

<b><u>MEETING</u></b>
<b>CHILDREN, EDUCATION &amp; SAFEGUARDING COMMITTEE</b>
<b><u>DATE AND TIME</u></b>
<b>THURSDAY 29TH NOVEMBER, 2018</b>
<b>AT 7.00 PM</b>
<b><u>VENUE</u></b>
<b>HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BQ</b>

Dear Councillors,

Please find enclosed additional papers relating to the following items for the above mentioned meeting which were not available at the time of collation of the agenda for reasons set out within the Addendum.

Item No	Title of Report	Pages
1.	BUSINESS PLANNING 2019-2024	3 - 24

Salar Rida 020 8359 7113 [Salar.Rida@Barnet.gov.uk](mailto:Salar.Rida@Barnet.gov.uk)

This page is intentionally left blank

# Children, Education and Safeguarding Committee – 29 November 2018

## Addendum to the report Business Planning 2019-2024 (agenda item 9)

AGENDA ITEM 9

### Report on Schools Budget consultation and the decisions of the Schools Forum

#### 1. Introduction

At its meeting on 1 October 2018, the Schools Forum received three proposals from the local authority relating to the Schools Budget and noted that the local authority proposed to consult schools on the proposals before bringing them back to a special meeting of the Schools Forum at the end of November for further consideration and decisions.

The three proposals are:

1. A proposal to fund some services, previously funded from the Education Services Grant, from the budget shares of maintained primary and secondary schools.
2. A proposal to increase De-delegation from maintained school budgets in order to continue the school improvement (LNI) service in its current form.
3. A proposal to transfer 0.5% of the Schools Block to the High Needs Block.

Consultation documents were issued on 1 November to headteachers and chairs and vice-chairs of governing bodies. The proposals were then presented to and discussed at:

- the termly Director's meeting with headteachers on 1<sup>st</sup> November;
- an extraordinary meeting of Chairs and Vice-chairs of school governing bodies on 14<sup>th</sup> November 2018;
- the meeting of the Secondary Headteachers Forum on 15<sup>th</sup> November.

Separate consultation documents were sent to maintained schools and Academies/Free Schools, the former covering all three proposals and the latter covering only the third proposal relating to the proposed transfer of funds to the High Needs block. The consultation documents (one on all three proposals for maintained schools only, and one on proposal 3 only, for Academies and Free Schools) can be accessed via the background papers section of the main report: 'Business Planning 2019-2024' (agenda item 9).

Only primary and secondary maintained schools were consulted on proposals 1 and 2 (funding ESG services and school improvement de-delegation), in line with DfE guidance. All schools were consulted on proposal 3 (transfer of funds to the High Needs block), again in line with DfE guidance.

Schools were asked to submit one response per school, based on consultation between the headteacher and the chair of governors, for each of the questions relevant to them.

The consultation period was from 1st to 23rd November.

The Schools Forum met on 27th November to consider the outcome of the consultation and the council's recommendations.

#### Consultation Responses

Individual school responses are summarised in the tables below:

#### **Proposal 1: To fund some services, previously funded from the Education Services Grant, from the budget shares of maintained primary and secondary schools.**

##### *Maintained Primary and Secondary Schools*

Do you agree with the proposal?	Yes	% Yes	No	% No
School responses	7	10%	65	90%

**Proposal 2: To increase De-delegation from maintained school budgets in order to continue the school improvement (LNI) service in its current form.**

*Maintained Primary Schools*

Do you agree with the proposal?	Yes	% Yes	No	% No
School responses	35	51%	34	49%

*Maintained Secondary Schools*

Do you agree with the proposal?	Yes	% Yes	No	% No
School responses	1	25%	3	75%

**Proposal 3: To transfer 0.5% of the Schools Block to the High Needs Block.**

*All Schools*

Do you agree with the proposal?	Yes	% Yes	No	% No
School responses	22	21%	84	79%

In addition to the individual responses to the consultation, headteachers, governors and other stakeholders have made the following submissions to the council. These were shared with the Schools Forum and considered at the meeting on 27 November:

- Appendix 1 – Letter from Barnet Headteachers on the issue of school funding
- Appendix 2 – Paper submitted by the Barnet Primary and Secondary Headteacher Forums, entitled ‘Responses from 53 Barnet schools regarding 2019-20 budget projections and any impact on school resources’.
- Appendix 3 – A letter submitted by a group of Barnet Governors, entitled ‘Key Points and Questions from Governors’, annotated with the council’s responses to the questions raised.
- Appendix 4 – A letter from Barnet Secondary Headteachers Forum to the Secretary of State concerning funding for SEN provision and the council’s proposal transfer 0.5% of the schools block funding in to the high needs block

**Recommendations to the Schools Forum**

**Proposal 1: To fund services, previously funded from the Education Services Grant, from the budget shares of maintained primary and secondary schools.**

**Recommendation 1:** The council recommended that the Schools Forum agrees to charge £1m towards the cost of services, previously funded from the Education Services Grant, to the budget shares of maintained primary and secondary schools at the rate of £32.37 per pupil.

**Voting:** Representatives of Maintained Primary, Secondary and Special Schools and PRUs

The Schools Forum voted *against* this recommendation by 10 votes to 2.

