

# **Children and Families Scrutiny Committee**

## **Agenda**

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**Date:** Tuesday, 19th June, 2012  
**Time:** 1.30 pm  
**Venue:** Committee Suite 1,2 & 3, Westfields, Middlewich Road,  
Sandbach CW11 1HZ

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The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

### **PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT**

1. **Apologies for Absence**

2. **Minutes of Previous Meeting** (Pages 1 - 6)

To approve the minutes of the meeting held on 23 April 2012.

3. **Declaration of Interest**

To provide an opportunity for Members and Officers to declare any personal and/or prejudicial interests in relation to any item on the agenda.

4. **Declaration of Party Whip**

To provide an opportunity for Members to declare the existence of a party whip in relation to any item on the agenda.

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For any apologies or requests for further information, or to give notice of a question to be asked by a member of the public

**Contact:** Mark Grimshaw  
**Tel:** 01270 685680  
**E-Mail:** mark.grimshaw@cheshireeast.gov.uk

5. **Public Speaking Time/Open Session**

A total period of 15 minutes is allocated for members of the public to make a statement(s) on any matter that falls within the remit of the Committee.

Individual members of the public may speak for up to 5 minutes, but the Chairman will decide how the period of time allocated for public speaking will be apportioned, where there are a number of speakers.

Note: In order for officers to undertake any background research, it would be helpful if members of the public notified the Scrutiny officer listed at the foot of the agenda, at least one working day before the meeting with brief details of the matter to be covered.

6. **Information Advice and Guidance ( IAG ) : Update** (Pages 7 - 10)

To consider a report of the Strategic Director of Children, Families and Adults.

7. **Early Years Provision - Care and Education**

To consider a report of the Strategic Director of Children, Families and Adults (to follow).

8. **School Finance Update** (Pages 11 - 40)

To consider a report of the Strategic Director of Children, Families and Adults.

9. **Foster Carer Capital Support Policy** (Pages 41 - 52)

To consider a report of the Strategic Director of Children, Families and Adults.

10. **Work Programme update** (Pages 53 - 60)

To consider the work programme.

**CHESHIRE EAST COUNCIL**

Minutes of a meeting of the **Children and Families Scrutiny Committee**  
held on Monday, 23rd April, 2012 at Ash Grove Primary School, Macclesfield

**PRESENT**

Councillor A Kolker (Chairman)  
Councillor K Edwards (Vice-Chairman)

Councillors L Brown, D Neilson, W Livesley, M Sherratt, B Silvester and  
J Saunders and John McCann

**Apologies**

Councillors H Gaddum, D Mahon, G Merry, P Hoyland and G Wait and Jill  
Kelly

**In attendance**

Councillor R Bailey

**Officers**

Tony Crane – Deputy Director of Children's Services  
Mark Bayley – Quality Assurance Manager  
Pam Davies – Acting Principal Manager for SEN & Inclusion  
Mark Grimshaw – Scrutiny Officer

**157 MINUTES OF PREVIOUS MEETING**

RESOLVED – That the minutes of the meeting held on 13 March 2012 be  
approved as a correct record.

**158 DECLARATION OF INTEREST/PARTY WHIP**

None noted.

**159 PUBLIC SPEAKING TIME/OPEN SESSION**

There were no members of the public who wished to address the Committee.

**160 SCHOOL IMPROVEMENT: ADDRESSING THE CHANGING  
NATIONAL LANDSCAPE**

Mark Bayley, Quality Assurance Manager, attended to provide a presentation on  
school improvement, addressing issues around the changing national landscape.

Mark firstly touched upon the changing status of schools, noting that there was  
not only a shift in terms of maintained schools towards Academies but that there  
were also other alternative models such as Free Schools, University Technical

Colleges (UTC) and Studio Schools available. Explaining the principle of the UTC further, Mark described how these would be a 14-19 school that worked closely with industry and/or business. He reported that Reaseheath College had recently attempted to bid for this status but had been unsuccessful.

