



Walsall Council

Walsall Children's Services

Report to: Schools Forum

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Subject: School Recovery Programme

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Purpose of the report: For Schools Forum to consider:

Options for using the surplus from High Needs funding

the use of surplus to improve percentage of children attending good and outstanding schools, through funding some of the workstreams within the School Improvement Recovery strategy

to understand how school to school support can be partially funded until March 2015

Recommendations: See final section of report

1. Purpose of the Report

- 1.1 This report is to give a relatively brief overview of the School Recovery Programme, including consideration of some of its workstreams and how they are funded. This cross references back to the recent school improvement conference on 31 January 2014.
- 1.2 This report looks at further opportunities to accelerate the pace of change and improvement in Walsall schools.
- 1.3 As with the earlier report tonight (Principles of Future Surplus Use), this looks at the concept of the funding following the learner and how that can be developed here.

2. Surpluses

- 2.1 As highlighted in the January 2014 report to Schools Forum there are a number of surpluses expected from the 2013/14 financial year. One area identified where this is applicable is High Needs top up funding
- 2.2 The bulk of the £3.2m one off monies allocated to schools at £79.28 per student came from reducing costs as the outsourced education contract was terminated. This was done through contract negotiation and ensuring value for money as much as possible. Another principle cause was the increased efficiency of the local authority since 2010 in delivering all services cost effectively within diminishing resources. This has also seen DSG funded services become more efficient.
- 2.3 The budget for top up funding was based on a student by student forecast. Some of these costs have simply not come to fruition as places have not been taken up or several other reasons. It is worth once again reminding Schools Forum that the 'top up funding' approach is new in 2013/14. This is therefore an area of volatile spend in several local authorities. The further complexity from a Walsall perspective is that this new system started on 1 April 2013 which is the exact same point the outsourced contract was terminated.
- 2.4 It is important to note that Walsall Council has funded all the special school places that it committed to do so and this surplus is not caused by lack of place funding.

3. School Improvement Recovery Plan

- 3.1 As has been publicised recently, including a front page article in the Express and Star, a number of Walsall schools have fallen into special measures or

requires improvement . The challenges facing Walsall have also been outlined in the recent school improvement conference and there is clearly a need to take urgent action.

3.2 The response from Walsall LA has been to create a School Improvement Recovery Programme with the following workstreams:

Schools Causing Concern
School Leadership and Governance
School Ready
Achievement for all Learners
Towards a School Led System

3.3 A lot of work is currently taking place through these themes with schools and a briefing note is being distributed to all schools and their governing bodies shortly. The “schools causing concern” workstream, for example, links into Walsall’s core offer process with schools in bands C and D set to receive focused, targeted support to rapidly improve. It is anticipated that some of this support will come from schools in band A that have the capacity to support others, i.e. through school to school support.

4. Funding proposals

4.1 There are a number of different ways that extra funds are available in the 2014/15 financial year to invest in school improvement.

4.2 All schools in Walsall will be receiving £79.28 per FTE pupil based on October 2013 census for the 14/15 financial year. This is a one off windfall of c£3.2m to schools in Walsall and will allow schools to pump prime activities. The drive from the Education Funding Agency (EFA) and DfE is very much about getting good value for money from school budgets but these extra funds are a clear investment directly into schools.

4.3 Walsall Council and the schools of Walsall are working together on a Learning Consortium. If schools will put in £10 for each of their pupils then Walsall Council will match fund that to create a vehicle for schools to work together to develop and share practice. Headteachers plan to finalise agreement on this approach shortly.

4.4 Walsall Council continues to fund a central team for school improvement activities. For Schools Forum to have absolute clarity this team is **not** funded by DSG. This is funded from Walsall Council resources. Despite the pressures of the reduction from the Education Services Grant, Walsall still

maintains a function. The options below clearly exclude allocating additional funding to this service.

4.5 What is clear though, is to accelerate the pace of change at this critical time, further immediate support may be needed for the 5 workstreams mentioned above. Possible options for allocating additional funding for this recovery programme are given below.

4.6 'Achievement for All Learners' theme will focus on looking after our most vulnerable learners. On this basis it is proposed that a proportion of the High Needs surplus could be invested to support this workstream and would be used to develop practice in schools. DSG can be spent on resources to boost this service, potentially extra capacity in the short term.

4.7 It is important that members of Schools Forum understand there are other options for these funds. One obvious option is that the surplus is held over until financial year 2015/16 and distributed amongst all schools at a flat per pupil rate.

4.8 A further option would be to provide special schools in Walsall with increased financial protection once the new funding formula for special schools comes into being from 1 April 2014. Clearly the formula is based on need and Schools Forum has traditionally supported principle based formulae and looked to accelerate change rather than have high Minimum Funding Guarantee (MFG).

4.9 There is a further item on the agenda tonight looking at potential support for a Governors Network.

4.10 Another proposal is that the local authority would invest a sum of money into the development of Leadership and Governance across Walsall schools. Decisions about how to use this funding would be subject to further discussions with school leaders. Examples could include middle leadership development, leadership seminars, governance workshops, training in mentoring and coaching, placements in other schools.

5. Proposal from the Local Authority

5.1 Walsall Council would propose a 3 point plan to Schools Forum in relation to these challenges:

Walsall Council would add to the above surplus by investing an extra £150k to support Schools Causing Concern workstream. This would fund school to school support in line with the principles outlined in the core offer.

In response Schools Forum would look to support in principle a £100k one off investment of surplus DSG into supporting vulnerable learners in 2014/15 subject to detailed plans being presented and signed off at the meeting of 11 March 2014.

Schools Forum would also look to support in principle a £50k one off investment of surplus DSG in developing leadership and governance in 2014/15 subject to detailed plans being presented and signed off at the meeting of 11 March 2014.

5.2 The nature of this arrangement means it is anticipated that Secretary of State Approval would need to be sought. If approved by Schools Forum then endorsement of these proposals will be sought from Secretary of State.

5.3 Schools Forum would need to ensure from a governance point of view that any funds were spent appropriately and had appropriate impact. Schools Forum would need to consider how this could be done.

6. Frequently asked Questions

Does Schools Forum have to invest money in any of these activities?

No. If a surplus is created it has to be allocated in some way. There are a number of permutations from a governance point of view but based on the January report any uncommitted surplus balance will be split between schools on a flat per pupil basis. However, that will not happen until **2015/16** financial year now

What is the governance process for all this?

If Schools Forum want to support 'unusual ideas' then ultimately a Secretary of State approval would be sought. That would need a Schools Forum resolution, preferably unanimous and then contact with the EFA. Dividing surpluses as before is based on a Schools Forum resolution and Cabinet endorsing it as has happened in recent years.

Why do we get these surpluses?

The High Needs budget is based on planned activity levels. However actual levels have been lower. This creates the underspend. With so many changes in approach, expenditure has been more volatile in recent years.

Walsall Council seems to be investing a lot in education currently, I thought funding was reducing?

Funding is reducing. The proposed budget is seeing planned savings of £18.7m for 2014/15 this year. Over the 4 years 2015/16 to 2018/19 then a further £86m of saving is anticipated to be needed. However, Walsall Council is doing all it can to promote educational improvement and school to school support approaches.

7. Recommendations

7.1 As laid out in Section 5.