**Proposal 2: To increase de-delegation from maintained school budgets in order to continue the school improvement (LNI) service in its current form.**

**Recommendation 2a) Maintained Primary Schools**

In order to increase the amount of de-delegated funding for the school improvement service from £101,000 to £310,000, the council recommended that the Schools Forum agrees to de-delegate funding for 'additional school improvement provision' (provision beyond any that is funded from the DfE's school improvement grant) at a rate of £11.28 per Primary pupil.

**Voting:** Representatives of Maintained Primary Schools

The Schools Forum voted *for* this recommendation by 8 votes to 2.

**Recommendation 2b) Maintained Secondary Schools**

In order to increase the amount of de-delegated funding for the school improvement service from £101,000 to £310,000, the council recommended that the Schools Forum agrees to de-delegate funding for 'additional school improvement provision' (provision beyond any that is funded from the DfE's school improvement grant) at a rate of £5.83 per Secondary pupil.

**Voting:** Representatives of Maintained Secondary Schools

The Schools Forum voted *for* this recommendation by 1 vote to 0.

**Proposal 3: To transfer 0.5% of the Schools Block funding to the High Needs Block in 2019-20**

Recommendation 3: **The council recommended that the Schools Forum agrees to transfer 0.5% of the Schools Block (£1.26m) to the High Needs Block.**

**Voting:** All members of the Schools Forum.

The Schools Forum voted *against* this recommendation by 12 votes to 8.

**Next steps**

Proposal 2 has been agreed by Schools Forum and will not be included in the schools budget as part of the budget setting process.

As set out in section 6.8.8 of the main report, 'Business Planning 2019-2024' (agenda item 9), if the Schools Forum does not support the council's recommendations on Proposals 1 and 3, and the council wishes to go ahead with the proposals, it may refer either or both proposals to the Secretary of State for a decision.

**Recommendation**

As Schools Forum did not support either proposal 1 or proposal 3, as set out in section 6.8.8 of this report, at its meeting on 27th November, the Committee give delegated authority to the Strategic Director, Children and Young People to submit an application to the Secretary of State for a decision, following discussion with the Chairman of the Children, Education and Safeguarding Committee.

This page is intentionally left blank

## **Letter from Barnet head teachers on the issue of school funding**

26<sup>th</sup> November 2018

As you will be aware, head teachers of nursery, primary, secondary and special schools in the London Borough of Barnet are committed to providing a world class education for your children. We have, for some time now, developed powerful and effective partnerships which see us working together to secure high quality provision across all of our schools.

**We are concerned that current levels of funding are now seriously threatening this high quality provision.**

On 23<sup>rd</sup> November 2018, headteacher representatives met with Nick Gibb, Minister of State for School Standards, and Mike Freer, MP for Finchley and Golders Green, and presented a briefing paper, setting out the following points:

### **Barnet: A borough of excellence**

There is considerable externally verified data to support our assertion that Barnet is delivering a world class education offer to your children.

- 95.5% of pupils in Barnet Primary and Secondary schools attend a good or outstanding school, all secondary schools are graded good or outstanding
- Attainment in the Year 1 Phonics screening is in the top 10% nationally
- End of Key Stage 2 attainment in Reading, Grammar, Punctuation and Maths is in the top 10% nationally
- Progress between Key Stage 1 and Key Stage 2 in all subjects is significantly better than national
- End of Key Stage 4 GCSE attainment and progress is in the top 5% nationally (Including Progress 8 and Attainment 8)
- End of Key Stage 5 A Level attainment is in the top 5% nationally
- The highest progress 8 score in the London regions was achieved by Barnet, at 0.58
- There is accelerating progress of the most disadvantaged and vulnerable pupils in order to close the gap between them and their peers
- Most schools are full and/or oversubscribed

The borough has a dedicated and high achieving group of schools who are committed to maintaining these standards. However increasing pressure on budgets with rising costs of services which are not met by current and anticipated levels of income means that there is a real risk that many of these standards will not be maintained.

### **Barnet: context of the borough**

A number of contextual problems present Barnet schools with particular challenges:

- The extremely high cost of living makes it very difficult to attract staff to an area where they are not able to afford accommodation.
- This is compounded by proximity to other boroughs where the cost of living is lower (eg Hertfordshire) or where Inner London weighting affords higher salaries (eg Camden or Haringey).
- Whilst Barnet is generally an affluent Borough, approximately 16% of children under five live in the 30% most deprived Local Super Output Areas. 19% of children under five

(5,000 children) live in low income families, defined as those in receipt of Child Tax Credit and either on benefits (Income Support or Jobseekers allowance) or earning less than 60% of the median income.

- Barnet is an inclusive authority, given that 57% of pupils (997 of a total of 1751 in 2014) with a statement of Special Educational Needs or Educational Health Care Plan maintained by the council are placed in mainstream settings. A level which is significantly higher than statistical neighbours and other Outer London Boroughs, where larger proportions attend specialist provision.

### **Barnet Schools – the decisions we are making and the potential impact of these**

Schools across Barnet, as in all local authorities, have been tackling the ongoing financial challenges of reduced budgets and increased financial expenditure owing to nationally driven decisions. Additionally, a proposal has been issued to all Barnet schools surrounding the future of school funding in Barnet. Chiefly, per child funding is continuing to decrease while costs increase.

