
The Board Room - Municipal Building,  
Widnes**

A handwritten signature in black ink, appearing to read 'David W R'.

**Chief Executive**

*Please contact Ann Jones - Tel: 0151 511 8276 or email:  
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The next meeting of the Committee is on Tuesday, 29 January 2013*

**ITEMS TO BE DEALT WITH  
IN THE PRESENCE OF THE PRESS AND PUBLIC**

**Part I**

<b>Item No.</b>	<b>Page No.</b>
<b>1. APOLOGIES FOR ABSENCE</b>	
<b>2. MINUTES &amp; MATTERS ARISING</b>	<b>1 - 9</b>
<b>3. MEMBERSHIP UPDATE - A MCINTYRE</b>	<b>10</b>
<b>4. SCHOOL FUNDING FORMULA - A JONES</b>	<b>11 - 16</b>
<b>5. HIGH NEEDS - A MCINTYRE</b>	<b>17 - 20</b>
<b>6. CENTRAL SERVICES - A MCINTYRE</b>	<b>21 - 24</b>
<b>7. SCHOOL FUNDING REGULATIONS - N SHAFIQ</b>	<b>25 - 27</b>
<b>8. CARBON REDUCTION FUNDING - J HUGHES/JIM YATES</b>	<b>28 - 36</b>
<b>9. ANY OTHER BUSINESS</b>	
<b>10. ITEM FOR INFORMATION</b>	
<b>(A) LETTER FROM DFE - SCHOOL FORUM REGIONAL CONTACTS</b>	<b>37 - 38</b>

*In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.*

**SCHOOL FORUM**

*At a meeting of the School Forum on Tuesday, 3 July 2012 at St Chads High School*

Present: Cllr E. Cargill - Small Schools Representative  
 Cllr Dennett  
 J Woodroffe - Chairman, Secondary Community Governor  
 S. Clough, Children & Enterprise  
 J Coughlan, St Bede's Catholic Infant  
 J John, Children & Enterprise  
 A Jones, Financial Management  
 A. Jones, Democratic Services  
 A Keeley, St Chad's High - Secondary School with a Sixth Form  
 A. McIntyre, Children & Enterprise  
 D Stanley, The Grange Comprehensive - All Through School  
 Representative  
 L Feakes, School with Nursery Unit  
 N Shafiq, Financial Management  
 S Broxton, 1 Form Entry Representative  
 K. Hall, Transforming Children's Environment

*Action*

## SCF1 APOLOGIES

Apologies had been received from Clare Dawes and Linda Bowles.

## SCF2 MINUTES OF THE LAST MEETING

The minutes of the last meeting held on 27<sup>th</sup> March 2012 were agreed as a correct record.

## SCF3 CAPITAL UPDATE

The Forum were presented with a report which outlined the methodology used to prioritise the schools for Basic Need funding for 2012-13 and outlined the Devolved Formula Capital (DFC) allocation for 2012-13.

It was reported that at the School Forum meetings in July 2011 and January 2012, it was agreed that the 2011-12 Basic Need allocation of £1,689,618 would be used to increase the capacity at: Lunts Heath Primary (additional 35 places), Windmill Hill Primary (additional 28 places), Weston Primary (additional 35 places) and St Bede's Catholic Infant School (additional 45 places), in order to meet the demand for places in those areas.

It was also agreed at these meeting that £450,000 of the 2012-13 Basic Need allocation would be used to

address capacity issues at St Bede's Catholic Junior School, as a consequence of extending the infant school. This left a balance of £513,081.

It was stated that the model for Halton which was used to allocate the 2011-12 Basic Need funding had been applied again for 2012-13. This model had been developed in order to objectively prioritise schools, identifying those with the strongest case for Basic Need support. The three key elements of this model were detailed in the report.

The schools with the highest priority were sorted into geographical areas and were listed in the report, together with summaries of Basic Need issues for all schools within the four geographical areas (Widnes East, Widnes West, Runcorn East and Runcorn West).

It was noted that in the case of Weston Point Primary, it was proposed to fund the cost of the extension (approximately £63,000) from Basic Need Capital Funding 2012-13, and a contribution from the school would also be required. This was agreed by the Forum.

It was noted that the balance of Basic Need funding for 2012-13 (£450,081) remained unallocated from the 2012-13 allocation, and it was proposed to retain this funding and add it to the 2013-14 Basic Need allocation later in the year when capital allocations were announced in order to address any basic need issues in the autumn.

The Priority School Building Programme and Modernisation Projects information was noted, and information relating to the allocation of DFC for maintained schools was provided.

**RESOLVED:** That Schools Forum:

- 1) Notes the prioritisation process outlined within the report;
- 2) Agrees that a capital project could be developed to address a Basic Need issue at Weston Point Primary School;
- 3) Agrees that the balance of the Basic Need funding for 2012-13 be retained for combining with the 2013-14 funds for use on future Basic Need issues;
- 4) Notes the position in respect of the Priority School Building Programme and Modernisation Projects; and

5) Notes the DFC allocations for 2012-13.

SCF4 SCHOOL FUNDING REFORM PRESENTATION

Naheem Shafiq – Principal Finance Officer, gave a presentation to the Forum '*School Funding Reform*'.

It was announced that the Government's aim was to reform the way schools were funded so that it was simplified, fairer and more transparent. From April 2013 there would be a change to the local formula and new funding arrangements affecting all areas, although there would be limited change for the early years sector.

He stated that the system would be simplified as follows:

- 1) The DSG would be allocated to 3 notional blocks: schools; Early Years and High Needs;
- 2) Local Authorities would develop a formula for distributing schools block funding; and
- 3) permitted formula factors would be reduced from 37 to 10 (these were discussed one by one);

With regards to centrally retained funds these would be slimmed down as elements to be devolved to schools as much as possible; the Local Authority (LA) would fund statutory functions; and the DfE would allow schools to de-delegate budgets.

The summary timetable of the reform was provided and it was noted that modelling of the new local formula had started. It was noted that the DfE would issue the new modelling tool mid-July and consultation events were planned for mid to late September, as was an additional School Forum meeting to discuss this. Members of the Forum were asked to volunteer to attend this additional meeting and the following Members agreed:

John Woodroffe, Andrew Keeley and Ellen Cargill

It was suggested that Chris Smith – Registrar at St Chad's, and Elaine Hall – Registrar at The Grange should also attend; they would be contacted after the meeting. It was also suggested that further primary and academy representatives would be needed.

RESOLVED: That the presentation and comments made be noted.

SCF5 SEN FUNDING REFORM PRESENTATION

Ann McIntyre gave an *SEN Funding Reform* presentation to the Forum which covered the following areas:

- SEN – Mainstream Funding Formula;
- Low Cost High Incidence SEN;
- Additional Criteria;
- The Local Offer;
- Special Schools and Special Units;
- Funding for pupils and students with high needs;
- High Needs SEN and LDD Post 16;
- Alternative provision; and
- High Needs Block.

In light of the reforms announced it was suggested that the next steps would be:

1. for officer members of the School Forum attend the SEN conference being held in Manchester on 11 July 2012;
2. to expand membership of the SEN Sub Group;
3. to provide training on the Model AP budget;
4. to model special school and unit budgets and agree top up; and
5. to consult with neighbouring authorities and key stakeholders.

RESOLVED: That the presentation and comments made be noted.

SCF6 MINUTES OF THE SEN SUB GROUP

The Minutes of the Special Educational Needs (SEN) Sub Group were provided for the information of the Schools Forum.

RESOLVED: That the minutes be noted.

SCF7 SCHOOL FORUM REGULATION CHANGES & MEMBERSHIP

The Forum considered a report which informed of the proposed changes to the School Forum Regulations.

It was reported that The Department for Education (DfE) publication '*School Funding Reform: Next Steps Towards a Fairer System*', indicated that the Schools Forum

Regulations would be amended with effect from 1 September 2012.

It proposed to revoke and replace the Schools Forum Regulations 2012, with the aim of changing the manner in which Schools Forums operated and in addition make their meetings more transparent.

The amendments would be as follows:

- To remove the requirement to have a minimum of 15 members on a Forum;
- To limit the number of other local authority attendees from participating in meetings unless they were a Lead Member, a Director of Children's Services (or their representative) or were providing specific financial or technical advice (including presenting a paper to the Forum);
- Confining the voting arrangements to allow only schools members and providers from the private, voluntary and independent sector to vote on the funding formula;
- A requirement that local authorities publish Forum papers, minutes and decisions promptly on their websites;
- That the Schools Forum converts to a public meeting, in line with other council committees; and
- Give the *Education Funding Agency* observer status at School Forum meetings.