A number of comments were made about UTCs. Firstly, it was suggested that they could potentially create an issue as there were only a small number of middle schools in Cheshire East. Therefore, in any admission arrangement the UTC would be accepting pupils who already had a secondary school place – potentially causing disruption in year and class sizes. It was also queried whether the Council would have a responsibility to transport young people to the UTC and whether any extra funding would be made available for this. Tony Crane, Deputy Director of Children's Services, explained that the detail on UTCs had yet to fully emerge but that he would explore the issues raised and get back to the Committee with a response.

Mark Bayley continued to explain the ramifications on the accountability of school performance following the changing status of schools. He explained that as schools became increasingly autonomous from the Council they would be expected to take more responsibility for their own school performance. Aligned to this, the role of the Department for Education (DfE) in school performance had also changed. Mark reported that the DfE had recently established a 'School Underperformance and Brokerage Division' in which a number of national advisors had been appointed to work with local authorities and schools around Academy conversions, warning notices and Interim Executive Boards. The DfE had also revised national floor standards and had identified approximately 500 schools which had performed at or below the new thresholds over the last three years. Mark noted that there was one Cheshire East school on this list but that the Council were confident that the school had made the necessary improvements to come off the list.

It was queried that if an Academy returns a poor performance who or what body would be accountable for improving this. Mark confirmed that there was not currently a division in the DfE who would address this issue. A comment was also made that this issue was further complicated by the fact the Council had a statutory responsibility to intervene for those children and young people with a special educational need, even if they were in an Academy school. Tony Crane acknowledged that this was an issue and suggested that the Committee work with the department to draft some ideas about what the Council response would be to a failing Academy.

Moving on to discuss what further options were available to aid school performance, Mark Bayley drew attention to the emergence of teaching schools. These had initially been appointed nationally and Cheshire East had two – Fallibroome and Holmes Chapel Academies. Phase 2 of the process had seen a Crewe partnership of schools emerge as a teaching school. Mark reported that a strategic partnership between the Council and teaching schools had been formed in order to utilise a range of resources to bring about further school improvement through effective school to school support. The Council also had the option to use National Leaders in Education – nationally identified exceptional school leaders who offered direct support to underperforming schools.

As a final point, Mark noted that there was a new Ofsted Inspection framework. Further changes to the framework were currently being consulted on and it was

suggested that the Committee Members could contribute to this by email prior to the 3 May 2012 deadline.

RESOLVED –

- a) That the presentation be received
- b) That the Deputy Director of Children's Services be requested to explore the issues raised around admission and transport arrangements with regard to University Technical Colleges and report the findings to the Committee.
- c) That the Ofsted Inspection Framework consultation document be emailed to Committee Members so that any possible responses can be collated prior to 3 May 2012.

161      **SPECIAL EDUCATIONAL NEEDS AND DISABILITY POLICY**

Members were invited to provide their final comments on the Special Educational Needs and Disability (SEND) policy, building on the initial comments provided on 13 December 2012.

It was commented that the focus of the photographs in the document should be on the children and young people. With this in mind, it was suggested that the photograph on page 2 be changed.

It was suggested that as the SEND policy referred to children and young people between the ages of 0-25, the demographic data provided on page 11 of the policy should reflect this by not only referring to children aged 0-15.

A general point was made with regard to a perceived gap in support for those young people aged 19-25 who, it was argued, could be seen as too old for children's services and too young for adults services. Pam Davies, Acting Principal Manager for SEN & Inclusion, reassured the Committee that the Council was aware of potential transition issues and had established a transition board as a result. Having heard this, it was still asserted that there seemed to be a disconnect between policy intent and practical application. Pam Davies suggested that she explore the issues around transition policies further and as a result, circulate a response to the Committee.