Barnet schools have been impacted by the financial decisions made at a national level, alongside all other schools:

- Increased pension costs
- Increased National Insurance costs
- Teacher increased pay award
- Unified Pay Award for support staff
- Inflationary increases

In addition to these challenges Barnet has now issued all schools with a consultation surrounding the future of school funding. Schools recognise the financial pressures of the local authority which must cut spending by 50% across the period of 2011 and 2020, with further savings needed after 2020. However, schools are concerned about their financial sustainability and ability to continue to provide high quality educational provision if these cuts are actioned. Chiefly concerns lie with:

- Reduction of funded services to maintained schools, aside from statutory services
- Further cuts in front line education or children's social care services
- All school improvement services moving to a traded services, for maintained schools alongside academies
- The transfer of 0.5% of schools block funding to the high needs block in 2019 2020
- Potential direct cuts to SEN funding, likely in the area of top ups, direct funding provision in schools, cuts in therapy services or specialist inclusion services

Following a series of head teacher meetings across the borough, all headteachers were asked to respond to detail how they have adapted their provision to cope with the ever increasing financial pressures and the 56 schools reported the following:

- Staffing reduction of teaching and non-teaching posts
- Curriculum reduction across all key stages, this was chiefly seen at Key Stage Four and Five where a number of subjects have been cut by all schools. This suggests these courses are becoming inaccessible to students across the borough, identified subjects seem to be across the arts, sports and foreign languages.
- Increase in class sizes or merging of classes.

- Reduction in interventions to support students who start below expected standard, fall behind, are identified as vulnerable, have SEN or complex behavioural needs.
- Reduction of specialist support staff such as Teaching Assistants, Counsellors and Learning Mentors
- Inability to fund alternative provision and specialist support for vulnerable students, those with SEN or at risk of exclusion
- Not replacing ICT equipment
- Reducing or stopping budget allocation for the school library
- Reduction in spend on premises maintenance
- Increase in Planned Admission Numbers (PAN)
- Reduction in departmental budgets
- Reduction in staff training and development budgets, a particular area of concern owing to the national curriculum and examination board changes at all key stages
- Reduction in school leadership teams
- Increase in teaching allocation of headteachers and deputy headteachers
- Increased contact time for teachers
- Reduction of extra-curricular and/or enrichment programmes
- Reduction of staff used for supervision of breaks and lunchtimes
- Any previous financial reserves having been exhausted
- Increased teacher workload
- Challenges of complex students, those identified as vulnerable, SEN, EAL or with behavioural needs not being met and the additional disproportionate impact on the wider school
- Inadequate meeting of needs in relation to mental health and emotional well-being of students when these challenges continue to increase
- Seeking additional funding from parents
- Leadership time focused on fundraising
- Premises decline and health and safety concerns
- No financial reserves to meet emergency needs
- Reduced curriculum, teaching and learning innovation
- Non specialist teaching
- Split classes

### **Concerns for the future:**

It was clear from the Headteacher responses that schools have been working increasingly hard to plug gaps in funding but the situation has become unsustainable. These points have been raised with Nick Gibb, Schools Minister and Mike Freer MP. We have asked that the Minister raises these concerns with the Secretary of State for Education and the Treasury. We felt that the Minister listened to our views and we are looking for parents to support the efforts of schools to secure the funding needed to maintain the high standards of education Barnet has delivered for many years and would hope to maintain.

Barnet Primary and Nursery Headteachers' Forum & Barnet Secondary Headteachers' Forum

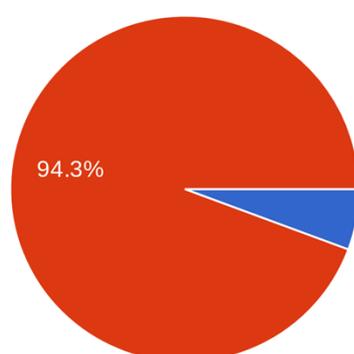
This page is intentionally left blank

## Barnet Primary and Secondary Headteacher Forums

Responses from 53 Barnet schools regarding 2019-20 budget projections and any impact on school resources.

### Question

53 responses



- A- The current situation is a challenge to our school but we are able to make adjustments and we do not expect it to have a significant impact on the welfare or education of our students.
- B- 2019-20 budget projections are a serious concern and are likely to seriously undermine the services we can offer to students.