It was noted that the Government would also require local authorities to review the membership of the Schools Forums to ensure they were representative of the categories of schools in their area.

With regards to Halton's position, presently there were 16 members and the Forum discussed the possible adjustments to the membership that could be made in relation to the categories of schools. Information on school numbers using the January 2012 census was provided; there were presently a total of 16,403.8 children of school age which was split: 60% primary and 40% secondary.

It was noted that a paper would be brought to the next meeting of the Schools Forum listing the actual revisions to the constitution and also explaining how operational changes would be implemented. Also, Members noted that from September all School Forum meetings would be public meetings serviced by an independent secretariat provided by Committee Services.

RESOLVED: That Schools Forum

- 1) Notes the changes to the operation of School Forums; and
- 2) Agrees to consider the new regulations and agree the proposed change in membership from September 2012.

SCF8 SCHOOL BALANCES

The Senior Finance Officer presented a report to the Forum which outlined the level of balances brought forward from 2011-12 by Halton Schools.

As the Forum was aware, following discussion at the School Forum meeting in January, the excess surplus balance limits previously imposed on schools were lifted for 2011-12; however, the balances were still to be monitored by Schools Forum.

It was reported that the total level of balances in the Individual School Budget (ISB) held by Halton Schools brought forward into 2012-13 was £7,015,969, which also included the former Standards Funds monies which had been included in this figure for the first time. The report provided further details of this and *Appendix A* displayed information on the ISB balances in comparison to 2010-11. *Appendix B* detailed the non Locally Managed Schools (LMS) balances brought forward into 2012-13, which were now the Devolved Formula Capital (DFC) monies only.

RESOLVED: That Schools Forum notes the report.

SCF9 DSG OUTTURN 2011-2012

The Senior Finance Officer presented the final Dedicated Schools Grant (DSG) position for 2011-12 and requested the Schools Forum to note the amount of DSG carried forward into the 2012-13 financial year.

It was reported that the total DSG that would be carried forward was £1,952,709. This was primarily made up of Special Needs and Early Years provisions and would be used to fund budget pressures in the current 2012-13 financial year.

RESOLVED: That the Schools Forum note the amount of unspent DSG from 2011-12 (£1,952,709), being carried forward to the 2012-13 financial year.



SCF10 CONTINGENCY UPDATE

The Forum was presented with a report which provided an update on the value of the contingency for 2012-13 and the requests agreed to date.

It was reported that the total original general contingency was £605,139 which included the carry forward from 2011-12.

The report presented the requests agreed so far for the four contingency budgets (schools general, SEN, NQT and central DSG) and went on to provide details of these. The amount of £300,000 to support staff reductions in schools was noted, as was the continuing support for the EAL service for 2012-13 from the DSG centrally retained contingency.

The Forum was asked to note that any school converting to an academy would now take a proportion of the school contingency budget which would be recouped from the budget in-year.

RESOLVED: That School Forum:

- 1) notes the current balance of each of the four contingency budgets;
- 2) notes the commitments agreed in 2011-12 to the school contingency budget;
- 3) notes the current balance of the Staffing Reductions Budget; and
- 4) continues to support the costs of the EAL service for 2012-13 from the DSG centrally retained contingency.

*John Woodroffe (the Chairman) declared a personal interest in the following item as he was Chair of Governors at Wade Deacon High School.*

SCF11 SCHOOL FORUM SUB

The Operational Director – Children’s Organisation and Provision, provided the Forum with a report on the outcome of the School Forum Sub Committee meeting on 30<sup>th</sup> May 2012.

The meeting was held to consider a request for

funding to support a reduction of one member of the teaching staff and one technician at Wade Deacon High School.

After considering the business case submitted by Wade Deacon in support of the request, together with the information mentioned in paragraph 3.3 of the report, the Sub Committee decided not to approve the request for funding. In reaching this decision the Sub Committee took into consideration the level of balances and previous support provided to Wade Deacon High School, and the abatement arrangements following the school's conversion to an Academy.

On behalf of the Wade Deacon Governors, The Chairman wished to record their disappointment with this decision.

RESOLVED: That the Schools Forum note the decision of the School Forum Sub Committee in relation to financial support for Wade Deacon High School.

#### SCF12 DSG FINAL ALLOCATION 2012-2013

The Forum received a report informing of the final Dedicated Schools Grant allocation for 2012-13, which identified the variance from the provisional allocation.

The Forum was advised that the provisional DSG allocation for 2012-13 was £98,104,000 based on an estimate of 18,321.66 pupils and the Guaranteed Unit of Funding (GUF) was £5,354.52 (it was noted that the GUF was at the same level as for 2011-12).

It was reported that the Early Years and January Census data was validated each year by the Department for Education (DfE) after the Section 251 Budget return had been completed and school budgets allocated. Once the validation process had been completed the final DSG allocation for the year was then confirmed by the DfE by the end of June.

The Schools Forum was advised therefore that the final validated pupil numbers were confirmed as 18,304, a reduction of 17.66 fte so the final DSG allocation was £98,009,000, a reduction of £95,000 to the provisional application. It was noted that this change would have no impact on individual school budgets.

Furthermore, it was noted that the DfE were yet to

advise on the amount of DSG that would be removed from the allocation for the three schools that had already converted to academy status last year, and the school that was due to convert to academy status during this financial year.

RESOLVED: That the revised DSG allocation of £98,009,000 (before academy recoupment) was confirmed and the variation noted by the School Forum.

SCF13 ANY OTHER BUSINESS

Financial Guidelines - Jackie Coughlan queried the status of the new financial guidelines. It was noted that these would be progressed after the 'formula exercise' (minute SCF 4 refers) had been completed.

SCF14 DATE OF NEXT MEETING

The date of the next meeting would be Tuesday 16 October 2012 at 5pm at a venue to be confirmed.

*Meeting ended at 7.20 p.m.*

**SCHOOL FORUM MEMBERSHIP (SEPTEMBER 2012)**

<b>Name</b>	<b>Representing</b>
John Woodroffe	Chairman Secondary School Representative
Cllr Ellen Cargill	Vice Chair Primary School Representative
Jackie Coughlan	Primary School Representative
Claire Dawes	Primary School Representative
Paul Towey	Primary School Representative
Syd Broxton	Primary School Representative
Lesley Feakes	Primary School Representative
Carole Owen	Secondary School Representative
David Stanley	Secondary School Representative
Andrew Keeley	Secondary School Representative
Marjorie Constantine	Special Schools Representative
Linda Bowles	Nursery Schools Representative
Joanne Galloway	PVI Representative
Syd Broxton	1 Form Entry Representative
Heather Mullaney	Academy Representative
John Rigby	Academy Representative
Dianne Moran	Primary Academy Representative

**REPORT TO:** School Forum

**DATE:** 16<sup>th</sup> October 2012

**REPORTING OFFICER:** Senior Finance Officer

**SUBJECT:** School Funding Reform

**WARDS:** Boroughwide

## **1.0 PURPOSE OF THE REPORT**

1.1 To inform School Forum of the decisions required for the new School Funding Formula as per the Department for Education requirements. To seek agreement to the funding factors to be used in the budget allocation process for 2013/2014.

## **2.0 RECOMMENDATION: That**

- (1) That School Forum agrees the mapping of current funding factors to the most appropriate funding factor;**
- (2) That School Forum agrees the use of seven funding factors;**
- (3) That School Forum agrees that funding is kept as much as possible within that funding factor;**
- (4) That School Forum agree the funding of the equivalent of the lump sum value to The Grange for 2013/14 as a re-organising school;**
- (5) That School Forum agrees the calculation of the unit values for the basic per pupil funding factor;**
- (6) That School Forum agree that for the deprivation funding factor we target funding using Free School Meals Ever 6 and IDACI on a 50/50 split.;**
- (7) That School Forum agrees to the use of the Low Cost, High Incidence Special Educational Needs funding factor;**
- (8) That School Forum agrees that for the above funding factor, we use the EYFSP threshold set at 73 points and below;**
- (9) That School Forum agrees to use the Looked after Children funding factor;**
- (10) That School Forum agrees to use the Primary unit value;**
- (11) That School Forum agrees that any Looked after Children cash balance for the secondary schools is allocated using the Low Cost, High Incidence Special Educational Needs funding factor;**
- (12) That School Forum agrees to use the Lump Sum funding factor;**
- (13) That School Forum agrees to use the Primary unit value as the Lump Sum unit value;**

