

Autumn 2017 Consultations – Combined Responses Analysis (Presented to the Schools Forum 6 December 2017)

This report provides the comments, which have accompanied responses to the autumn 2017 consultations. These have been copied verbatim where possible. Please note that responses that set out specific matters relating to an individual identifiable setting have been adjusted so that the comment can be presented to a public meeting.

Primary & Secondary Schools Block

Question 7: Do you have any comments or feedback you wish to be taken into consideration on the position of the High Needs Block in 2018/19 and the relationship with mainstream formula funding?

- “It is evident that further discussions / routes may need to be formulated and that the Schools Forum will have to make decisions on the future structures / provision. Being able to see the feedback as this evolves is important.”
- “HNB funding needs to come through quicker to Primary Schools, it currently takes too long for the EHCP/funding to be put in place. We currently put a lot of time, effort and provisions in place whilst pupils are being assessed and by the time the plan is in place the child either moves on to a special school or secondary school. We don’t get any funds for the provisions we have had to make during the assessment period (which can go on for months).”
- “A review of funding between provisions at KS3 and KS4 needs to address how funds follow pupils but funding increased to meet the individual learning needs presented: e.g. a mainstream pupil, non-EHCP who moves in to Alternative Provision needs additional funds which needs to be a transitional fund; there has to be a mechanism of central banking between mainstream and alternative provision settings so monies move with the pupil out of mainstream and in to specialist and then back again if an assessment proves a higher level of need is identified.

Additional comments:

- Reference question 1:
 - “If it is set fairly with tapering adjustments in the early days of NFF.”
 - “In response to your consultation on the implementation of the NFF, I have been asked as Chair of the Bradford East One Partnership (BEOP) to respond on behalf of the twelve member schools. The majority view is that the NFF should not be implemented in April 2018 as there is no imperative to do this and that Bradford schools should continue with the formula as it is until it is absolutely necessary to change.
 - “The Schools Forum have effectively advised and supported Primary and Secondary schools’ representatives in the decision-making process over the last two years with regard to the inevitability of the NFF; it is advisable to move to the system as soon as possible to take full account of the impact before statutory implementation.”
- Reference question 2:
 - “Only if the split of allocations between Primary and secondary can be deemed to be fair by the majority.”

- Reference question 3:
 - “The schools that will benefit from this decision are the schools that are being funded excessively more than their counterparts and are continuing to be funded above the National Formula. If there is sufficient affordability to set the MFG at 0% would it not be fairer to put these available funds into the Pupil Base rate where ALL schools will benefit.”
- Reference question 4:
 - “The reservation I have with this would be the case whereby a school’s intake has changed to the point whereby they might attract more than 3% which would constitute a real need for the extra funding. The affordability of this needs to be considered and may need a transitional arrangement.”
 - “If a decision is made to introduce the NFF in 18/19, ahead of the required government timeline of 19/20, I believe the ceiling should be lower (say 1.5%) and additional funding is therefore, available to cushion the loss of income for 1 year before the NFF has to be officially introduced.”
 - “As the NFF is implemented there will be need to monitor impact on funding schools that increase funds due to the £4,800 minimum as well as increased pupil intake which may take some schools over a 3% cap; the funding needs to follow the pupil however this has to be subject to affordability for 2018/19 and consideration given to transitional arrangements on a bespoke basis to achieve the NFF by 2019/20.”
- Reference question 5:
 - “This should be phased in over the two year period. Schools are being informed that they should receive a certain lower limit per pupil but this figure has in itself no real basis in fact and they have managed at a lower level for a number of years.”
 - “If this is how NFF is to be calculated in the future then it would seem appropriate to move to this, although it could initially be reduced to the interim £4,600 for secondary schools to support the MFG if necessary. It does, however, throw up some anomalies in terms of fair funding, particularly in terms of ‘notional SEN’ and the £4,800 per pupil proposed can in some ways be misleading as it represents an average and not an individual specific amount.”
- Reference question 6:
 - “Only if this is done within the Primary Sector funds and does not impact on the Ring Fenced Secondary Block as discussed in question 2.”
 - “Yes but we’d also like you to consider if this would be better placed in provisioning school to school support. We would also like to suggest that a ‘central team’ of experts across various disciplines with recent school experience would be of benefit to the district’s schools, if tasked with helping schools in difficulties with pre-planned support packages for areas of need – i.e. a full set of school policies or intervention strategies.”