- We are likely to need to make cuts to our staffing in the coming financial year.
- Each year is worse, already restructured last year - will do more this year. Curriculum is being reduced each year too. Quality and choice will suffer.
- My school will be significantly impacted with a reduction of 42K. In addition to this I have a falling roll and low uptake in Year 12, therefore, making my school as a whole extremely vulnerable.
- The only way we are going to be able to set a balanced budget for 2019/20 (and beyond) is by the cutting our support and intervention staff in half (at least). We have reduced numbers by not recruiting in recent years and compromising on what we have previously provided. The only option now is to make significant redundancies (approximately 9 staff based on current calculations) and the children who will be affected are children in our vulnerable groups.
- The situation is extremely serious for us and will impact on our ability to provide the 'extended services' we have now come to take for granted. This means that interventions in place to safeguard children from a number of external challenges and threats will be undermined or removed. There are already a large number of compromises built in to our curriculum offer and class sizes of 35 in some key stage 4 classes for Science, Maths and English.
- Although we can make adjustments this year, this will impact on budget projections for 2020-2021

- Following a restructuring we were aiming for a £0 budget but this now undermines this opportunity and I may need to consider another restructure which is deeply demoralising when the school is already operating with 20% fewer staff than 5 years ago.
- It was difficult to comment at the meeting, as it was only really when seeing the proposal documents which included the amounts to each school, that I was able to see just how much it will impact upon my school. Have seen the budget cuts coming so I haven't replaced staff when they've left etc but we're on a skeleton staff now as it is, and I can't see how I can cut anymore
- At \*\*\*\*\*, we entered the current financial year with a budget recovery plan already in place. We have cut everything back just to ensure we can repay our deficit. With the planned reductions to school income, I do not see how we can manage to make ends meet in the 19/20 financial year. We will have to restructure TAs to the point that most classes will have no additional support.
- I have huge concerns about the proposed budget cuts and the effect they will have on our children.
- Huge and probably unrealistic reductions in expenditure (resources and supply) allowed us to balance the budget at Oct forecast. Extremely likely to be in deficit by April. 2019/20 cannot be set as we are now. Not actually sure what to do, cutting any more support staff will mean leaving SEN/vulnerable children unsupported. Cutting a leadership post (or removing responsibilities and agreeing salary reductions...unlikely!) might balance the budget for a year but will have a devastating effect on how the school operates and standards. Weakening our structure would be a massive backwards step for the school, the children and the community. We feel as though many years hard work is being strangled and all of the monitoring, scrutiny, drive for improvements etc etc (stressful enough with money!) has to be shelved. I do anticipate cuts in staffing (support staff and not replacing teachers if anyone leaves) and will ask senior staff to take on a flexible approach whereby we meet in the morning at allocate any and every role necessary to keep the school functioning. Highly skilled and experienced teachers plugging the gaps so that teaching and learning can go ahead, the school is clean and tidy and the children are safe/secure. That's if I can motivate them to stay!
- Having to apply for a licensed deficit, make support staff redundant and consider reducing hours further. We are a good school, progress measures particularly good and attainment by the end of KS2 v.good. Last 2 years falling roll due to unpredictability of placement planning - we have taken a hit with numbers.
- We have just emerged from 3 years of a deficit budget. This financial year we are positive. We then move back into a large, ever decreasing deficit next year (April 2019), not even taking into account the proposals. We have already restructured 3 times and have very few options left on the table. Our children's education is already being negatively impacted, however, losing more money will have disastrous consequences. I understand Barnet need the money and I believe the LNIs do a great job but we are certainly between a rock and a hard place.
- We have small contingency (less than £1000) with our current projections. Any further expenditure or any less income would result in the loss of essential staff.
- We are currently looking at restructuring and face having to make staff redundant, which will have a direct effect on the quality of our provision. We have a low staff turnover, so I fear we will not make the savings we have to make to survive through natural wastage alone. This is despite having a surplus in reserves of

£800,000+ two years ago. It is frightening how quickly the reserves will be used up on basic running costs. We could well be insolvent within three years.

- Some Secondary Schools taking in additional places, seemingly unknown to the LA School Places Committee and certainly unknown to all HTs across the LA, has hit us badly in Year 7. For the first time in many years, our intake into Year 7 is much lower than was predicted. 'Good' schools will suffer because of this, and the downward spiral will begin across all these schools.
- We are cutting all unnecessary expenses, but the only effective cuts will be those we now face having to make to staffing.
- The proposal equates to a loss of income to the school of £60,000. Increases to teachers pensions etc will add additional costs in future years. Real term loss of income will be greater than £60,000.
- We will be forced to re structure and lose the last few TAs we have left. We have lost 3 posts from the office, a welfare assistant, two part time teachers who supported in class and we are now cutting the hours of our SENco. Class teachers have very few resources and we ask children to bring in tissues and glue sticks for the classes. We haven't seen the school nurse for over 3 years, we can't afford to buy into EWO or H&S monitoring. We have had to find a different Ed Psych provider as the borough was too expensive and never available. We have had to cut the number of trips we provide for the children as parents can no longer afford to contribute and we were having to fund the shortfall. We have nothing left to cut.
- We will be making cuts to staffing next year as well and we will be left with only support staff supporting children with an EHCP and this will certainly impact on standards as we won't be able to offer all the successful interventions we have been able to run until this year. It will also impact on staff wellbeing as staff are already feeling the strain of cut backs which have been gradually happening over the last few years. Something will have to be done as this can't go on..... We are left to make decisions that we know are not based on what is right for the children.
- We will have to adjust staffing and this means our offer to pupils will be compromised. Specifically, we will have to do without several key roles supporting our most vulnerable learners.
- We will be voting 'no' to the proposals as we cannot afford to increase our contribution by the amount that Barnet proposes. To do so would lead to an undermining of the services offered to our students.
- We are very reliant on parent contributions as a faith school in order to support the wider needs of our school beyond religious education, such as special needs provision for our pupils, alongside topping up funds for LSAs who work one to one. Whilst our academic achievements continue to be high, it comes with a financial cost. Our children are not immune to mental health challenges and anger management issues and we are increasingly having to consider careful measures for pupils who would otherwise be excluded, which also comes with a financial cost. Having to pay careful attention to recruitment and retention of staff and to keep up with quality CPD in order for us to retain our standards and to ensure that we are a positive choice for staff also has cost implications.
- We are already in an in-year deficit, but we will have exhausted our contingency by April 2020. As a \*\*\*\*\* we are not sure how the funding proposals will affect us, however, \*\*\*\*\* might have to close as a day provision which means that Barnet may lose an outstanding provision. We have already restructured once,