- (14) That School Forum agrees that any Lump Sum cash balance for the secondary schools is allocated using the basic per-pupil funding factor;**
- (15) That School Forum agrees to continue allocating funding to schools for Local Authority Rates on the same basis as at present;**
- (16) That School Forum agrees to fund the Private Finance Initiative costs at The Grange at the previously agreed rate of £75.00 per pupil;**
- (17) That School Forum agrees that we do not use the English as an Additional Language funding factor;**
- (18) That School Forum agrees that we do not use the Pupil Mobility funding factor;**
- (19) That School Forum agrees that we do not use the Split Sites funding factor;**
- (20) That School Forum recognises that we are unable to use the London Fringe and Post-16 funding factors.**

### **3.0 SUPPORTING INFORMATION**

- 3.1 We are required to change our School Funding Formula to meet the new funding arrangements as a prelude to a National Funding Formula. The aim of the National Funding Formula is to ensure that schools in similar circumstances and with similar intakes will receive similar levels of funding.
- 3.2 The first step is to achieve greater consistency between Local Authorities by the use of a maximum of 12 clearly defined funding factors. The details of the 12 funding factors are summarised in Appendix A. This is a reduction from the current level of 37 funding factors.
- 3.3 The starting point for the conversion of the current funding formula to the new funding formula was to identify the basis of the allocation for each current factor and map that element to the new funding factors.
- 3.4 In Halton we are recommending we use seven out of the 12 new funding factors, leaving two funding factors that we will not use, one funding factor for which we will have no eligible schools and two funding factors that do not apply to Halton.
- 3.5 The funding that has been mapped for each factor within the Primary schools has, as much as possible been kept within that factor. The funding that has been mapped for each factor within the Secondary schools has been kept within that factor except where joint Primary and Secondary unit values have caused a balance on the secondary schools. Where this has happened, we have transferred the balance to another funding factor for the secondary schools.

- 3.6 From April 2013 The Grange will be funded as one school for the first time, having been funded as four separate schools previously. Therefore they will only be entitled to one lump sum amount. It is probable that the Minimum Funding Guarantee for The Grange will therefore be quite a high amount. The total MFG for all schools has to be funded within the total amount of grant, by either the use of a cap on the level of increases a school may receive, the reduction of unit values or a mix of both.
- 3.7 Following discussion with a representative of the Education Funding Agency, we have been advised that The Grange may be eligible for school contingency funding as a re-organising school. This would minimise the impact on other schools.
- 3.8 We are recommending that the equivalent of another lump sum total is paid to The Grange in 2013/14 as a re-organising school from schools contingency.

#### Basic per-pupil entitlement factor

This is a mandatory factor. Authorities can only have one rate for Primary schools. Secondary schools will have one rate for Key Stage 3 pupils and another rate for Key Stage 4 pupils. All current funding allocated to schools on a per pupil basis has been mapped to this funding factor.

#### Deprivation factor

This is the second and final mandatory factor. We can target this funding using one of the following five options:

- Free School Meals – current eligibility only (FSM)
- Free School Meals Ever 6 – pupils who have been eligible for FSM within the last six years but who may not be currently eligible (FSM6)
- Income Deprivation Affecting Children Index – a similar method of identifying levels of deprivation using postcodes (IDACI)
- FSM/IDACI mix
- FSM6/IDACI mix

We currently allocate funding to schools using a mix of Free School Meal numbers and the Index of Multiple Deprivation which is a variant of IDACI. All current funding allocated to schools on a FSM or IMD basis has been mapped to this funding factor.

We have modelled FSM/IDACI at a 50/50 split as well as FSM6/IDACI at a 50/50 split.

We would recommend the use of FSM6/IDACI at a 50/50 split as this will benefit all schools with the largest allocations being targeted at those schools with the highest levels of deprivation. This factor will also contribute towards the notional SEN funding.

### Low Cost, High Incidence Special Educational Needs factor

This is an optional factor and we already allocate funding under this heading. The Department for Education has acknowledged that there is no 'perfect' way of identifying pupils with low cost SEN but prior attainment provided a good proxy for a substantial element of such pupils.

Representations from local authorities informed the DfE that the current Early Years Foundation Stage Profile (EYFSP) threshold was set too high at 78 points. Therefore the DfE have introduced a second, lower threshold at 73 points. The choice of either 78 or 73 points is a temporary measure until the review of the EYFSP has concluded.

For secondary schools, funding will be targeted at pupils who fail to achieve Level 4 or above in both English and mathematics at Key Stage 2.

All current funding allocated to schools on various factors for additional educational needs/special educational needs (excluding enhanced provision for named pupils and special units) has been mapped to this factor.

We would recommend the use of 73 points or below in line with the DfE's recommendation and also to reflect Halton's context in relation to the baseline entry level of children and to acknowledge the major challenges faced in the borough in terms of communication, language and literacy.

### Looked after Children factor

This is an optional factor and we already allocate funding using this basis. Primary schools and secondary schools must use the same rate. Current funding allocated to schools on this basis has been mapped to this funding factor.

Our proposal is that we use the primary unit value and that the balance for secondary schools is re-distributed using the Low Cost, High Incidence Special Educational Needs factor.

### Lump Sum

This is an optional factor. Primary schools and secondary schools would receive the same lump sum amount of no more than £200,000. We currently allocate funding on a straight lump sum per school plus top-up amounts. All such funding has been mapped to this factor and an average lump sum value attained for the primary sector and an average lump sum value attained for the secondary sector.

We would recommend the use of the primary schools average unit value for all schools with the balance for secondary schools being allocated using the per pupil factor.



### Rates

This factor will not change from the current method whereby a school receives funding based on the estimated rates charge and an in-year adjustment will be made as required to fund the actual rates charge.

### Private Finance Initiatives

This is an optional factor and from April 2013 we will have a qualifying school.

School Forum has already agreed an amount of £75.00 per pupil for The Grange.

### English as an Additional Language

This is an optional factor. We do not currently allocate any of a schools one line budget using this factor. If we use this rate, we can use one rate for primary schools and a different rate for secondary schools. Funding can be given for three years from the point at which the pupil enters compulsory education in England. Administratively this would be difficult to allocate the funding.

We are recommending we do not use this funding factor.

### Pupil Mobility

This is an optional factor. We do not currently allocate any schools funding using this factor. If used, we can allocate one unit value for primary schools and another unit value for secondary schools. This factor is to target funding to schools who have admitted pupils in the last three years other than in August/September (or January for Year 1). If we use this factor, we will have to reduce funding from another factor.

We are recommending that we do not use this funding factor.

### Split Sites

This is an optional factor. From April 2013 no schools in Halton will meet these criteria.

We are recommending that no unit value is set for this factor.

### London Fringe

There are five local authorities who have some but not all of their schools within the London fringe area.

This does not apply to Halton.

### Post 16

This is an optional factor. We do not currently allocate any schools funding using this factor. Some authorities use the Dedicated Schools Grant to fund post-16 education. Where this is the case, those

authorities are allowed to continue to fund up to the level of funding for 2012-13.

As we have not used the DSG to fund post-16 education, we are unable to use this factor in future years.

#### **4.0 CONSULTATION**

- 4.1 Briefing sessions have been held on the changes to School Funding with Primary Headteachers at their summer term meeting and colleagues in the secondary and FE sector through the summer term meeting of the 11-19 Strategic Partnership. In addition, a briefing for Chairs of Governors was held in September. A report summarising the key changes required has been taken to Executive Board and an information item sent to all schools through the electronic circular.
- 4.2 Working Groups have been established and have met to consider and advice on the changes required in the mainstream sector and high needs funding.
- 4.3 All headteachers or their representatives were invited to attend two consultation sessions which took place at the Stadium on 27<sup>th</sup> September 2012. Copies of the presentation used at these sessions are attached for information. A summary of the response to the consultation from the representatives who attended these sessions will be presented at the meeting.

#### **5.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
School Funding Reform: Arrangements for 2013-14	Kingsway House	Anne Jones
2013-14 Revenue Funding Arrangements: Operational Guidance for Local Authorities	Kingsway House	Anne Jones

**REPORT:** School Forum

**DATE:** 16<sup>th</sup> October 2012

**REPORTING OFFICER:** Operational Director – Children’s Organisation and Provision

**SUBJECT:** High Needs Pupils and Students

**WARDS:** Borough-wide

### **1.0 PURPOSE OF REPORT**

1.1 This report provides a summary of the reform of funding for high needs pupils and students. It outlines the approach taken in Halton to addressing these changes.

### **2.0 RECOMMENDED:**

**2.1 School Forum note the changes required and request a future report on progress.**

### **3.0 BACKGROUND**

3.1 High needs pupils are pupils aged from birth to 19 with high levels of SEN in schools, academies or other settings plus those aged 16-25 with high level learning difficulties or disabilities (LDD) in FE and school age pupils placed in Alternative Provision.