- Reference question 8:
 - “Notional SEN calculations adds no value at all to the details provided to schools and Academies. It attempts to suggest that establishments receive more than the £6,000 per pupil in their base budgets. It serves no real purpose.”
 - “As mentioned in our High Needs consultation response, we have concerns about the number of identified and ring fenced funds we have to report on given we have some immutable core costs. We are concerned that there is so much funding becoming identified for specific uses within the delegated budget, we are at risk of either ‘double counting’ or not fulfilling our duties according to each area’s permitted spend – or alternatively not having enough unidentified funding to cover our day to day needs and normal salary expectations. An increased notional SEN makes this more likely to happen, especially in schools with low prior attainment and we would not like to see the trend develop much further as we may begin to struggle to justify paying for essentials for the school.”
 - “The concern here is that the use of the term “notional” gives rise to different points of view:
 1. Funding is in place for SEND pupils in school at a level to meet their needs when;
 2. In practice the funding does not meet needs in a mainstream setting as there is the need for mainstream teaching and specialist SEND support in a mainstream setting;
 3. That notional funding is defined as being the funding specifically for all SEND pupils in a school.”
- Reference question 9:
 - “Protect to avoid unnecessary turbulence over the next two years but not enhance.”
- Reference question 10:
 - “Certain costs cannot be avoided. In the case of PFI Schools, they suffer from having no chance of achieving Best Value and VFM in either the Affordability Gap or the Unitary Charge. This can represent a substantial amount of the budget for which there is no flexibility.”
 - “The Unitary Charge and the Affordability Gap should both be protected in the formula for PFI Schools. In the main, they have no option but to pay the bills but have no chance to seek Best Value or VFM in these areas even though they represent a large share of the School Budget. “
 - “Yes in principle I agree with this so long as the BSF DSG affordability gap never impacts on the school and any associated direct expenditure that the school incurs e.g. Unitary Charge is controlled in an agreed manner.”
 - “As long as though there is no risk that any proportion of the BSF DSG Affordability Gap gets directly allocated to schools and that the Unitary Charge is controlled in an agreed manner.”
- Reference question 11:
 - “Could the LA set up possible providers and ask annually which schools and Academies wish to participate in the following year or years?”

- “FSM Eligibility assessments – this would be helpful if continued centrally as it would be more difficult and time consuming for individual schools and delays will impact on the students.”
- “We also provide time for union staff working in school, so we have some concerns about the level of this support for Trade Union Facilities time. We may consider a lower level, and it will be interesting to see what the current review finds before a recommendation is made. Unless lower funding levels can be agreed we will be unable to commit to supporting the facilities time under the current financial climate. We previously welcomed the various union H&S inspections in school, which often involved 2 or 3 reps twice a year. However, we have not now had any union H&S rep in school since February 2016, so do not support this payment.”
- “FSM Eligibility should be apportion by current FSM pupil numbers, per school (not ever 6 numbers).”
- “The de-delegation of ESD School Support Team, is not in your list, but we do not agree with the de-delegation of this funding. Schools using this service should buy in direct.”
- Reference question 12:
 - “Planned Expansions and Bulge classes are fine but New Expansions should be excluded on the basis they should be planned and what are Diseconomies of Scale?”
 - “We would like to see further guarantees for schools who agree to expand but find that following expansion the places they have created are not entirely filled. A half filled additional class only attracts 50% of the anticipated formula funding and this can cause significant harm to a school budget and forward planning. A full time teacher and resources will have already been allocated – there is around a 6 month lead time for the recruitment of teachers for September; at the point where it becomes apparent a new class will not be filled it is usually far too late to take action to reduce costs. In these very specific circumstances we would like to see the Local Authority guarantee to ‘top up’ the funding to the full number of places planned if they themselves have requested the increase.”
 - “Further considerations needs to be given to schools expanding to .5 FE. During the expansion, every other year we are underfunded and at the end of the expansion programme we will be underfunded. There are 7 levels from Reception to Y6 and therefore, even by mixing year groups at the end of the process there is one year group with 2.5 classes which needs 3 teachers, but basically we are funded for 2.5 teachers.”
- Reference question 13:
 - “This looks like another contingency fund. Who decides the allocation and what happens to funds not spent in Year?”
 - “If these are by agreement and within reasonable limits and do not materially detract from Direct School Funding.”
 - “Funding the deficits left by other schools when they convert to academies is an issue that we would like to raise as a cause for concern. We realise that this is not currently a large sum but can see in the current circumstances that it could grow.”