it is possible that we will have to consider a 1 to1 bedside teaching model rather than the whole school curriculum model which we currently have, this will result in an impoverished curriculum for the most vulnerable students and may also mean that it will be harder to reintegrate students back to mainstream after a hospital inpatient stay. With mental health so high on the agenda, cuts to the high needs budget for \*\*\*\*\* would be devastating.

- It is time that our local politicians supported us to address this issue
- My budget will be particularly affected in 2020-21. We are already reducing support staff and only renewing on fixed term contracts. We are struggling to support children with SEND effectively due to the rising staffing costs
- As a VA school, this will place intolerable pressures and expectations on the school and Governing Body.
- 2018-19 Budget = £150,000 in year deficit position. Significant cost cutting, including restructuring (6 TA redundancies, the non replacement of 1 teacher and a reduction in office admin hours), was required to balance the budget. I am very concerned about 2019 projections and the school's ability to function effectively!
- We have increased teaching contact time, gone over our PAN to allow 240 students on entry instead of 210. I am operating without a Deputy to save money and as a new Head that is clearly a risk but it is something I feel I need to do! We have had a staffing restructure. Staff well-being is certainly being compromised as is the offer to students. We have raised our concerns with the ESFA and are in regular contact with them.
- As a VA school we are only afloat because an eye-watering 25% of our budget is covered by unsustainable support from our foundation body, which depends on voluntary donations from the parents. Our income from the LA last year was 1.5 million and our salary bill 1.6 million because we retain excellent staff - we have 8 members of staff on UPS3 and just one on M1. We have 9 EHCP children for whom the provision is costing us well in excess of the money we receive and parents are routinely having to fund therapies written into the EHCP but not forthcoming. We receive no pupil premium. We feel we pay a heavy price for being a successful inclusive school. We have cut way back on support and cover staff which is putting huge pressure on senior staff in particular.
- LBB must pass on the total of the funding which the government intend for schools - it is not possible to manage with any less than that and schools are being put at risk. They will simply have to cut services or charge for more of them.
- We will be having to make serious cuts to our provisions for all children including a full restructure meaning the loss of people leaving our children with little or no additional support.
- Have already done a restructure; have to meet needs of SEN but with little resources to do so; by 2020/2021 will be in deficit
- I have reduced the number of support staff such that my level 3 and 4 TAs are having to juggle 1 to 1 support for pupils with EHCPs with intervention and cover roles and this is already impacting on the provision for our most vulnerable pupils and the anxiety and frustration of our very dedicated and capable TAs. Beyond 2020 there is no choice but to cut teaching, admin and TA roles and with all staff working very

hard and efficiently at the moment, this will mean we will have to stop doing much of the work for our SEN and vulnerable groups as it stands now.

- We are running the school on a skeleton staffing. We have over 300 children and do not have a Deputy Head. We have over twice the Nat Av % of EHCPs and many other pupils with complex needs, without EHCPs. The small amount of banded funding that comes into school does not stretch to meet the needs of the SEND pupils we have. It is also concerning that in the current recruiting crisis, inexperienced teachers often have to manage several children with significant needs in their classes, with very little, or no additional adult support. We just hope they don't give up and leave the profession.
- We are categorically in option B and any additional strain on our budget is simply unsustainable.
- We have already had to lose staff. We need to lose more over this and the next financial year. Our ability to support children with their emotional needs and mental health has been undermined. The financial situation will become even more critical the following financial year. I feel that we need to make a stand to protect the very essence of our education system. We need to make our voices heard so that every parent in the country understands what is happening across the board.

This page is intentionally left blank

## **Schools Budget Consultation - Key Points and Questions from 'Barnet Governors' and the council's response to the questions**

Dear Mr Harrison,

### **Consultation on the Schools Budget – Maintained Schools – 1 November 2018**

We are in receipt of the Local Authority's Consultation on the Schools Budget, presented to Headteachers on 1 November 2018.

In parallel with the views and questions below, Headteachers and Chairs of Governors of schools throughout Barnet would like to put on record our acute discomfort and dismay at the approach adopted by the Local Authority (LA) to schools funding in recent years. An approach evidenced in the number, and disastrous impact, of cuts forcibly made to education and schools funding in our Borough. The three cuts to which this latest consultation relates are but the latest of so many which collectively are severe, deep and having an evident and catastrophic impact on the provision of education, teaching and learning in the Borough.