3.2 From April 2013 there will be a financial threshold prior to any additional funding being allocated. This threshold is intended to eradicate the perverse incentive assessment linked to additional funding creates.

3.3 Education funding for high needs pupils and students across SEN, LDD and AP sectors will be combined into a High Needs Block.

3.4 In terms of pre-16 provision mainstream providers will be expected to contribute the first £6,000 of additional education support for high needs pupils from their notional SEN budget. This is over and above the standard offer for teaching and learning (per pupil allocation). As the new threshold will require schools to contribute a higher level of support, additional funding will need to be delegated through either lower prior attainment or/and deprivation from the enhanced provision budget. As academies will not be able to receive this funding until September 2013 this will need to be reflected in any top level they receive.

- 3.5 The criteria and top up rates for additional support will need to be agreed locally. It is suggested that in Halton the current model is refined in line with the higher threshold. In addition criteria needs to be established where high needs pupils on roll cannot be adequately reflected through the funding formula.
- 3.6 Post-16 settings are to be funded in an equivalent way across all provider types. The budget for maintained schools will be provided by the LA and for other settings the Education Funding Agency (EFA).
- 3.7 All providers will receive an allocation of mainstream per student funding calculated by the national 16-19 funding formula. In addition providers will receive an allocation of additional support of £6,000 for each high needs student placed at the setting. The allocation of funding will be based on the student numbers for the last academic year.
- 3.8 The criteria and top up rates for additional support will need to be agreed locally. Top up will be provided on or close to the students placement by the commissioning authority and consideration needs to be given to the approach of other Liverpool City Regions.
- 3.9 Specialist SEN settings such as special schools and special units will receive a base funding of £10,000 based on the numbers agreed with the LA. The criteria and top up rates for additional support will need to be agreed locally based on the current costs of provision. Consideration needs to be given to the approach adopted by other authorities.
- 3.10 For Alternative Provision the LA has had to agree the number of places to be funded for 2013/2014. The base funding for each place will be funded at £8,000. Top up funding will need to be agreed and follow the real time movement of the pupils. LA Alternative Provision settings must have delegated budgets by April 2013.
- 3.11 In Halton a number of working groups have been established to address the reforms for High Needs Pupils and students. These groups include the SEN Working Group, which as met three times to date and the Special Schools Working Group which has met twice. In addition, it has been agreed that a number of short task of finish groups be established to consider the following areas:
- Special/Resource Provision Units;
  - 0-25 Assessment;
  - Top Up and Banding 0-25; and
  - Mainstream high needs provision.

- 3.12 In all cases top up funding will be provided on a per pupil basis by the Commissioner placing the pupil. Recoupment of funding for pupils from other authorities will now become the responsibility of individual schools. It will therefore be advantageous to consider a protocol for recoupment. In addition, consideration needs to be given to an SLA/contract for each pupil.
- 3.13 To date a number of key issues have been identified by the SEN Working Groups. This includes the following:
- Consistent assessment approach needed 0-25;
  - Banding for top up for mainstream schools, special units, special schools, independent schools and post-16 providers;
  - Agreed commissioning arrangements;
  - Agree criteria for additional support;
  - Model alternative provision budget and provide training; and
  - Consult and agree arrangements with all key stakeholders and neighbouring authorities.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 Budgets for special schools and special units must not reduce by more than 1.5% and turbulence must be minimalized.
- 4.2 Additional delegation of enhanced provision funding will be needed to ensure all schools have sufficient notional SEN funding.
- 4.3 Schools may find themselves in financial difficulties if they do not recoup the funding from pupil/student places in their schools from other authorities.

#### **5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

##### **5.1 Children & Young People in Halton**

The funding changes are likely to have a significant impact on special schools, Alternative Provision providers and special unit.

##### **5.2 Employment, Learning & Skills in Halton**

None.

##### **5.3 A Healthy Halton**

None.

5.4 **A Safer Halton**

None.

5.5 **Halton's Urban Renewal**

None.

**6.0 RISK ANALYSIS**

6.1 There is a risk that schools will lose funding through the new recoupment arrangements. It might be difficult to agree arrangements which can be agreed both locally and with neighbouring authorities.

**7.0 EQUALITY AND DIVERSITY ISSUES**

7.1 It is the aim of the School Funding review to create a fairer funding system and ensure the funding is more responsive to the individual needs of pupils and students with high needs.

**8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
School Funding Reform Arrangements 2013/2014	DFE website	Ann McIntyre – Operational Director – Children's Organisation and Provision & Ed Dawson – Operational Director- Financial Services

**REPORT:** School Forum

**DATE:** 16<sup>th</sup> October 2012

**REPORTING OFFICER:** Operational Director – Children’s Organisation and Provision

**SUBJECT:** Central Services

**WARDS:** Borough-wide

### **1.0 PURPOSE OF REPORT**

1.1 This report provides a summary of the delegation requirements for the budgets for services which are currently centrally retained. School Forum are asked to consider which of the allowable factors can be used for those budgets which must be delegated, agree whether any budgets should be de-delegated and confirm those budgets which will continue to remain centrally held.

### **2.0 RECOMMENDED:**

2.1 **School Forum agree to de-delegate free school meals eligibility, staff costs/supply cover, contingency and support for ethnic minority pupils;**

2.2 **School Forum agree that the factor used for the delegation of contingency, staff costs/supply cover and , contingency is free school meals and the factor for delegating schools meals eligibility is free school meals;**

2.3 **Confirm the central retention of the budgets listed in paragraph 3.7 and the budget allocations for 2013/2014; and**

2.4 **Agree to the central retention of funding for pupil growth, equal pay back pay and places in independent schools for non-SEN pupils.**

### **3.0 BACKGROUND**

3.1 The DFE aims to maximise the delegation to schools and give headteachers, principals and governors more control over how funding for previously centrally retained services is spent. There are therefore a number of budgets that have to be delegated to schools that cannot be de-delegated but that schools can buy into the service, if provided by the LA. These budgets are as follows:

- Threshold and performance pay;
  - 14-16 practical learning options;
  - Primary/special school meals; and
  - Extended services.
- 3.2 In Halton these budgets have been delegated to schools in previous years. No action is therefore required.
- 3.3 Only in a limited number of cases can funding be held centrally. There are a number of exceptions; where maintained schools agree that a service should be provided centrally, historic commitments and statutory functions of the local authority.
- 3.4 **Exception 1** – The following services can only be centrally retained if agreed by the Schools Forum on behalf of maintained schools in a phase e.g. primary and secondary. Funding will have to be delegated to schools in the first instance but can be de-delegated if approved. Academies can also choose to buy into these services by local agreement. The relevant services and current budgets are as follows:
- Schools contingency - £298,110 \* *see exceptions para 3.8*
  - Administration of free school meals eligibility - £10,416
  - Insurance - n/a
  - Licenses or subscriptions – n/a/
  - Staff costs or supply cover - £38,160
  - Support for ethnic minority pupils or underachieving pupils - £146,828
  - Behavior support services – n/a
  - Library and museum services – n/a
- 3.5 The budget for free school meals eligibility pays for the officer time identifying pupils who are eligible for free school meals. In Halton there is currently only one person involved in the administration of free schools eligibility therefore to ensure this is sustainable it would need supporting by each phase. Staff costs/ supply cover includes the cost of facilities time for the trade unions representing school staff. If schools do not opt to de-delegate this budget it will no longer be possible to fund these positions which will impact on each trade unions representational and organisational role. Support for ethnic minority pupils is commissioned by the Local Authority from St Chad's.
- 3.6 All school headteachers and/or their representatives were invited to attend one of two consultation sessions which took place on 27<sup>th</sup> September 2012. 40 school representatives attended one of the two sessions. At the end of the session representatives were invited to complete a consultation form indicating whether they supported de-delegation and the factors to be



used in delegating the additional funding to schools. The majority of schools in each phase agreed that the contingency, free school meals eligibility, staff costs/supply cover and the EAL service budget could be de-delegated. They also agreed that the formula to be used for contingency, staff costs/supply cover and the EAL service should be pupil numbers and free school meals eligibility should be free schools meals.

3.7 **Exception 2** - Authorities can retain funding for some central services but there can be no new commitments or increases in expenditure from 2012/2013. School Forum is required to confirm each of these budget sums. This includes the following budgets:

- Admissions - £132,888;
- Servicing School Forum - £23,120;
- Carbon reduction commitment - £90,500;
- Capital expenditure funded from revenue - £431,330;
- Contribution to combined budgets – including miscellaneous budget - £132,900 + £13,990
- School budgets centrally funded termination of employment costs - £250,750;
- Schools budget funded prudential borrowing costs – n/a

3.8 **Exception 3** - The following budgets can be centrally retained before the formula is allocated with the agreement of School Forum:

- Funding for significant pre-16 pupil growth – any underspend at the end of the year must be added to the following year formula allocations. This provision is currently funded through the contingency;
- Equal pay back-pay; and
- Places in independent schools for non-SEN pupils.