- “These need to be carefully monitored and accounted for to ensure there is not a growth in centralisation that is at odds with Schools Block and HNB funding of school and setting based roles and responsibilities.”

Early Years Single Funding Formula

Question 4 – Do you have any comments on how we could improve the proposed arrangements, including where our guidance could be clearer?

- “There will be 12 adjustments to reconcile instead of 3. There are likely to be issues with cash flow / sustainability as you have identified in your document. How do we account for children who leave part way through the month? Does the system allow us to enter both term time and stretched funding? How do we stretch funding for the year, if we have no security that the fees will be paid for the following term? This system leaves nurseries very vulnerable, if grant funding is not reconfirmed, there is a short lead time to resell the reserved place which will lead to some under occupancy which is of course unsustainable. My fees are worked out over 12 equal payments, how will this work if you are calculating figures on actual days in the month?”
- “If you are going to insist on monthly reporting, then could that be fed into the current system to achieve a smoothed out payment cycle?”
- “It will be helpful to have a training session on the new system and also some clarification on the paperwork required. For example, will parents have to sign the Carer/Parent agreement each month to confirm their continued claim?”
- “We would benefit from a new ready reckoner to ensure that we have a strong idea of the direction funding will take as we submit our data, especially if this will continue to be calculated termly. As it is possible there will be greater fluctuations than on current termly census returns which can be calculated with a high degree of surety, we’d also like to suggest that spring term is paid in February with a top up/reduction for one month in March as this might help smooth any problems associated with year end.”

Question 6 – Do you have any comments on this estimated universal base rate?

- “The base rate and deprivation rate do not currently cover my current costs, and it is due to reduce again. It is misleading to continue to tell parents that their childcare is “free”. We are allowed to charge for additional items, and this amount will have to increase dramatically to ensure sustainability.”
- “It is far too low, though that is the fault of the DfE, not BMDC. The base rate needs to be a minimum of £4.70/hr if the quality of childcare is to be maintained and the delivery of free hours to remain truly free.”
- “We understand that with cost pressures and the NFF that this must reduce, however, agree that it should be a staggered reduction rather than a steep drop.”
- “AS the PSLA and NDNA predicted this year large numbers of PVI are closing due to the financial pressures. The smaller settings are losing out in more ways with increases of costs etc. Profit margins will start to go negative and thus companies will fail the “To make a Profit” test and those which are not for profit will fail due to negative trading.”

- “As advised at the business planning seminars in the Summer, we have based our financial planning on the estimated universal base rate so it would be helpful if the proposed level were retained rather than increased slightly in 2018/19 only to be reduced further again in 2019/20.”
- “I was not aware that the £4.11 funding level for 2019/20 was in jeopardy and could fall to around £4.00 per hour. We’ve based our financial planning on the £4.11 figure and a reduction to this would have a very serious impact on our financial viability. It will be really helpful to have an update on the funding rate for 2019/20 as soon as possible and also the likely funding rate for 2020/21 so that we can incorporate these in our planning.”
- “We believe the universal base rate is much too low due to the need to provide a qualified teacher in a maintained setting coupled with mandatory ratios of staff to children – this simply will not cover salaries for us. We could make this work if the nursery was led by a skilled lead practitioner but are not currently able to use this model as a permanent solution, unlike PVI providers. We can see that there is potential for all maintained schools to independently arrive at the conclusion that they cannot afford to run a nursery at this rate almost simultaneously, which would potentially decimate early education in Bradford and lead to a very sudden and severe shortage of maintained nursery places.”

Question 10 – Are there any changes that you would like to see made to the Early Years Single Funding Formula in 2018/19 that have not been proposed?

- “Providers to receive immediate confirmation from HMRC when a parent has reconfirmed their entitlement, so we have positive feedback that the system is working. We can be proactive in approaching parents if they have not reconfirmed, instead of trying to ask them all as now. Hopefully this would reduce some of the uncertainty and time spent chasing the families who pay our wages.”