RESOLVED

- a) That the SEND Policy be noted and endorsed with the following suggested comments:
  - a. That the pictures in the document be child focused and that the picture on page 2 be changed.
  - b. That demographic data for children and young people aged 0-25 be included in the 'context' part of the report – not only data for children aged 0-15.
- b) That the Acting Principal Manager for SEN & Inclusion be requested to investigate issues around the effective practical application of children services to adult services transition policy and report the findings to the Committee.

162 **CHESHIRE YOUTH OFFENDING SERVICE**

Tony Crane, Deputy Director of Children's Services, attended to present a report with regard to the Cheshire Youth Offending Service. He explained that the Council currently managed a shared service with Cheshire West and Chester (CWAC) for the delivery of youth justice services. The report identified recent discussions in regard to developing services across a wider Cheshire footprint.

It was noted that in January 2011 the Youth Justice Board was commissioned to appraise the potential of widening the footprint into a pan Cheshire Youth offending service, including Halton and Warrington. It was felt at the time that there was no compelling argument, either politically or financially, to amalgamate services and therefore no action was taken. Having said this, Tony explained that the situation had moved on in that CWAC was considering different partnership options. Consequently, it was necessary for the Council to be cognisant of the situation and be aware of the various options, including a Pan Cheshire model.

It was commented that it would have been useful to receive further information on performance data, outcomes and the budget in order to aid the Committee's understanding of the service.

It was stated that the Council should ensure it makes looking after its own Youth Offending Service and young offenders a priority.

RESOLVED –

- a) That the report be noted
- b) That a further report be requested for a future meeting and that this include:
  - a. Operational detail on the Youth Offending Service including performance data, outcomes and financial information
  - b. The possible implications of the Council having to organise its own Youth Offending Service.

163 **YOUTH POLICY STRATEGY GROUP**

The Chairman explained that Councillor Thwaite and Councillor Baxendale were unable to attend the meeting and therefore it was suggested that the item be deferred.

RESOLVED – That the item be deferred to a future meeting.

164 **WORK PROGRAMME UPDATE**

Members considered the work programme. It was suggested that the next scheduled meeting (8 May 2012) could be used a 'workshop' session for putting together the 2012/13 yearly work programme. With this agreed, it was suggested that the following items could be considered in addition to those already listed in the work programme:

- The Council's response to failing Academies

- Transition between children's and adult's services
- Operational detail on the Youth Offending Service

It was also suggested that a Task and Finish Review on very early years education be added to the work programme. This was rooted from the concern that children were arriving at school with below expected standards of behaviour and cognition, leading to a need for them to 'catch up'.

Reference was made to a Cabinet report on Home to School Transport by John McCann from the Diocese of Shrewsbury. He stated the following concerns regarding this paper:

- That the Cabinet Paper was dismissive towards the 'minority report' of the Home to School Transport Task and Finish Review and did not give it due regard.
- That the Cabinet Paper was dismissive of the sibling issue when this was a concern for a number of families
- That the decision requested would remove denominational transport support for the 2012/13 academic year even though parents had made their school choice for that year based on the proviso that the subsidy would be in place.

### RESOLVED –

- a) That the following items be added to the work programme to be considered at the workshop session on 8 May 2012
  - a. The Council's response to failing Academies
  - b. Transition between children's and adult's services
  - c. Operational detail on the Youth Offending Service
- b) That a task and finish review on very early years education be added to the work programme to be undertaken when resources became available.

The meeting commenced at 1.35 pm and concluded at 3.40 pm

Councillor A Kolker (Chairman)

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## **CHESHIRE EAST COUNCIL**

### **REPORT TO: CABINET**

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**Date of Meeting: 19th June 2012**