#### 4.0 FINANCIAL IMPLICATIONS

The level of Dedicated Schools Grant will not be affected by the School Funding Reforms proposed for 2013/2014 as the key changes only relate to the distribution of this funding.

#### 5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

##### 5.1 Children & Young People in Halton

The funding changes are likely to have a significant impact on the long term sustainability of small schools.

**5.2 Employment, Learning & Skills in Halton**

None.

**5.3 A Healthy Halton**

None.

**5.4 A Safer Halton**

None.

**5.5 Halton's Urban Renewal**

None.

**6.0 RISK ANALYSIS**

6.1 There is a risk that schools do not agree to de-delegate any of the budgets previously centrally retained. As Halton already has high levels of delegation this is likely to mainly impact on facilities time, free school meals eligibility and the contingency budget. In addition, the EAL service will not be sustainable unless both sectors agree to de-delegate this provision.

**7.0 EQUALITY AND DIVERSITY ISSUES**

7.1 It is the aim of the School Funding review to create a fairer funding system and ensure the funding is more responsive to the individual needs of pupils and students with high needs.

**8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
School Funding Reform Arrangements 2013/2014	DFE website	Ann McIntyre – Operational Director – Children's Organisation and Provision & Ed Dawson – Operational Director- Financial Services

<b>REPORT TO:</b>	School Forum
<b>DATE:</b>	16 <sup>th</sup> October 2012
<b>REPORTING OFFICER:</b>	Principal Finance Officer, Financial Management Division
<b>SUBJECT:</b>	School Finance Regulations 2013
<b>WARDS:</b>	Boroughwide

## **1.0 PURPOSE OF THE REPORT**

- 1.1 Inform of proposed changes to the school forum regulations for 2013 onwards.

## **2.0 RECOMMENDATION: That**

- (1) School Forum notes the proposed changes to the school finance regulations

## **3.0 SUPPORTING INFORMATION**

The Education Funding Agency (EFA) issued consultation on the Schools Finance regulations 2013 and additional grant conditions for the Dedicated Schools Grant (DSG) on 19 July. The regulatory changes give effect to the decisions set out in the school funding reform announcements on 26 March and 28 June.

The draft School and Early Year Finance (England) Regulations 2013 for the most part reflect the decisions already made, including decisions on formula factors, maximum delegation, central expenditure and the Minimum Funding Guarantee.

The attention of Schools Forum is drawn to the following new features in the School Finance regulations 2013:

Regulation 3 amends the 2012 school forum regulations to provide for maintained school members of schools forums to approve de-delegation proposals for their phase for maintained schools only;

Regulation 8 (4) specifies that the schools forum must approve the criteria on which any funding retained for pupil growth is to be allocated;

Regulation 8 (5) specifies that schools forum approval is required for central schools and early years block items;

Regulation 12 sets out the powers of schools forum and the Secretary of

State to authorise central schools and early years block expenditure and de-delegation and

Regulation 27 sets out that changes to schemes for financing schools must be approved by maintained school members of the schools forum.

Also, amendments to the DSG grant conditions are necessary to recognise that the DSG funds most academies and non-maintained high needs providers. The additional conditions of grant imposed are listed in Appendix A.

The intention is for the regulations to come into force by 1 January 2013.

**4.0 POLICY IMPLICATIONS**

N/A

**5.0 OTHER IMPLICATIONS**

N/A

**6.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
DfE School Funding Reform: Arrangements For 2013-14	Kingsway House	Naheem Shafiq Principal Finance Officer, Children & Enterprise
EFA Consultation – Schools Finance Regulations 2013 and additional grant conditions for the Dedicated Schools Grant (July 2012)	Kingsway House	Naheem Shafiq Principal Finance Officer, Children & Enterprise
EFA Draft School and Early Years Finance (England) Regulations 2013 (July 2012)	Kingsway House	Naheem Shafiq Principal Finance Officer, Children & Enterprise

## **APPENDIX A**

### **DEDICATED SCHOOLS GRANT (DSG) - ADDITIONAL GRANT CONDITIONS**

1. The authority must maintain a single formula for funding both maintained schools and Academies in its area;
2. In constructing the formula, the authority must take account of the circumstances of all Academies and maintained schools in its area;
3. In using funding held centrally within DSG, other than funding that has been de-delegated by maintained schools, the authority must treat maintained schools and Academies to which recoupment applies on an equivalent basis;
4. In making arrangements for funding young people with high needs, the authority must treat those placed in maintained provision, in Academies and Free Schools, in the FE sector, and in non-maintained and independent provision on a fair and equivalent basis;
5. In deciding on top-up funding rates for the pupils it will place in special schools maintained by the Authority and Special Academies formerly maintained by the authority, the authority must ensure that the rates for each school are set no lower than at such a rate or rates that, if all the pupils in the school or Academy were placed by the authority, and the number of places remained the same in the two financial years, the school or Academy's budget would reduce by no more than 1.5% in cash between 2012-13 and 2013-14;
6. When a pupil who would require top-up funding has already been placed in an institution by the authority at the time the new funding system for high needs pupils is introduced, the authority must enter into a contract with the institution to make such top-up payments until such time as the pupil has left the institution, or the contract is replaced by another. When such pupil is placed by the authority in an institution at a later date, the authority must likewise enter into such a contract; and
7. When making top-up payments to institutions for high needs pupils, the authority must make the payments in a timely fashion on a basis agreed with the institution, which should be monthly unless otherwise agreed.

**Report to:** School Forum

**Reporting Officer:** Divisional Manager Operations Economy  
Enterprise and Property

**Date:** 16<sup>th</sup> October 2012

**Subject:** Carbon Reduction Commitment/Low Carbon  
Schools Service

**Wards:** Borough Wide

## **1. PURPOSE OF REPORT**

- 1.1 The purpose of the report is to provide details of the Schools Carbon Footprint for 2011/1, note the financial contribution made in 2011/12 and make provision for funding for 2012/13. Additional views are sought on whether the School Forum would fund the delivery of a Low Carbon Schools Service which would aim to reduce energy bills in schools and the financial impact of the CRC in future years.

## **2. RECOMMENDATION**

- 2.1 The School Forum note the financial contribution of £80,808.85 from the 2011/12 Dedicated Schools Grant to fund the Carbon Reduction commitment
- 2.2 Provision be made of £85,000 from the 2012/13 Dedicated Schools Grant Budget to fund the Carbon Reduction commitment
- 2.2 The School Forum determine whether they wish to fund the Low Carbon Schools Service from the Dedicated Schools Grant.

## **3. SUPPORTING INFORMATION**

- 3.1 In October 2011 the Forum received a report which explained the operations of the Carbon Reduction Commitment and the financial implications for schools. The scheme requires the local authority to submit an annual report in July which outlines our carbon emissions for the previous year. Carbon allowances must be purchased to cover the emissions from the previous year at a current cost of £12 per tonne.
- 3.2 An annual report covering local authority and school emissions was submitted in July 2012 which indicated that the total emissions for the reporting year 2011/12 was 13,179 tonnes CO<sub>2</sub>. The split between corporate and schools buildings is as follows:

Corporate: 5,932 tonnes at £12 a tonne = £77,327.85  
 (including Academies)  
 Schools: 7246 tonnes at £12 a tonne = £80,808.85

- 3.3 The Academies figure has been included in the Corporate figure and will be recharged separately.

#### 4. LOW CARBON SCHOOLS SERVICE

- 4.1 Since the Council started to collect data in 2006/07 overall there has been a reduction in Halton's carbon emissions (see table below). The Council has adopted a Carbon Management Plan up to 2013 which focusses primarily on projects in Corporate buildings. Work to date has shown a continual improvement since the base line year. In contrast school emissions have fluctuated but generally increased up to 2010/11. There has been a decrease last year but this was partly due to a very mild winter and reduced gas consumption.

