

# Public Document Pack

Learning, Skills and Economy Scrutiny Committee Thursday, 13 December 2018

## MINUTES OF A MEETING OF THE LEARNING, SKILLS AND ECONOMY SCRUTINY COMMITTEE HELD AT COUNCIL CHAMBER - COUNTY HALL, LLANDRINDOD WELLS, POWYS ON THURSDAY, 13 DECEMBER 2018

### PRESENT

County Councillors P Roberts, M Barnes, G Breeze, K W Curry, B Davies, S C Davies, D O Evans, L George, E M Jones, G Jones, D Jones-Poston, S McNicholas, J Pugh, L Roberts, E Roderick, D Selby, R G Thomas and R Williams, Parent Governor Representatives Mrs A Davies and Mrs S. Davies  
Church Representative Mrs M Evitts

#### In attendance:

E Palmer (Head of Strategic Policy and Performance), A Clarke (Head of Learning), E Patterson (Scrutiny Officer)

Item 6 – Additional Learning Needs and Inclusion  
I Bhatti (Senior Manager, ALN and Inclusion)

Item 7 – Funding Formula Review  
I Budd (Director of Education), R Waggett (Finance Manager), S Fielding (External Consultant), J Spraggen (Finance Business Partner) and G Taylor (Chair of the Funding Formula Review Group)

<b>1.</b>	<b>APOLOGIES</b>
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Apologies for absence were received from County Councillors D Jones and K Laurie-Parry and Portfolio Holder for Schools County Councillor Myfanwy Alexander

<b>2.</b>	<b>DECLARATIONS OF INTEREST</b>
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No declarations of interest were received.

<b>3.</b>	<b>DECLARATIONS OF PARTY WHIPS</b>
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There were no declarations of party whips.

<b>4.</b>	<b>CHAIR'S BRIEFING</b>
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The Chair advised that the elections for the Parent Governor Representative had taken place. An equal number of votes had been cast for two candidates and he had drawn lots. The candidates had been written to but he was not in a position to announce the result until the candidates had received their letters. The Committee would be advised of the outcome of this election in due course.

<b>5.</b>	<b>MINUTES</b>
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The Chair was authorised to sign the minutes of the meetings held on the 13<sup>th</sup> August 2018, 22<sup>nd</sup> August 2018, 14<sup>th</sup> September 2018, 1<sup>st</sup> October 2018 and 17<sup>th</sup> October 2018.

## **6. ADDITIONAL LEARNING NEEDS AND INCLUSION**

### **Documents:**

- Scrutiny briefing on ALN and Inclusion Transformation Programme
- Additional Learning Needs Update
- Additional Learning Needs and Education Tribunal (Wales) Act Factsheet
- Additional Learning Needs and Inclusion Transformation Communications Plan

### **Discussion:**

The Senior Manager – ALN introduced the update paper on the ALN Transformation Programme.

The ALN Transformation Programme has been put in place to address two issues. Firstly, to ensure that the Council can comply with the changes that the Welsh Government is making to ALN in Wales, and secondly to ensure that the structures in place in Powys are best able to support this changing landscape.

The following work streams are in response to legislative change:

- Post 16 provision } as provision now extends from 0 - 25
- Early years provision }
- Introduction of Individual Development Plans (to replace statements)
- Workforce Development (a local and national issue)
- Dispute Resolution (a new approach has seen a reduction in the number of cases taken to tribunal)
- Parental and Pupil Involvement

The following work streams relate to ALN provision in Powys:

- Specialist Centre provision
- Behavioural, Emotional and Social difficulties and Pupil Referral Unit provision
- Making it happen (cross cutting themes such as ICT, Welsh Language and referral processes)

Other issues are being identified across the work streams. For example, there should be a single front door, a single set of paperwork and far closer partnership working with social care and health. The Start Well Programme is also working to this agenda.

The Head of Learning noted that this was a large transformation programme which the Welsh Government had introduced alongside a second major transformation programme of curriculum change. There are risks with the ALN transformation programme including with health where partnerships historically have not been strong and the health service have their own pressures.