**Report of: Peter Cavanagh – 14-25 Manager**

**Subject/Title: Information Advice and Guidance ( IAG ) : Update**

**Portfolio Holder: Cllr H. Gaddum**

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#### **1.0 Report Summary**

- 1.1 The Government has passed legislation to amend the responsibility for providing careers guidance to young people, which has previously had been provided by Local Authorities via Connexions services. These legislative changes mean that as from September 2012, schools will be responsible for securing access to independent and impartial careers guidance for pupils in Years 9 -11. The Government has also established a National Careers Service for England which will provide information and advice to young people through the use of a helpline and website. Schools will be free to make arrangements for careers guidance for young people that fit the needs and circumstances of their pupils, and will be able to engage, as appropriate, in partnership with external, expert providers.
- 1.2 There will be no expectation that Local Authorities should provide universal careers services once the new careers service is established and the duty on schools has been commenced. Local Authorities still retain their statutory duty to encourage, enable or assist young people's participation in education or training, particularly with respect to the Government's commitment to raise the participation age to 18 by 2015.
- 1.3 Section 68 of the Education and Skills Act 2008 places a duty on Local Authorities to make available to young people below the age of 19 and relevant young adults (i.e. those aged 20 and over but under 25 with learning difficulties) support that will encourage, enable or assist them to participate in education and training.
- 1.4 Local Authorities must support vulnerable young people to engage in education and training, intervening early with those who are at risk of disengagement. It is for Local Authorities to determine what services are necessary to fulfil their statutory responsibility.

- 1.5 Local Authorities must ensure that there is a good mechanism for tracking young people's participation in order to identify those who need support. The local Client Caseload Information System (CCIS) provides Local Authorities with the means of recording young people's post-16 plans and the offers they receive along with their current circumstances and activities. The Local Authority must report monthly to DfE on participation. Information on the number and proportion of young people in each area who are 'not in education, employment or training' (NEET), or whose current activity is not known, will be taken from the data reported to DfE and made available to the public via the Cabinet Office transparency website.
- 1.6 Local Authorities are also required to maintain close links with Jobcentre Plus to ensure that young people who are NEET receive a complementary package of support to find employment or to re-engage in education or training.
- 1.7 Members will be aware that former Connexions staff have been transferred into the Local Authority to provide targeted support to those school pupils identified as at risk of disengagement and to track and monitor participation.
- 1.8 Members need to be aware that the change of status of Connexions staff to now work as part of Local Authority services will require a period of transition before there is real clarity of service delivery. Some Advisors have now left and are no longer available and schools current arrangements where they have purchased additional time from Advisors needs to be reviewed. Management structures within Family Services will be developed to ensure such issues are addressed in the coming months.

## **2.0 Decision Requested**

- 2.1 To note the contents of this report and the national framework within which young people are to be supported in terms of Information, Advice and Guidance.

## **3.0 Reasons for Recommendations**

- 3.1 The reasons for presenting this information are to bring to the attention of members the changing requirements for the delivery of IAG.

## **4.0 Wards Affected**

- 4.1 All

## **5.0 Local Ward Members**

- 5.1 Not applicable

## **6.0 Policy Implications including - Carbon reduction - Health**

- 6.1 The national changes to the delivery of IAG means that Local Authority policies and procedures need to change to incorporate the increasing responsibilities on schools to deliver support to young people.
- 6.2 The recent move to incorporate Connexions staff within Local Authority structures will result in revised policy and procedures through Family Services to ensure that vulnerable young people receive IAG support which helps to reduce the potential NEET population.

## **7.0 Financial Implications (Director of Finance and Business Services)**

- 7.1 Currently, there are still some aspects of grant funding into the Local Authority which is specifically identified to support strategies linked to NEET. There is no information which outlines if such funding streams will continue in the future. In addition, the establishment of a new CCIS recording system has cost the Local Authority additional funding – this investment will need to continue to ensure all records all maintained to the highest standard.

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 None

## **9.0 Risk Management**

- 9.1 The key risk relates to how schools will interpret their revised expectations to bring independent and impartial information, advice and guidance. Firstly, schools will be able to appoint their own staff to deliver IAG to young people with the risk being how independent and impartial such advice will be. In addition, there is a level of risk relating to how schools identify their most vulnerable young people.