We are all too aware - as the LA itself would acknowledge - that unless the LA reconsiders its approach, these latest cuts will not be the last. That trend cannot be allowed to continue unchallenged and without due consideration at least of a better and collaborative approach. We owe it our pupils, their families, our teaching staff and our communities to demand it. Barnet Council owes it to the schools within its Borough to find a positive solution.

We call upon the LA to work collaboratively with schools to seek a better way to safeguard and improve the delivery of education and the quality of our schools' provision; a more efficient and self-supporting way of generating the appropriate levels of funding our schools and educational facilities and support networks require. Headteachers and governing bodies want to see a more coherent, collaborative and transparent strategy from the LA for educational and schools funding. For instance, across the estate of schools in the Borough there must exist opportunities to develop facilities, in a variety of ways and involving many different stakeholders, for the benefit of pupils, teachers and communities, in a manner that creates a long lasting, sustainable source of future funding for schools, education and, potentially, other front line services.

On Monday evening, a significant number of governors from across Barnet schools met to discuss the "consultation document". It should be noted that not all governors had received this document either from their Headteachers or from the LA. The discussion was meaningful, and we have highlighted the main points and questions below ahead of the extraordinary meeting on Wednesday 14 November.

### **Main points arising from Monday's meeting of governors**

- A. The process is not a considered consultation since the proposals only allow for yes/no answers and comments have not been invited. The timescale for the consultation is inadequate given the complexity of the subject matter and the considerations involved. Insufficient time has been allowed to ensure sufficient deliberation by full governing bodies. Governors are expected to digest the 35 page document and turn around a response between 14<sup>th</sup> and 23<sup>rd</sup> November which is unacceptable.

**The timetable is constrained by the council's budget deliberations and a deadline set by the DfE. The council has to find savings of £68m in the next five years and Chief Officers and Lead Members have held a number of meetings over recent months to identify the necessary savings. Once provisional decisions were made, officers**

developed the consultation documents in relation to the Schools' Budget. The closing date cannot be any later because the DfE's operational guidance on school funding indicates that, if the Schools Forum does not agree the proposals in relation to ESG funding and the transfer to the High Needs Block, the local authority has until 30 November to submit any request to the Secretary of State to rule in favour of the proposals.

- B. Our schools are more than just education providers; we are caregivers and the wrap around care that will be drastically reduced with these proposals will cost more in the long run.
- C. Governors wish to make clear that we stand side by side with Headteachers, teachers, parents and caregivers and be clear in our communication that schools can take no more hits.
- D. Governors' responsibility is to the children in their schools, not the employees of the LA. Governors recognise the significance of the school improvement (LNI) service and the support it gives to schools. However, the threat to remove this service to schools leaves governors with a choice between keeping an LNI or losing a teacher or TA through rushed restructure. There is no money in the system for schools to execute the day to day, never mind be asked to support the LA's funding shortfall. The LA should be going back to the DfE without hesitation. There is simply no money to give.
- E. Even with drastic restructuring and being extremely conservative with future spend on resources, it is inevitable that most schools will be in the red within three years. This is not good for the children of Barnet and it cannot be allowed to happen.
- F. In addition to drastically reduced budgets, some schools are also facing uncertainty around falling rolls. This has an additional impact on income and seems to have been, at best, misjudged, by the Local Authority, therefore plunging some schools into further debt.

## Questions

1. Clearly the consultation document highlights severe concerns. It highlights the pressure being applied by central government and in that regard please explain the LA's policy with respect to lobbying central government and how has that manifested in action? Has the LA lobbied local MP's and Councillors? Where do they stand?

The council's Strategic Director, Children and Young People, has taken a lead role with 'London Councils' in lobbying government on the shortfall in high needs funding. As part of this process, he has taken the lead in collating information on the pressures in children's services budgets across London to present to Government.

2. Why can't you plug your shortfall by asking central government for more money rather than asking cash strapped schools?

See answer to Q1

3. Not all LAs are asking schools to make these contributions. How are those LAs being creative and what lessons can Barnet learn from them?

We know that numerous LAs have had to take similar measures over the last two years, when Barnet has tried to protect schools from the impact of the Education Services Grant reductions. The council has been working hard to identify other ways of achieving the necessary savings. The LA has faced a 50% cut in its budget since 2011 and needs to save another £68m in the next five years. Children's Services has been asked to find £10m of this. The loss of the £2.8m of Education Services Grant makes the position worse, and if the proposal to charge maintained school budgets £1m towards the cost of these services is agreed, along with the proposal to increase de-delegation of school improvement funding to £0.3m, the council will still have to find additional savings of £1.5m.

4. The quality of children’s educational experience in Barnet is rapidly reducing because we cannot afford to replenish old books, offer essential interventions, employ experienced teachers, support children who need support but don’t have EHCPs. LA support and advice is of course beneficial to us but surely comes second to buying the core people and service you need to operate a school – do you agree?

The council recognises the need to provide adequate funding to schools and understands the financial challenges schools are facing, but it is in a difficult position of having to balance its own budget and regrets that it can no longer protect school budgets as it has done in the last few years.

5. Other than the Council running at a deficit, who and what is driving these cuts to service provision – the Local Authority? Cambridge Education? Central government? The DfE?