Cllr P Roberts left the meeting 10.40am.

Cllr D Selby took the Chair for the remainder of the meeting.

*How will the work of the ALN Transformation Programme be communicated to parents?*

The Director explained there would be no one approach but that there would be a newsletter, a website where questions could be posted, a parent's forum, where changes are proposed three drop-in meetings will be held the location of which will rotate around the county. The service welcome suggestions regarding communication and will try to accommodate such ideas.

*The work stream for early years is welcomed but there have been problems in early years since the change of age of admission. There is a mixture of provision at this age with some private settings. How will the service work with this age group as this is where early intervention happens?*

The Director advised that at present ALN provision for early years is not statutory. Education have involvement with nursery, pre-school and schools but when the Act becomes law in 2020 health will become an important partner with their knowledge of children from birth. A referral process has been developed to identify children with additional needs as early as possible and the service need to work closely with health to design early intervention.

*There will be some parents of children with ALN who will not read letters or look at the ALN website. How will you work with these parents?*

It will be necessary to hold some face to face meetings in the Specialist Centres but this will need to be done on a rolling programme as there is no capacity to visit every centre at each stage of the process.

*Will the Individual Development Plans (IDPs) move with the child from primary to secondary and through to adulthood?*

This will be the case although the IDPs will start prior to school through close working with Health Visitors who see children from the earliest age. For the first time with the new Act Health Visitors are explicitly required to identify additional learning needs.

*How is staff morale in the ALN sector?*

The ALN Transformation programme aims to give staff as much information and notice as possible. The sector will be transformed to meet the new requirements.

*School modernisation in Ystradgynlais introduced a model which included Specialist Units which was meant to be a blueprint for Powys? What is the future for Specialist Units?*

It will be necessary to look at the Specialist Units in light of the new ALN Code of Practice. There are things that are working well but key principles need to be applied to the whole of the county. Solutions have been developed to address particular problems but equity of provision is essential.

*The service should be congratulated on the presentation but to what extent is this an aspiration? The communications plan is welcomed and the ALN website is excellent but there is nothing regarding this on the Powys facebook page. There is also real concern about the delivery of ALN support. Schools are*

*fighting for support and parents are blaming schools because pupils are not receiving what they should be.*

The Director confirmed that the Transformation programme requires joint working with a number of partners including health and social care. Social care is closely involved in the work but to be successful will need a change in behaviours. As each of the work streams are developed reports will be prepared for Cabinet which will be brought forward for pre-Cabinet scrutiny.

*What will be the impact of the extension of ALN provision to 25 on Further Education and Higher Education?*

The ALN Code only relates to Further Education not Higher Education or Apprenticeships. The service will be looking to provide support as locally as possible.

*Is it the case that children with lower level ALN will now be taught in mainstream schools?*

All children in Special Schools have statements and are on a spectrum of need that runs between 0 and 10. It is appropriate for pupils assessed between 0 and 2 to be taught in mainstream schools. It is more cost effective to support pupils in mainstream school rather than in specialist provision.

*Do parents have a say in where pupils are educated?*

The ALN Code notes that the preferred educational setting is in mainstream.

#### **Outcomes:**

- **That as work on the ALN Transformation progresses scrutiny have an opportunity to undertake pre-Cabinet scrutiny of proposals**

<b>7. FUNDING FORMULA REVIEW</b>
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#### **Documents:**

- Draft Cabinet Paper 'Formula Review Post Consultation' version 6
- Analysis of School Funding Formula Primary
- Analysis of School Funding Formula Secondary
- Appendix B – potential policy changes that will help to produce a more efficient and effective service

#### **Discussion:**

The Director of Education introduced the Funding Formula Review explaining it was one a number of major transformational work streams currently being undertaken by the education service including:

- School Improvement Strategy (including curriculum redesign)
- Additional Learning Needs and Inclusion
- School Organisation

Historically the school funding formula has not been regularly reviewed and is difficult to maintain, lacks transparency and is difficult to understand. Detailed work has been undertaken by experienced staff to produce a model that is

equitable, predictable and transparent. It will be able to be used by Senior School Leaders and Governors to predict future funding. If the formula is considered unfair it will be able possible for change to be argued from a position of understanding.