Additional comments:

- Reference question 1:
 - “If you want the 2 year old offer to continue, it must be funded appropriately.”
 - “Potentially needs to be higher due to cost pressures, however understand the rationale and in line with other changes to funding in Bradford (Children Centres) it is difficult to pose an argument for loss of funding.”
 - “If you can afford to increase 2yo funding why decrease 3/4 year olds. Are they less worthy? I understand the ratio changes but the older children eat more, use more resources.”
- Reference question 2:
 - “This sounds as if it should be simpler, but it is an increasing workload on the setting. I do not employ anyone to do my admin, so this places an extra burden on me. I must be available every month end to ensure the paperwork is correct. Schools have terms and therefore holidays, nurseries do not and the pressures continue everyday. I have concerns re sickness and holiday continuity should I be absent for any reason. What happens if I miss a deadline?”
 - “We have very few in-term changes though, while this system records these more quickly, for us it is outweighed by the additional work necessary to make monthly returns.”

- “I think the monthly-based system will be fairer than the one-day only headcount system but am concerned about the increased administrative time needed to input the information on a monthly basis.”
- “It will penalise Nurseries that do a staggered start (normally over 5 days). This staggered start is for the benefit of the children. Full staffing and resources are required.”
- “Disadvantage school settings with term time only provision that could be less than 190 days – larger drop in funding.”
- “As a school we understand the rationale in terms of the 30H funding and starters and leavers. However, the system will reduce the possibility for centres (due to cost pressures) to have a period of staggered starts and this throws 2 and 3YO children right into the setting at the start of the year which does not account for their wellbeing and may reduce numbers. Additionally, the monthly intake for 3YO’s does not allow for a meaningful consistent educational offer for the children. Therefore, we disagree on educational grounds.”
- “How will it work without causing lots of extra work? It not only is it an extra job each month it means if a child leaves mid month we lose out on funding and in reality you do not always fill the gap instantly.”
- “Only concern is based around those PVI which are Term based only – as their costs do not match a 12 month basis. Those of us open 50-52 weeks it makes sense although unsure on how the funding example will work IF we are entering stretched hours over the 12 months?”
- Reference question 3:
 - “We are forever checking payments and adjustments.”
 - “It is a question of cashflow for small businesses. In order to deliver the free hours, we have to employ suitable staff who must be paid each and every month. The present system helps to smooth this out. Under the new one, it appears that in e.g. September, there will be no payments at all for the children who come for free hours only because they will not be attending in August when the schools are closed. In order to counteract this, we would need to change the claim pattern of virtually all parents. I accept that we shall receive the correct amounts overall, of course.”
 - “The cashflow difficulties likely from your proposed to change to monthly reporting are very real. You have moved from paying termly in advance to monthly in advance and now you are proposing to pay monthly in arrears. Whilst clearly being beneficial to BMDC’s cashflow, this is likely to create very real difficulties at the receiving end for small businesses.” *A number of responses cited concerns about cash flow*
 - “The system will increase the administrative needs of the centre. Potentially with this additional need and cost implications of the new system it may result in setting abandoning the 2YO and 3YO educational offer, which is not as yet a statutory requirement and is already difficult in terms of administration and attendance of children.” *A number of responses cited concerns about administration.*
- Reference question 5:
 - “Reserves should be a priority to ensure that the offer has a sustainable amount of money.”

- “I would have preferred it all to be allocated to 2018-19 to better cushion the downward transition from the rates for 2017-18.”
- “With a 10% reduction in funding – and the NMW/LW & Pension increases due in April unsure HOW this will be met by the providers when the schools are still so extra funded compared to the PVI/Childminders? Could be met with even high closure of smaller providers and reduction in offer of places? This may possibly hit the district in terms of sufficiency – in particular the 30hrs offer as this will take funding significantly below the cost of delivery!”
- “Any chance that Business Rates can be addressed for Childcare providers, as a relief for this negative funding arrangement, if not for 18/19 then more so for the 19/20 year.”

High Needs

Question 2: Do you have any comments on the places (or the distribution of places) that are planned to be funded from the High Needs Block in 2018/19 (listed in Appendix 2)?