## **10.0 Background and Options**

- 10.1 The recent changes to the Connexions services and the now internal employment of a range of staff who have specific responsibilities to provide IAG means that there will need to be real clarity as to the deployment of these 'Advisors' to schools. The key issue relates to the interpretation of universal compared to targeted support. Schools will receive an agreed amount of Advisor time for targeted support but have the capacity to purchase additional support as required. Such requirements will need to be clarified as from September as currently there are transitional arrangements between previous Connexions contracts and those currently being provided through the Local Authority.

## **11.0 Access to Information**

The background papers relating to this report can be inspected by contacting the report writer:

Name: Peter Cavanagh

Designation: 14-25 Manager

Tel No: 01270 685992

Email: [peter.cavanagh@cheshireeast.gov.uk](mailto:peter.cavanagh@cheshireeast.gov.uk)

## CHESHIRE EAST COUNCIL

### REPORT TO: Children and Families Scrutiny Committee

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<b>Date of Meeting:</b>	19 June 2012
<b>Report of:</b>	Lorraine Butcher Strategic Director of Children, Families and Adults
<b>Subject/Title:</b>	School Finance Update
<b>Portfolio Holder:</b>	Cllr Hilda Gaddum

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#### 1.0 Report Summary

- 1.1 This report summarises the government's most recent funding reforms for Schools, proposed for implementation from April 2013.
- 1.2 The report also summarises Schools Balances at the end of 2011/12, providing a useful context in respect of the current financial position of Cheshire East schools.

#### 2.0 Decision Requested

- 2.1 To endorse the approach outlined in this paper in respect of changes to schools funding and the impact on Cheshire East schools.
- 2.2 To be aware of the approach being undertaken to review Schools Balances at the end of 2011/12.

#### 3.0 Reasons for Recommendations

- 3.1 The implications of the proposals for reforming schools funding will have a significant impact on all schools. Options available to the Local Authority for implementing these changes will need to be consulted upon with all schools. Endorsement of the approach identified in advance of Schools Forum on 26<sup>th</sup> June is requested.
- 3.2 Schools have been and will continue to be advised that there is no additional funding available to support Schools from the Local Authority. Colleagues in Children's and Families are asked to be aware of the significant balances held by schools, and to consider this when being approached by schools for financial assistance.

#### 4.0 Wards Affected

- 4.1 All

**5.0 Local Ward Members**

5.1

**6.0 Policy Implications including - Carbon reduction  
- Health**

6.1

**7.0 Financial Implications (Director of Finance and Business Services)**

7.1 A summary of the more immediate financial implications of the outlined funding reforms have been appended to this report in Appendix A.

**8.0 Legal Implications (Authorised by the Borough Solicitor)**

8.1 None at this stage

**9.0 Risk Management**

9.1 In order to model the implications of the proposed funding reforms, four key workflows have been identified, and four task groups have been convened. A summary of the objectives of each group are outlined below:-

**9.2 Work-stream 1: Schools Block**

This group will review the delivery of funding through the Age Weighted Pupil Unit, and the ratio of funding between each sector. The current weighting of AWPU between Primary and Secondary sector is based largely on historical formula factors, as devised in 2000/01. This workgroup are looking to lead a review on how AWPU is comprised to ensure that values attributed to each sector remain relevant and appropriate. Tied into this work is the total % of funding which is allocated through AWPU. The DfE are suggesting that an allowable range is defined moving forward. This might be higher than the 63% which Cheshire East currently allocate via AWPU.

Linked into the review of delivery of funding via AWPU is the allocation of lump sums. The DfE state that the preference would be that there is only one lump sum, which is attributable to all schools at the same rate. Lump sums currently used by Cheshire East are £60k for a primary school, and up to £360k for a secondary. The DfE are suggesting allowable lump sums of between £100k-£150k. There would be significant implications for all Cheshire East schools if this was implemented. Review is being undertaken to push as much of the lump sum funding as possible through AWPU, so that any lump sum identified which is attributable to all schools is affordable within the funding available to the Local Authority.