The formula will also be used by local authority officers as a benchmarking tool. Governing Bodies are able to make funding decisions which are different from the formula but if Governing Bodies are choosing to fund significantly above the model for example on leadership costs an informed debate will be able to be undertaken.

The draft model is provided and the final model will be prepared for pre-Cabinet scrutiny on 4<sup>th</sup> January 2019. This will include transition arrangements as there will be some schools that gain and some that lose under the new arrangements.

Work on this review has been assisted by Susan Fielding, an experienced advisor and the Funding Review Group chaired by Graham Taylor. The service is grateful for all the work that colleagues have undertaken to produce the revised formula.

*The Primary School Funding Formula proposes that PPA (Planning, preparation and assessment) is funded at Grade 7 rather than by teachers. At present schools are using teachers to cover PPA. Will this result in teacher redundancies?*

The formula gives a minimum provision but Head teachers make final decisions as to how this is arranged. This is not an edict for operational decisions and is not about redundancies.

The Chair of the FRG advised that this was an area of disagreement and the FRG considered that PPA time should be funded at teacher level funding.

It was confirmed that at the meeting on 4<sup>th</sup> January any differences between the recommendations from the FRG and officer recommendations will be highlighted. It will also include details of a reconciliation between the funding formula and school resourcing.

*5.3 of the report notes that the formula requires a delegated budget of £71.46million whereas the proposed delegated budget is £70.48million. How will this gap be bridged?*

There are political choices which need to be taken about what the authority can afford for schools. The gap could be bridged in a number of ways for example by reducing the amount provided for capitation. There are alternative options which Cabinet would need to consider.

*The level of administrative support and ALN support appears to be much lower than what will practically be needed.*

Detailed discussion has been undertaken with primary and secondary schools to provide support within the funding available.

The Chair of the FRG added that with regard to SENCO and administrative support a realistic view had been taken given the lack of financial resources in the authority. It was generally agreed that this was an appropriate level of funding for these two areas.

*There is no funding for the maintenance of new schools or sufficient for times when a school may need to be deep cleaned for example.*

The Portfolio Holder for Finance advised that all schools receive a sum calculated on an area basis for premises costs to cover such items. Schools receive additional funding for premises costs based on the condition of their buildings.

*Why are teaching assistants funded to Grade 4 mid range only?*

The Chair of the FRG confirmed that the FRG had recommended that this was funded to Grade 5.

Cllr P Roberts re-joined the meeting 11.50am

*Average teacher costs are a concern for small primary schools who do not have a sufficient staff turnover for this to be workable.*

It was confirmed that primary schools teaching staff would be funded at school level and the average teacher cost calculation would only apply to secondary schools.

*Powys currently has one of the lowest delegation to schools. Will this increase?*

Raw delegation to schools would benefit large schools to the detriment of small schools and the funding formula is designed to fund all schools.

*Why is support for Business Managers only provided in the secondary sector as large primaries would benefit from this?*

There is nothing to prevent a cluster of primary schools working together to employ a Business Manager. A pilot has been trialled in the Llandrindod cluster primed by national funding. It is hoped that further funding will be made available. Employing Business Managers on a cluster basis helps improve resilience as schools have access to high quality support.

*Why is Option 1 (retain existing arrangements) included as an option when it is clear this is not a practical choice?*

The Director for Education confirmed that Option 1 was not practical as it did not address the issues that the current formula was not compliant, that it needs to be replaced and then it needs to be maintained.

The Portfolio Holder for Finance advised that when producing options papers it was the norm for the status quo to be included as an option or the paper would be criticised.

The Chair of the FRG noted that the FRG were of the opinion that neither Option 1 or Option 3 should be included within the paper.

The Director of Education noted that it may be the case that reconciliations will need to be made depending on the outcome of the budget process. There are also items which will be added to the process as grant funding is announced and the outcome of the discussion regarding teacher superannuation is concluded.