- “That is a meteoric rise in planned numbers. If money is diverted from schools and the places do not materialise, what assurances will schools receive that the funding will be revised annually in light of actual placements and not just lost in the system.”
- “Some settings have greater financial impact than others. The key to ensuring the balance of the system is to have rigorous monitoring of funding and its impact on individual settings and the outcomes for pupils in these settings.”
- “We would ask that the definition of some schools as Pupil Referral Units is considered, as the amount of pupils with Social, Emotional and Mental Health difficulties would suggest that in reality these are special schools.”

Additional comments:

- Reference question 1:
 - “Any reduction is difficult for schools and may result in less support for an individual student, particularly as labour costs and therefore the cost of alternative provision / additional support are likely to rise.”
 - “Agree in principle as a measure to support the sustainability of the High Needs Funding Block but realise that the amount of impact between schools will be variable with some schools having a more significant financial impact than others. The principle of individual cut for sustainability of the greater programme is important here. Schools have been well informed that reduction in funding and the imperative to monitor, over the last two years, its potential impact on future staffing levels and provision.”
 - “We agree with the reduction under the current set of circumstances but would like to add the comment that the values set already do not fully cover the needs of the pupils stated within the EHCP, even with the £6,000 within formula funding, and this will continue to be a concern.”

- Reference question 3:
 - “How many schools/places are funded at each Range and how many places are actually taken up as part of the process.”
 - “Yes – but it seems that having ranges that do not attract funding and others that give nominal amounts when the narrative for the need indicates a much higher intervention highlights that the descriptive of the ranges may need to be reviewed.”
 - “In principle I agree with a Range Model but question the low-level of funding at Range 4a; there is a need to do a wider analysis and series of audits to understand the impact of this system in Primary settings and the effect on Secondary settings and the acceleration of EHCP and the need to access a higher Range of Funding to meet identified need. More rigorous assessment of need is required to ensure funding is understood to be at the appropriate level to meet the agreed level of need; this requires a review of the Range Descriptors.”
- Reference question 4:
 - “This will be seen as additional funding for schools whereas this is clearly not the case.”
 - “Our notional SEN would increase although our funding will not increase. If we have to account for notional SEN separately then this would effectively mean a reduction in the general school budget. If the low attainment portion remains at 100%, the portions of other factors could be reduced (particularly on the base app) as SEN need should be reflected in the Low Attainment figure and additional support for FSM comes in the form of Pupil Premium. It will be challenging (if not impossible) to allocate the value of notional SEN to students with SEN, especially as the changes to funding from the High Needs Block will mean that financial pressures on schools looking to access alternative provision will be substantially increased. We understand that this calculation is not nationally recognised by the DfE, so presumably may be altered, although the DfE are reviewing to put something in place. If this is a Bradford calculation then presumably was designed with the current factors in place to achieve an appropriate outcome amount. As the factor amounts are changing then really the calculation formula should change in order to maintain an appropriate level of notional SEN and reduce the significant impact on the basic educational funding for all, which is already under pressure.”
 - “By its very nature, ‘notional SEN’ funding is just that and in essence is a meaningless calculation. Increasing it only gives the impression that it provides any purpose.”
 - “It can be administratively difficult for schools to maintain thorough records across Pupil Premium, PE grant and other funding sources when they are placed within the delegated budget. Around 85% of a primary school’s expenditure can be on salaries, and we have unavoidable running costs relating to building maintenance and operational running such as electricity. We are concerned that there is so much funding becoming identified for specific uses within the delegated budget, we are at risk of either ‘double counting’ or not fulfilling our duties according to each area’s permitted spend – or alternatively not having enough unidentified funding to cover our day to day needs and normal salary expectations. An increased notional SEN makes this more likely to happen, especially in schools with low prior attainment and we would not like to see the trend develop much further as we may begin to struggle to justify paying for essentials for the school.”

- Reference question 5:

- “It would be unfair not to allocate some level of protection to schools during the transition period.”
- “If there is an unknown impact that ripples out to compromising funding in other areas this may be a cause for concern.”
- “I strongly agree in the principle to protect individual schools but am wary of the longer term impact on the Schools Block if savings are needed to be made in 2018/19.”