Year	Schools KW/h	Corporate KW/h
2006/7	28,042,434	30,164,003
2007/8	29,079,392	28,689,484
2008/9	32,187,287	27,803,165
2009/10	29,093,078	27,958,534
2010/11	30,464,154	26,680,759
2011/12	26,635,820	23,498,432

- 4.2 The current energy spend in schools is approximately £1.6m. These costs are likely to rise in the coming years as fuel prices increase with predicted annual increases of 7%. Based on these projections if consumption levels remain static energy costs will rise by a further £500,000 over the next 5 years if current trends and price rises are sustained.
- 4.3 Increased emissions will also result in higher contributions towards the CRC and again whilst the current fixed price is £12 per tonne after the first phase of CRC this is predicted to rise further with predicted estimates of £20 per tonne by 2017 and £30 by 2020. Based on the current consumption levels this would increase CRC costs to £144,000 by 2017 and £217,000 by 2020.
- 4.4 There are significant opportunities for schools in Halton to save both money and carbon and the Council has recently undertaken a pilot study with a small number of schools to demonstrate the potential for low cost energy savings and larger Invest to Save projects. If the results of this pilot were spread across the Council school estate this could receive annual savings of between £15,000 and £20,000 per annum on energy bills and an additional £1,500 on CRC liabilities. This is based on working with 10 schools per annum with a collective energy spend of £200,000 and delivering savings of between 7.5% and 10%.

- 4.5 The pilot study identified the energy performance of schools against a number of metrics. A financial metric based on £/pupil/year energy costs, the Display Energy Certificates and out of hours electricity waste. Details of Halton School performance is shown in the attached appendix and highlights the scope for reducing consumption.
- 4.6 Over the 5 year programme the cumulative savings could be in the region of £225,000 on energy bills and £7,500 on CRC liabilities.
- 4.7 The Council has developed a Low Carbon Schools Service which aims to build capacity schools and provide tools to enable schools to take more control over their lighting, ICT, electricity equipment and heating. The Service also tries to capitalise on educational opportunities and the chance to engage the whole school and local community in actions around energy saving.

The service will provide a two-tier service to schools which would encompass:

**Schools Low Carbon Collaborative Support available to all schools on an annual basis**

1. A series of workshops and resource demonstration sessions (one per half term from Autumn to Easter), including:
  - a. Initial session to provide introduction to using AMR to monitor energy and introduction to whole school approach;
  - b. Out of Hours, Lighting and IT switch off resource demonstrations
  - c. Taking control of your Heating resource demonstration and technical advice on draft proofing/insulation etc.
  - d. A collaboration workshop to share learning, ideas and outcomes, and provide an AMR refresher.

**Direct Support provided to 10 schools each (ensuring all schools can receive this level of support over the 5 year programme):**

2. The provision of a direct point of contact/co-ordinator, who will:
  - a. Attend an initial meeting with the Headteacher, Business Manager and Identified Lead Representative at the school to gain commitment.
  - b. Provide an energy performance report detailing the consumption profile and potential/recommendations for improvement.



- c. Facilitate an energy strategy workshop with the school senior management team to establish baseline positions and agree a strategy for action for a whole school approach.
  - d. Monitoring school progress on a weekly basis during term time.
  - e. Provide *ad hoc* advice over the Autumn and Spring term regarding establishing a whole school approach, developing policies and action plans, and signposting to other support and information.
3. Onsite support in implementing at least two of the resources:
    - a. Lighting switch off and labelling
    - b. Out of Hours survey and switch off
    - c. Taking control of your heating
    - d. Impact of catering
  4. Support schools in preparing a business case for invest to save projects and preparing applications for external funding, where available.

Delivery of the service would require individual Heads to sign up to deliver the programme.

Each of the identified 10 schools will participate over a two term period although the programme will also focus on achieving longer term policies and whole school commitment via the ongoing collaborative support package, which will be available to all schools in each year. It is also anticipated that the Local Authority will continue to provide *ad hoc* light touch support to previous participants to maintain the momentum.

The plan will identify invest to save initiatives and if these are implemented by the schools, via financing schemes, schools' own investment or as part of the schools capital programme. It is anticipated that an additional above 10% saving can be achieved should this investment be made.

The Council has already developed and is rolling out an Energy Management Programme for managers within our own building portfolio. The pilots have shown savings in excess of 10% in corporate buildings. The Council staff resource used to develop and deliver this programme will be used to implement the school service.

It is estimated to deliver the schools programme would require support of approximately 2 days per week. Total estimated costs of delivering the programme on an annual basis are estimated at £10,000.

The School Forum is asked to consider whether to support the implementation of a Low Carbon Schools Service for a one year period and subject to performance reports further funding would be requested from the Forum to complete the other 4 years of the programme.

## **5. POLICY IMPLICATIONS**

- 5.1 The drive to reduce carbon emissions falls in-line with Council Policy particularly the Carbon Management Plan as such it is imperative that schools do everything possible to help reduce their emissions as this will help reduce their costs.

## **6. OTHER IMPLICATIONS**

- 6.1 The CRC Scheme has made the need for reducing carbon emissions even more relevant as failure to do so will lead to increased costs. A 'league table' arrangement is included as part of the scheme which will position participants in order, this will have a reputational impact on the authority as such it is imperative that we do all possible in the drive to reduce carbon emissions.

## **7. IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

- 7.1 Children and Young People in Halton  
Cost and reputational impact
- 7.2 Employment, Learning and Skills in Halton  
n/a
- 7.3 A Healthy Halton  
n/a
- 7.4 A Safer Halton  
n/a
- 7.5 Halton's Urban Renewal  
n/a

## **8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

- 8.1 There are no background papers under the meaning of the Act.