A review of the funding currently held back from Dedicated Schools Grant to fund centrally operations will also be undertaken by this group. On first review, it is clear that not all budgets that are funded centrally currently will be

permitted under the new funding reforms. There appear to be DSG budgets of £2.3m, which currently fund activity within Children's and Families which may not be permitted to be funded from central DSG moving forward.

The use of the refined list of formula factors will also be reviewed by this group, comparing factors currently used, with those factors which will be permitted from 2013/14.

### 9.3 Workstream 2: Deprivation Funding

The Funding consultation will allow a deprivation factor to be used in the funding formula based on the following indicators; Free School Meal data (FSM), IDACI or both. Current funding delivered through the formula for deprivation is £6.5m, with a further £4.1m delivered via the Pupil Premium. This workgroup will review the delivery of current deprivation funding, and the indicators used, and the impact of changes to the funding distribution across schools using the DfEs specified indicators.

### 9.4 Workstream 3: Funding for Pupils with High Needs

Currently, funding of £31m is delivered through from DSG for Special Educational Needs, with a further £6m of funding being allocated to Special Schools. Changes to funding, and the framework for delivering High Needs funding will have significant implications. The new arrangements for funding High Needs and the current funding is detailed in Appendix C.

This workstream is likely to be the most resource intensive, and will require considerable support from specialists in this area within Cheshire East.

### 9.5 Early Years

Changes to the Early Years funding formula will be minimal. However, given the issues with setting and monitoring this budget for 2011/12, a workgroup is now operating to continuously monitor and review this area.

### 9.6 Key tasks and associated timeframes

9.7 The table below outlines the key tasks and timeframes to be undertaken to ensure that changes to funding are modelled, and their implications are assessed, in preparation for full consultation with all schools.

Task	Date
With subgroups, review options for formula review, and assess their impact	<b>May-12</b>
Present options to Formula Working Group	<b>Jun-12</b>
Refine options for presentation to Schools Forum to provide a steer on those to consult with all Schools on	<b>Late June 12</b>
Consult with all Schools on proposals via e-consultation and school briefings at the start of the Autumn term.	<b>Beginning September - mid October 2012</b>

Formula Working Group to consider final options to go to Schools Forum	<b>Oct-12</b>
Share final options for Formula Change with Schools Forum for approval	<b>Oct-12</b>

## 10.0 Background and Options

- 10.1 The third stage of the Department for Education's (DfE) consultation on Schools Funding Reform was launched on 26<sup>th</sup> March 2012, with a closing date of 21<sup>st</sup> May 2012 (appendix D). The consultation poses 15 further questions.
- 10.2 The proposed reforms for 2013/14 are intended to place Local Authorities well for introducing a national funding formula for the next spending review period (2015/16). The Government's aim is to simplify arrangements around Local Authorities funding formulas to create a more consistent and transparent funding system. It is intended the new system should:-
- Maintain some local discretion,
  - Ensures as much funding as possible reaches schools,
  - Maintains and improves arrangements for equivalent
  - Consistent funding between Schools and Academies.
- 10.3 Following this consultation, next steps will be published in the summer, which finalises arrangements for 2013/14
- 10.4 The main Changes proposed within the Consultation are detailed below:-
- 10.5 A new formula is to be prepared on the basis that as many services and as much funding as possible will be delegated to schools. The vast majority of funding in the future is expected to be pupil led, with as much funding as possible being distributed via AWPU. There will be exceptional budgets for which funds may continue to be held centrally. These are listed below:-
- Where maintained schools agree that a service should be provided centrally.
  - Where there are any historic commitments agreed to be funded centrally
  - Budgets which relate to the statutory functions of the Local Authority.
- 10.6 Local Authorities will only be permitted to apply a single lump sum for each school in the area moving forward. This is a significant change to current arrangements, but intends to create a transparent system, which shows clearly where money is spent.
- 10.7 The current regulations state that Local Authorities must include a deprivation factor in their formula. This requirement will continue but in future LAs will only be able to use, Free Schools Meals (FSM), Income Deprivation Affecting Children Index (IDACI) data or both.
- 10.8 The number of factors within local formulas should be reduced to 10. Cheshire East currently use 19/28 of the available formula factors. The list of



allowed factors outlined in the consultation is appended (Appendix B) to this report.