- Reference question 6:

- “On balance agree, however, this places an additional burden on the centres in terms of administration and will be seen as an additional cost to schools that place children in the centres, basically as they will now see a ‘cash’ payment going out to the centre. Additionally, with the lack of a fee for permanently excluding a child in Primary Schools, this action may result in a rise in the numbers of permanently excluded children, due to the cost implications to schools who would have normally placed a child in a centre.”
- “This will put more pressure on our budget and it is very difficult to get an EHCP in place. Placements can be for a short period of time and therefore do not necessarily have an equivalent saving in school costs. If the percentage of our funding to be allocated as notional SEN is to be increased, then the argument will be that we have funds to cover these costs, although we are not actually receiving the level of additional funding in line with the increased notional SEN. There is an anomaly here as well regarding schools with a DSP. The students in the DSP will now be included in the S251 pupil numbers and will therefore, in addition to the base app, receive an element of notional SEN. As these students are likely to be low attainers, then they will attract additional funding in the S251 in addition to the proposed £6,000 per pupil for the DSP place plus any top-up funding. This is in effect double funding the £6k element of DSP places.”
- “As this is under discussion the papers that will be generated for the future funding would better inform the direction that this will head towards.”
- “No agreement has yet been reached in discussion with the BACs to pay the actual top up required to place students. A formal binding agreement must be reached with the BACs and additionally there is considerable additional risk where top up has to be retrieved from over 30 different Secondary Schools that may be part of various different Academy Chains and forming a single agreement across the three BACs may present some difficulties.”
- “Any other proposed cuts as part of a broader reform may require significant lead in time as a full restructure of staffing may be required.”
- “Currently all students that attend come off the previous school roll. There would be significant difficulties calculating the off roll date against the schools census dates and as the schools will be funding the Top Up in the future essentially this eliminates the need to calculate any double funding for individual students and schools.”

- “I agree with a complete revision of provision across the Bradford District to ensure, there is in place the most effective provision that meets the needs of our most challenging and often most vulnerable pupils; double funding should not be allowed – I am not sure there is a situation currently of double funding – I feel it is more about the need to have funding following the pupil from a Primary or Secondary setting into specialist provision so there is parity of funding following the pupil and identified supplementary funding to meet their needs. The aspect I strongly disagree with is the decision to remove any financial support for non-EHCP pupils from September 2018 without being clear about the level of provision to support these pupils to avoid a potential increase in Permanent Exclusions; we have to remember, there is an agreement in principle to pay a disincentive of £6,500 to £8,000 for Managed Moves and Permanent Exclusions but no legal obligation on schools to pay this. Currently, the system across Bradford has a number of “blockages” to be able to meet the needs of pupils and allow for successful reintegration to mainstream settings.”
- “Although we recognise the double funding problem, we would comment that there are still on-going costs at the original school. As the child is still on roll, it is likely we would need to maintain the possibility of one to one support. In addition, the mainstream school is responsible for paying for transport to the alternative provision, which can add up to a considerable cost. If the ‘double funding’ is to cease, we would like some guidance on total package costs including transport to the alternative provision and whose responsibility this would become. We are concerned that this could become a disproportionate financial burden on the maintained school although we support the need for the alternative provision to remain financially viable.”

- Reference Question 9:

- “It is important (especially for the individual students) that where an EHCP is needed to be put in place it happens in a timely fashion and the support from the LA is put in place to achieve this.”
- “There is some concern that, alongside the cost pressures, the changing landscape across the LA from the development of various MATs is resulting in a more fragmented approach to high needs across the district and is also likely to affect the operation of the BACs.”
- “We still experience some time delay in the provision of EHCPs for younger children at the beginning of primary school, and would like to see some resource invested into turning these around faster or clearing a back log of cases so children and schools can identify help required as early as possible. We are still experiencing situations where a child needs one to one provision for their own safety but there is no EHCP in place for a considerable amount of time after entry to school. If this is not possible, a backdated payment from the High Needs Block from the point where the child joined the mainstream setting would also be very helpful and would help schools resource these areas more thoroughly at point of entry. Currently, we have limited scope for very young children with complex needs because we have to find provision from the main school budget, along with the knowledge that we will only get the top up funding we need at the point the EHCP is finalised.”