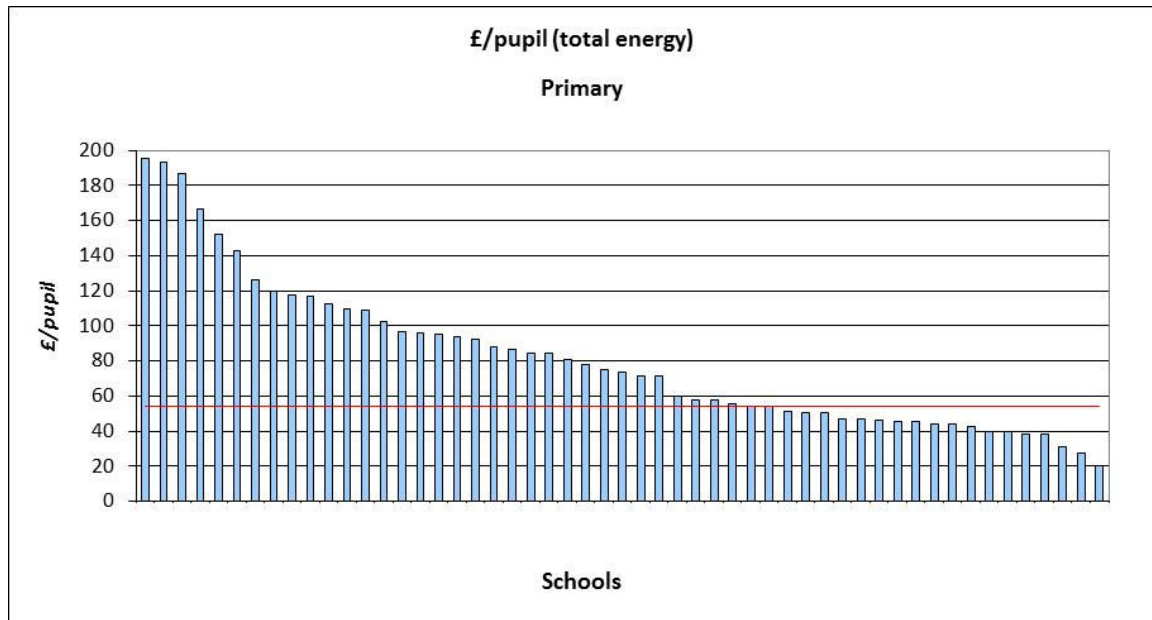
## **Appendix A**

### **Schools Energy Performance metrics**

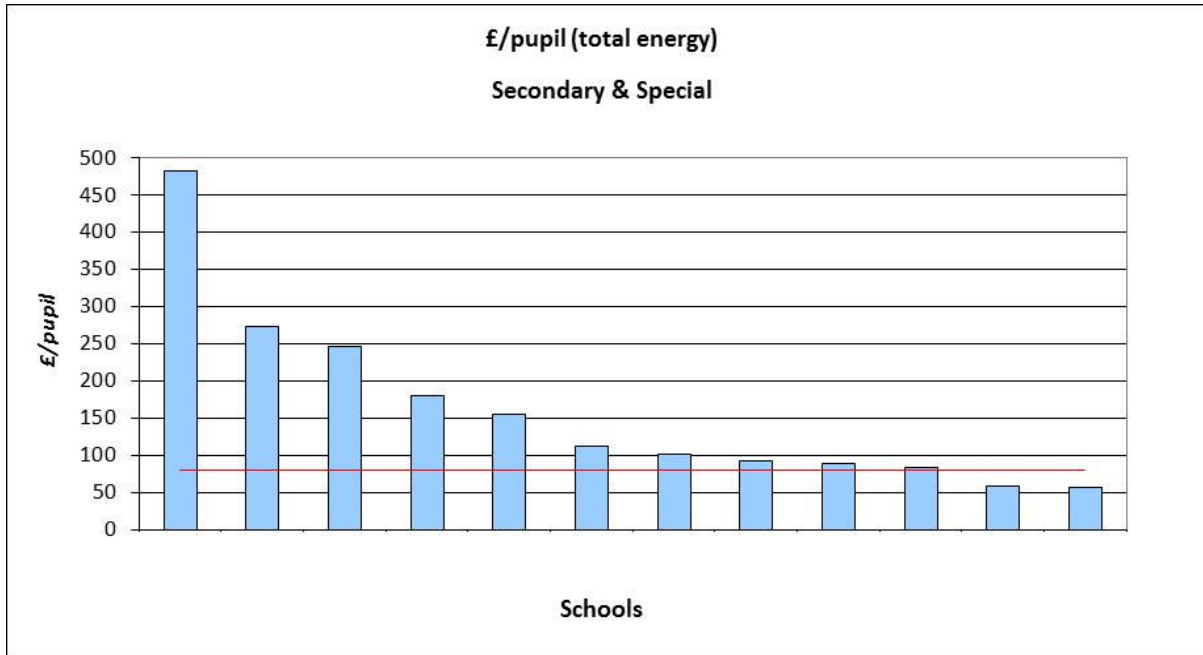
The energy performance of our schools can be assessed using a variety of metrics. Our schools' performance is presented in the following graphs. Our objective is to work with all of our schools to improve their energy efficiency and performance to below the red target lines indicated.

### **Financial Metric**

The most influential factor to drive school interest is financial (£/pupil/year energy cost). The following graphs show the current spread of £/pupil/year energy costs amongst our primary and secondary schools respectively. The Carbon Trust's 'typical' performance benchmark for primary schools is £54/pupil/year energy costs and 'good practice' is £39/pupil/year energy costs. Currently more than 60% of Halton schools are performing at a level worse the 'typical' benchmark and only four schools reach the good practice benchmark.



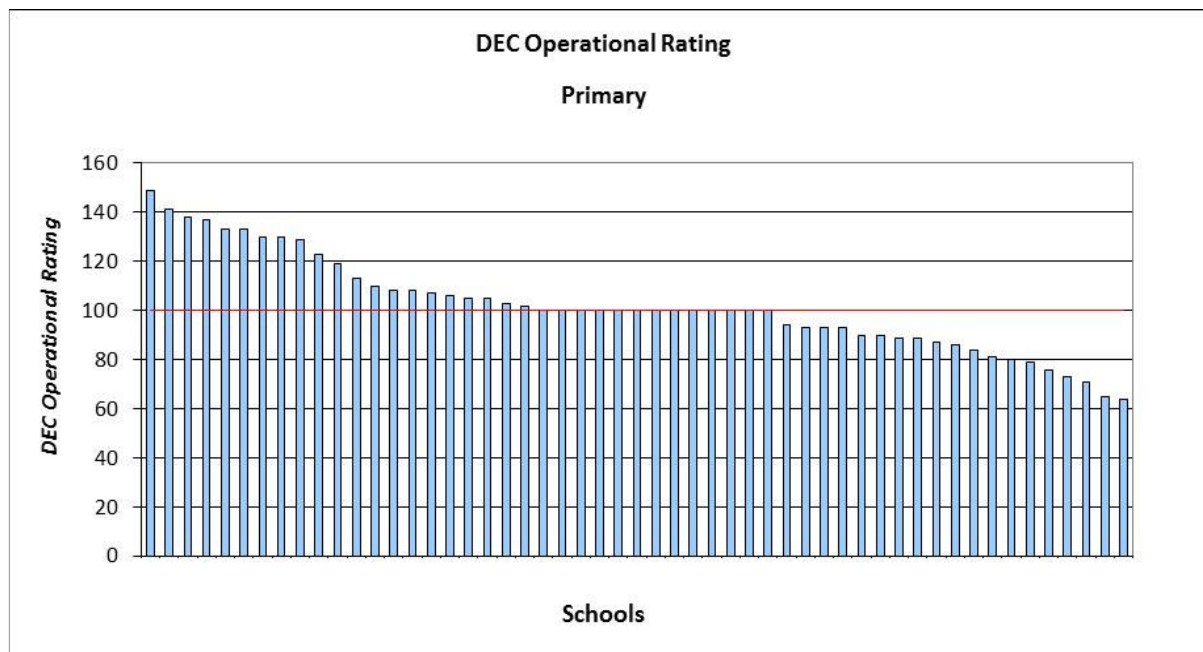
The graph shows that the performance of our primary schools ranges from £195/pupil to £28/pupil (excluding a nursery that uses total rather than FTE pupil numbers, which skews the performance results).

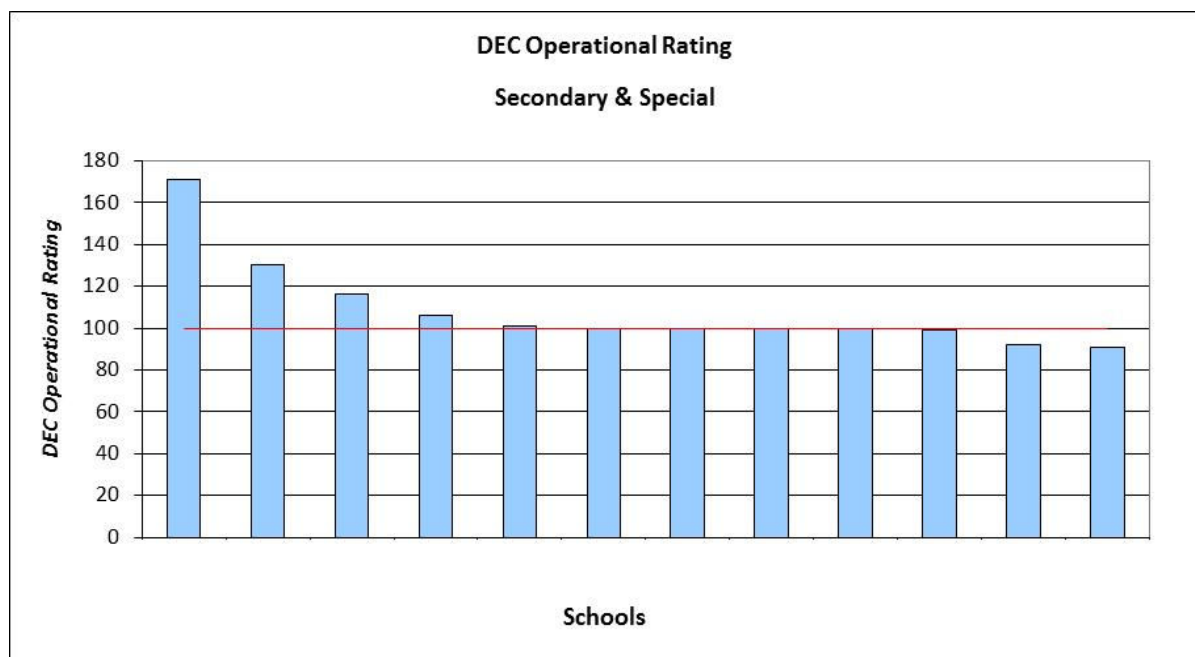


For secondary schools the ‘typical’ performance benchmark is £80/pupil/year energy costs and ‘good practice’ is £60/pupil/year energy costs. Currently 80% of Halton schools are performing at a level worse than the typical benchmark. Only two schools exceed the typical benchmark and also achieve the good practice standard. The four special schools and pupil referral unit have the highest cost per pupil, which would be expected given their specific needs and requirements; however this does not mean that there is not scope for improvement.

**Display Energy Certificate Metric**

The spread in energy performance can also be illustrated by energy ratings given to schools in their Display Energy Certificates (these are annual ratings which take account of the school building and the amount of energy that is used within it; ratings run from A-G with A being the most efficient lowest energy users).





Currently 21 primary schools and 5 secondary and special schools are performing at a level worse than the 'typical' DEC rating. Four primaries have performed well with a score under 75 resulting in a C rating. Please note that for these charts, schools without a DEC or with a default rating for insufficient consumption data have been given a nominal 100 rating and therefore there could be further schools with potential for improvement in next year's data.