*It was understood that this process was calculating the true cost of education in Powys and if this cost more than was currently available then the Local Authority should be increasing the funding?*

The Director of Education confirmed that the Cabinet would make a decision on what the Core Offer was on education in Powys and this would be transparent.

The work has been undertaken jointly between Powys officers, governors and Head teachers. The FRG and Scrutiny will come forward with observations on the formula when Cabinet are making the final decision and reconciliation will be undertaken.

The Chair of the FRG confirmed it had been a collaborative process. The minimum core provision comes with a price tag. If there is not enough money then Cabinet will have to decide to fund at less than the minimum provision. This could be reduced capitation, increased class sizes etc.

*How will dual stream schools be funded?*

Block 4 details that dual stream schools will be funded as a single stream for all elements of the funding formula except for Teacher and Teaching assistance funding where they will be run as two streams.

*At present Welsh Medium Schools are paid an additional £30/pupil for Welsh Language resources. Where is this additional support in the new formula?*

The Finance Business Partner advised that capitation had been reviewed and updated. Welsh Medium schools were spending less than English schools and therefore there is now an average figure for all schools.

The Chair of the FRG confirmed he understood the findings but was not convinced that these were correct.

*The proxy indicators for the ALN allowance only start with outcomes at Key Stage 2. The formula should reflect the transformation taking place in ALN.*

The Head of Service confirmed that social indicators were included as proxy indicators but that the problem with using foundation phase outcomes was that these were based on teacher assessments which were not moderated.

The Director confirmed that the data needed to be easy to use, resilient and capable of withstanding any attempt to manipulate it intended or otherwise.

The Funding Formula consultant confirmed that the ALN allowance section was purposefully designed to be as straightforward as possible whilst the ALN Transformation programme was progressing.

*Why are free school meals not included in the primary formula? Powys has a number of children who need free school meals but are not receiving them which disadvantages Powys.*

The Chair of the FRG confirmed that there are pupils in Powys who are eligible for free school meals who do not take them but that this is the same across Wales and is not just a Powys problem.

The Director concurred and explained that the authority had introduced cashless systems in schools to overcome the stigma of claiming. There is however turbulence in the benefit system generally in England and Wales. There is currently a review of school funding which is being undertaken by Welsh Government who are taking evidence until Easter 2019. The findings of this review will be shared with scrutiny and the FRG.

*Why are teaching assistants funded to such a low level?*

The Head of Service confirmed that this is core funding only. The core funding will be supplemented from other grant funding streams such as the Education Improvement Grant and the Foundation Phase Support Grant. This will be made clear within the final formula.

*How was the membership of the FRG agreed?*

The Head of Service advised that all schools were emailed asking for expressions of interest. Schools have also received regular updates and views have been sought during the review.

*How does the Funding Formula allow schools in deficit to repay their deficit?*

The Chair of the FRG confirmed that there was no provision within the funding formula for paying back deficits.

The Director advised that there was no provision in law to write off deficits unless a school is subject to reorganisation. It is most important to ensure that school income and expenditure match. Where a school has gone into deficit this deficit will have to be parked and from this point the school do not spend more than they are funded for.

A Member raised an issue regarding a school in Brecon which was not related to the Funding Formula Review. This matter was dealt with outside of the committee meeting.

### **Outcomes**

- **That the detailed report on the Funding Formula Review be made available for pre-Cabinet scrutiny on 4<sup>th</sup> January 2019**
- **That the Portfolio Holder for Education be requested to attend this meeting**
- **That Scrutiny provide observations on the Funding Formula Review to Cabinet after the meeting on 4<sup>th</sup> January 2019**

<b>8. WORK PROGRAMME</b>
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The next meeting of the Learning, Skills and Economy Scrutiny Committee will take place on 4<sup>th</sup> January 2019 to consider final proposals on the Funding Formula Review.

The next meeting is scheduled for 18<sup>th</sup> January 2019.

Further scrutiny dates will be confirmed after the meeting of Full Council on 24<sup>th</sup> January 2019.

**County Councillor D Selby**