There are three principal drivers:

- The removal of £2.8m of Education Services Grant, which funded statutory services for maintained schools.
- The possible ending of the £339,000 School Improvement Grant, which funds the school improvement (LNI) service for maintained schools.
- The significant budgetary pressures caused by demographic growth, the increasing complexity of needs and the impact of the government’s SEN reforms (in particular extending funding for pupils with special educational needs from 0 to 18 year olds to 0 to 25 year olds). There is an overall shortfall in the High Needs Block nationally. Across 27 London Boroughs there is an overall overspend on High Needs budgets of £55.7 million. These pressures have impacted on Barnet’s High Needs budget this year, which is now forecasting an overspend of over £1m.

6. Why hasn’t the LA actively engaged with school leaders and parents for a creative and sustainable solution to the funding crisis? There are plenty of school leaders who have creative ideas about how this can be done and would be happy to work with the LA to find a solution.

The council organises regular meetings with headteachers and Chairs and Vice-chairs of Governing Bodies. All schools are represented by headteachers and governors who sit on the Schools Forum, which has oversight of the overall Schools’ Budget.

7. What steps has the LA taken to review and release school property and generate income from its estates to facilitate funding that would strengthen and enhance our Borough's education provision and mitigate such action as set out in this consultation? If such steps have been taken please quantify them. If these steps have not been taken, why not and when will they be taken?

The council has worked with a number of schools to identify ways of making the best use of the land and buildings, in particular where additional capital is required to fund improvements or new facilities.

8. What strategy does the LA have in place for education for the next 5-10 years to maintain Barnet as the ‘go to’ Borough for outstanding schooling, which benefits all stakeholders in the Borough? How do the tactics set out in this consultation fit into such a strategy?

The council published an Education Strategy for 2017-20 last year and keeps it under review, working in partnership with headteachers. Clearly financial constraints make the achievement of the objectives in the strategy more challenging.

9. What is the LA doing to reduce the cost of its services rather than simply passing on the costs to schools?

The LA has faced a 50% cut in its budget and needs to save another £68m in the next five years. Children's Services has been asked to find £10m of this. The loss of the £2.8m of Education Services Grant makes the position worse, and if the proposal to charge maintained school budgets £1m towards the cost of these services is agreed, along with the proposal to increase de-delegation of school improvement funding to £0.3m, the council will still have to find additional savings of £1.5m.

10. The consultation is short on costings. What for example is the cost of the school improvement (LNI) service and how does this relate to the detail within the document? More detail is required on why this money is needed. How has it come to this?

The school improvement (LNI) service costs approximately £450,000 a year. Currently this is funded through a school improvement grant of £339,000 and dedelegation of £101,000. The DfE has not confirmed that the SI grant will continue beyond the current school year, thus leaving a shortfall.

11. If the vote is "yes" can you demonstrate that schools will get benefit from the Borough equivalent to the amount they are being asked to contribute?

If the proposals are supported:

- The council has no choice about maintaining statutory services, so if proposal 1 is agreed, the LA can avoid cuts to other essential frontline children's services (on top of the £10m that has to be found already).
- Proposal 2 means the school improvement (LNI) service can be retained in its present form.
- Proposal 3 is about reducing funding for allocation through the school funding formula and transferring it to SEN spending on schools. If it is agreed, then cuts of £1.2m in SEN spending can be avoided.

12. Which SEN services will remain if the proposal is refused?

If the transfer of the 0.5% from the schools block is not agreed, then there will need to be savings in SEN spending – e.g. in top-up payments and specialist SEN services to schools.

13. How are the figures in the appendix calculated? In relation to the high needs block contribution, the share for some schools amounts to over 0.9% of their allocation whereas others are as low as 0.1% or 0%?

If the transfer of 0.5% from the schools block to the High Needs block is agreed, the £1.26m has to be taken from the overall school block before the formula funding distribution, not as a 0.5% deduction at school level. As a consequence, the Minimum Funding Guarantee (maximum loss per pupil) and the associated cap on gains means that the 0.5% is not evenly distributed at school level. The calculations in the appendices are as a result of applying the National Funding Formula factors after the deduction of the 0.5% transfer, but with MFG protection factored in where schools trigger this.

14. When schools were asked to vote for the transitional arrangements for the national funding formula, did the LA know that this potential loss of funds from school budgets to the High Needs Block was coming? It feels that the LA is taking advantage of the transitional arrangements in order to claw money back from schools - if we were receiving all funds direct from the DfE, the LA could not ask schools to contribute.

No – the LA was not able to anticipate that SEND demands would increase at the rate they have. The DfE determined that there would be transitional arrangements,

which have now been extended to 2020-21, whereby local authorities may continue to determine a local schools funding formula and may propose transfers between funding blocks.

15. The consultation document says at the bottom of p3 that there was an underspend in the schools budget in previous years, which helped to create reserves that were used for growth funding for new and expanding schools. How big was the underspend and where was it spent? That underspending would otherwise be available now to deal with the current High Needs Block shortfall. So, shouldn't the schools that had the benefit of that underspending be contributing more to this current funding shortfall in the High Needs Block?