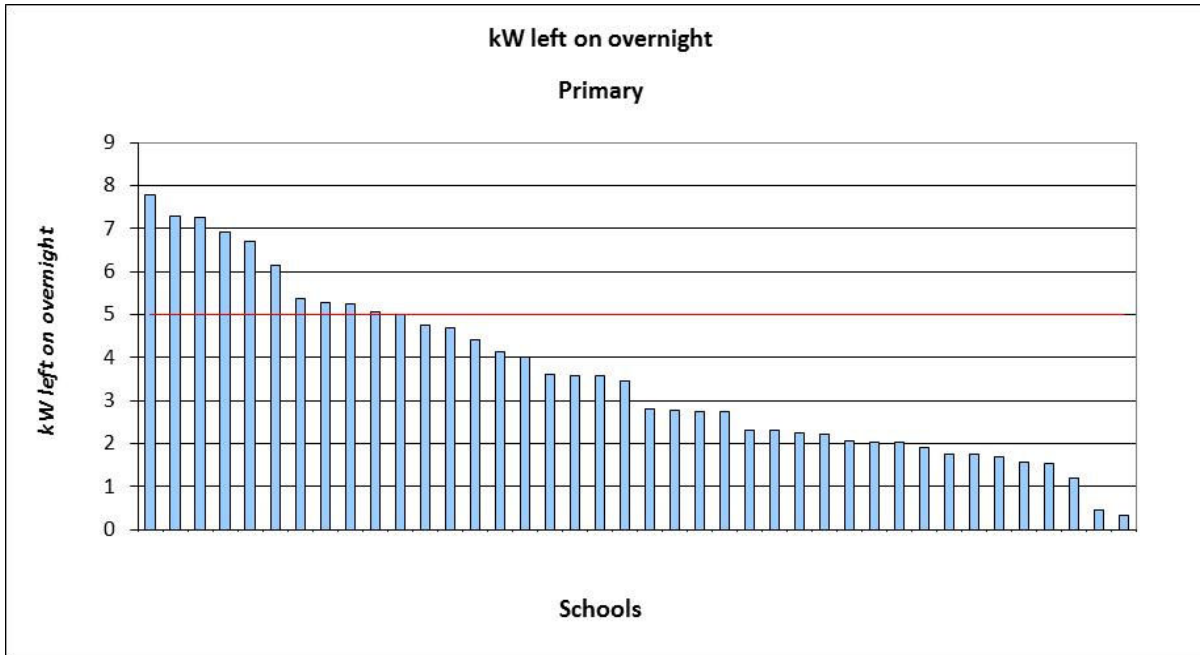
The council will encourage and assist all schools to improve performance to D or less DEC rating (D represents typical energy performance, operational rating less than 100).

### **Out-of-hours electricity waste**

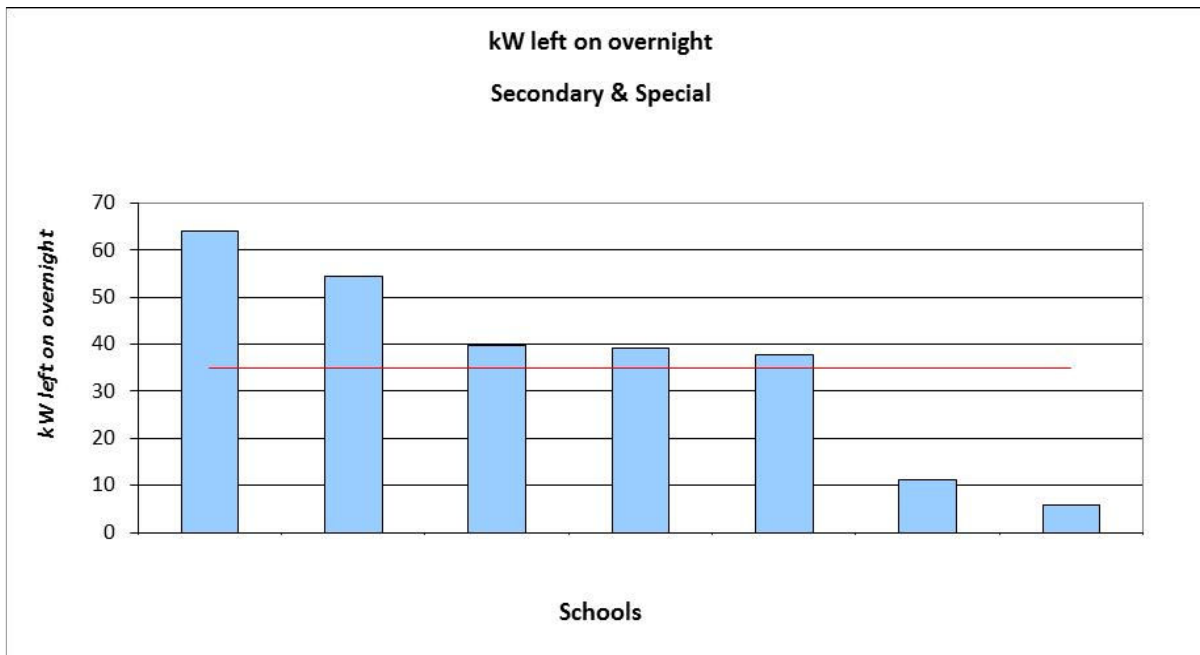
One of the most significant causes of high school energy spend is electrical equipment being left on unnecessarily overnight. Where night metering is installed we are able to quantify the power consumed by the equipment that is being left on overnight. The charts below show this for both primary schools and secondary schools.

Whilst there will be an out-of-hours electrical consumption for fridges, freezers and IT server hub, it is typical that schools leave significant electrical load on out-of-hours, overnight, weekends and during holidays and this represents a key opportunity for simple cost savings.

The graphs show the significant variance between schools. The benchmarks can be established at around 5kW for a typical primary school and 35kW for a typical secondary school, although the potential will differ between sites depending on their use. Each additional kW left on adds over £350 per year to the school electricity bill so clear savings can be achieved by eliminating this wastage.



Of the 40 primaries with out of hours data, 10 schools were above the benchmark consumption. 16 schools were using less than half of the average consumption overnight.



Of the seven secondary and special schools with out of hours data, the five secondary schools were above average consumption and two special schools were below average. This is an interesting contradiction to the overall consumption benchmarks which saw special schools having greater £/pupil energy costs.



Education  
Funding  
Agency

*Chairs and Clerks of Schools Forums.*

31 August 2012

Dear Colleague,

As you may recall from our previous announcements about the reformed funding system, we will have observer status on schools forums. We believe that this will enable us to support the local process and provide a national perspective. We have said that an EFA representative will not attend every meeting but may want to see how the Forum is working, and could be asked to attend specific meetings if members thought it helpful or if there were any concerns about the running or composition of the forum.

It might be helpful if we clarify our role. This is to be impartial and ensure local authorities are compliant with the requirements of the new system and are behaving reasonably.

We have already explained in our previous announcements that we will not investigate general representations from individual schools that have lost funding under the new formula arrangements. What we will investigate is complaints from maintained schools or Academies that suggest they will be unreasonably funded as a result of the local authority not applying an allowable formula factor or not requesting an exceptional factor. We will also monitor the impact of the new formulae on different types of schools to inform future funding policy.

We thought it would be helpful if forums had a named contact for each region. We already have service delivery teams in place but for more technical queries and issues, there is a Funding Reform team, which will be able to offer advice and attend where there are particularly complex issues. The team includes two experienced local authority secondees and already has close contact with local authorities through regional finance officer meetings. If you have any general queries about the reforms or if you would like someone from the EFA to attend because there are particular concerns of the nature set out above, please contact

[:reformteam.funding@education.gsi.gov.uk](mailto:reformteam.funding@education.gsi.gov.uk)

The table below shows the contact in each team for each region.

<b>Region</b>	<b>Service Delivery Team</b>	<b>Funding Reform Team</b>
London	Sue Samson	Bev Pennekett
SE	Sue Samson	Bev Pennekett
SW	Sue Reekie	Bev Pennekett
East	Martin Lamb	Keith Howkins
West Midlands	Sue Reekie	Keith Howkins
East Midlands	Martin Lamb	Keith Howkins
North-west	Liz Butcher	Gavin Monument
Yorkshire and Humberside	Liz Butcher	Gavin Monument
North-east	Liz Butcher	Gavin Monument

As we move towards the implementation of the reformed system, we believe that you and your forums play a critical role in the scrutiny of local authority proposals. We hope that forum members will be actively engaged and we will be stressing to both maintained schools and Academies the importance of communicating with their representatives on their forum.

Yours sincerely,

Keith Howkins,  
Team Leader, Funding Reform Team  
Education Funding Agency, Department for Education

Copied to  
Chief Finance Officers,  
Finance Officers,