- 10.9 The Dedicated Schools Grant (DSG) is still to be allocated based on pupil numbers. Funding will now be allocated based on three notional blocks: Schools block, Early Years Block and High Needs Block. The size of each block will be based on previous LA decisions on spend. The Blocks will not be ring-fenced, but DSG as a whole will be ring-fenced.
- 10.10 The notional schools block will be based on October 2012 pupil counts. DSG allocations will therefore be announced in December 2012.
- 10.11 From 2013/14 – there will be a whole new basis for funding Academies and LAs. There will be greater transparency over local formulae to enable the Education Funding Agency (EFA) to fund Academies more efficiently. Academies will be required to supply the LA with the relevant data to determine allocations.
- 10.12 The option to transfer relevant funding for relevant central education services from formula grant into the DfE budget is to be explored. Under this, the DfE would administer funding as a separate grant to authorities and academies on a national basis, proportionate to the number of pupils for which they are responsible. For 2013/14 – by delegating maximum amounts directly to schools, there will not need to be a separate allocation for Academies to cover centrally funded activity. From 2013/14, academies will receive this as part of their budget share, which means Local Authority Central Spend Equivalent Grant (LACSEG), will disappear. A proforma will be issued for LAs to publish how they use their local formula for 2013/14. This would be sent to the EFA at the end of October, and used to calculate Academies budgets.
- 10.13 To reduce the impact of some of the proposed changes, protection arrangements will be put in place. The Minimum Funding Guarantee (MFG) will continue at -1.5% for 2013/14 and 2014/15. Arrangements may loosen thereafter. MFG protects per pupil funding of schools from one year to the next against significant changes in local funding formula. However, this has become excessively complicated. For 2011/12 and 2012/13, MFG has been set tightly – this is controversial for LAs who desire to remove historic anomalies. To make formula changes affordable, gains at a per pupil level will be capped or scaled back. A nationally prescribed maximum gain won't be made, but will be subject to local discretion, after taking account of the affordability of protection.
- 10.14 The consultation recommends that a more effective, sustainable system to be put in place for funding pupils and students who require high levels of specialist and costly educational support. This approach follows the outlined principles:-
- Funding is genuinely responsive to individual pupils and students needs.
  - All providers are funded on an equivalent basis.

- Education funding for pre and post 16 is brought together

The new approach will be based more on actual pupil numbers combined with a base level of funding to offer specialist providers some stability. A place plus methodology will be adopted:-

Core education funding (AWPU) + Additional Support Funding + Top up funding

In this scenario, mainstream providers would contribute the first £6k of additional educational support required by each pupil or student with high needs. Information about the provision for high needs pupils and students available in mainstream settings would be agreed locally and would be set out in the form of a local offer of education provision for high needs pupils and students.

10.15 The consultation identifies that arrangements for the funding of Early Years provision should be simplified. The DfE will encourage and support a trend towards simplifying Early Years Single Funding Formula by producing short, non statutory guidance. This will focus on the message that LAs should allocate and target resources through EYSFF in a way that maximises the impact of free early education.

10.16 There will be changes made to the composition of Schools Forums. Nationally, it is felt that there is the need to secure greater confidence in Schools Forum. Changes are to be made to Schools Forums to make them more focused and transparent, and for those most affected – to have a greater say. Schools Forums will continue to have decision making powers.

10.17 The consultation also proposes significant changes to how Alternative Provision (Pupil Referral Units). It is proposed that £8,000 per- planned place as an appropriate level of base funding for such settings within a place-plus funding approach.

In Cheshire East, the Pupil Referral Unit has been funded for 2012/13 based on the Local Authorities Special Schools Funding formula. Via this formula, individual pupils have been funded at approximately £15k per pupil. There needs to be further review to determine whether £8k represents an appropriate level of base funding.