Underspending in previous years was largely the result of concerted efforts to reduce dependency on expensive out-borough placements for pupils with SEND. This led to end of year DSG balances of up to £4m. All the unspent DSG money has been carried forward to the following year. Most of it has been used to fund 'school growth'. This is the funding that is paid to new and expanding schools to cover their 'growth' costs – the cost of expansion before the 'lagged' pupil funding brings their budget up to the level for their size of school. It includes payments to schools that have operated 'bulge' classes commissioned by the council. Over the last two years, carried forward reserves have been used increasingly to address pressures in the High Needs budget.

16. Are you advising schools to support your proposals if doing so means they will go into a deficit budget? How many schools will go into deficit as a result of these changes?

We are recommending support for the proposals for the reasons set out in the consultation document. The council accepts that the current financial challenges may put more schools at risk of going into deficit and that they will therefore need to put in place recovery plans.

17. If schools can't support proposal two – school improvement (LNI) service, what is your contingency plan for ensuring your maintained schools continue to perform well?

As set out in the consultation document (page 11), if the proposal is not agreed, the service would have to move to a fully traded basis for all except the core functions listed by the DfE. The paper sets out the potential pitfalls of going down this route (page 12).

18. Should schools already in deficit, or predicted deficit within the next three years, be exempt?

The DfE's Operational Guidance on School Funding does not allow this.

19. The LA has selected these 3 options for this year's consultation. What will schools be asked to contribute next year and the years after that?

It is not possible to answer this question at the moment, as it depends on several factors, and in particular the levels of DSG funding agreed by the government for the schools block, the High Needs block and in respect of school improvement functions. Current DfE guidance indicates that the council would need to consult the Schools Forum on the proposals each year, if the council needs and wants to continue with them beyond 2019-20.

20. The School's Forum can vote against the decision of the majority of schools in the Borough. Barnet governors strongly suggest that the School's Forum takes in to account this open letter and consider the responses to the open questions raised. Governors also acknowledge the petition circulating on Change.ORG and request that the schools forum note this petition also.

This letter and the council's response will be attached to the report to the Schools Forum at its meeting on 27<sup>th</sup> November, along with comments submitted by the Primary and Secondary Headteachers' Forums. The Forum will also be alerted to the petition.

Due to the time constraints caused by the short consultation, these questions are in raw form. However, together with the main points arising from discussions with a significant group of governors on Monday evening, they give a flavour of the extremely worrying concerns.

The Local Authority must decide what it wants. Does it want outstanding schools delivering the best education to the Borough's children? If that is the expectation of schools then, as professionals, Barnet governors expect the Local Authority to engage them in professional dialogue to seek solutions to the challenges ahead. This consultation paper represents a betrayal of the time, commitment and professionalism of governors - volunteers who tirelessly strive for educational excellence.

This is our call on the Local Authority. We undertake to work collaboratively with the Borough to develop and support a better approach. But the initiative must start with and come from the Borough itself. The Borough needs to lead the way and champion all local and national stakeholders. Current policy and approaches are not working; the Local Authority's approach to education provision cannot continue in this vein. A change of mindset is urgently required.

We look forward to receiving your response and look forward to a positive dialogue.

Barnet Governors

**Letter from Barnet Secondary Headteachers Forum to the Secretary of State concerning funding for SEN provision**

15 November 2018

Rt Hon Damian Hinds MP  
Secretary of State for Education  
House of Commons  
London  
SW1A 0AA

Dear Mr Hinds

We are writing to you as head teachers of secondary schools in Barnet regarding a proposal from the borough to transfer 0.5% of the schools block funding in to the high needs block. This is the first time that such a request has been made in Barnet, a reflection on the careful financial management in the borough. In previous years underspends in the overall schools budget have been used to address new pressures. There are no more reserves left.

Barnet children start school with high levels of Special Educational Needs and Disabilities (SEND). The schools are working hard to meet the needs of children and young people with SEND to ensure the best outcomes for all pupils. However, it is now clear that the high needs funding we receive is not sufficient to meet these needs.

Our high needs block budget is projected to be overspent by more than £1m in 2018-19. This is due to:

- an increase in the number of children who require an Educational Health and Care Plan (EHCP). There has been a 30% increase in the number of children and young people with an EHCP between 2014 and 2017
- an increase in post-16 numbers and associated costs for young people aged 19-25 who need specialist support. The expenditure needed in this area has increased by 89%
- an increase in complexity of need, requiring more funding
- rising costs of providing additional specialist support in our schools. Barnet Council has worked in collaboration with mainstream and special schools to create over 200 additional local specialist places to respond to the demand and increasing complexity of demand

Barnet is a very inclusive borough and it has a successful record of achievement by pupils with SEND. The proposed transfer of money from the schools block will result in a reduction in school budgets. This is at a time when school budgets are under a

lot of strain. Growth funding in Barnet has simply been based on increases in pupil numbers. However, income has not kept up with costs. The pressures on school budgets in general are having an increasingly significant and serious impact on what schools are able to provide. We are now in a position where we cannot adequately fulfil our statutory duty of care for our children living with SEND.

We need a fair, sustainable funding system for SEND that will respond to the individual needs of our children and young people, acknowledging the complexities of providing high quality SEND education.

We are calling for a significant increase in Barnet's high needs block to allow for the urgently needed additional funding for local SEND provision.

Yours sincerely