10.18 A copy of the Local Authorities response to the consultation is attached at Appendix D.

#### **10.19 Schools Carry Forward Balances**

10.20 Schools Balances at the end of 2011/12 are £14.962m. As a proportion of total schools delegated budgets of £195.983m – this represents 7.6% (excluding Academies). For 2010/11, total carry-forwards for maintained schools were £9.974m (5.62% of total budgets). Carry-forwards have

therefore increased by 2.01% as a percentage of total schools budgets by the end of 2011/12 (see table below).

	2011/12	2010/11	2009/10	2008/09
	%	%	%	%
<b>Sector</b>				
Primary	8.50%	7.50%	6.43%	6.38%
Secondary	5.73%	2.97%	2.31%	1.97%
Special	14.81%	10.79%	13.16%	11.13%
<b>Total Maintained Schools</b>	<b>7.63%</b>	<b>5.62%</b>	<b>4.63%</b>	<b>4.37%</b>

- 10.21 The value of total delegated budgets for 2011/12, and therefore the monetary value of schools carry-forwards are significantly higher than previous years due to £30m of grants being mainstreamed into schools budgets as part of the 2011/12 settlement
- 10.21 Initial analysis has been carried out to review reasons for the increase in schools carry-forwards. Findings are summarised below:-
- 10.22 Schools are not utilising budgets set resulting in larger than anticipated under spends. This is the case across most budget headings and in some cases amounts are significant, particularly where the expenditure relates to Building Improvement & Tenant Maintenance. This seems to be a trend across a number of schools probably because of the relaxation of the BCM and certainly because of the steep drops in DFC funding.
- 10.23 Schools have been slow to determine how they will spend Pupil Premium funding and in many cases the funding has not been utilised in 2011-12, but schools will spend it in 2012-13.
- 10.24 Schools have received income which they had not budgeted for. It needs to be ascertained whether schools have accrued for any associated costs appropriately. In secondaries, additional income received from external sources is substantial.

## 10.25 Next Steps

- 10.26 Although the Local Authority has moved towards a regulatory role rather than an enforcer role in term of clawback arrangements, Schools Finance will be liaising with schools to understand why carry-forward balances have increased significantly in percentage terms. Schools will be reminded of their duty to ensure that the Dedicated Schools Grant is used to meet the education costs of children currently within the education system, and that the Local Authority has the option to review current arrangements around balances if deemed necessary.

**11.0 Access to Information**

11.1 The following people are available to contact in the event of further queries, and additional information

Name:	Debbie Torjussen/Fintan Bradley
Designation:	Principal Accountant Finance/ Head of Service Strategy Planning and Performance

**Initial Financial Implications of schools funding consultation on Cheshire East**

<b>Government proposal</b>	<b>Budget under review</b>	<b>Impact on CEC</b>
<b>The Dfe are requiring that as much funding as possible that is currently retained by the Local Authority from the Dedicated Schools Grant is delegated directly to schools. Budgets will only be permitted to be retained if they meet specific criteria as set out by the DfE.</b>	DSG retained by the Local Authority totals £17m for 2012/13. £13m of this is used to support appropriate activity within Children's and Families Needs Led Budget.	If funding is to be delegated to schools to give schools funding and freedom to buy in services as they deem most appropriate, there may need to be some service redesign within C&F, particularly if schools choose to not purchase services from the Local Authority.  There is the possibility that some expenditure currently funded by DSG may be identified as inappropriate use of this funding. Such activity would need to be reviewed, and an alternative funding source identified if necessary.
<b>The DfE are proposing that a new single lump sum is derived, which is payable to all schools, irrespective of individual features and circumstances.</b>	Lump sums delivered through the schools funding formula are currently £11m, and these are apportioned to individual schools, for a number of different purposes. Amounts paid as lump sums vary by school and sector.	Removal of specific lump sums for example for small schools may make some school models not viable. After protections reduce from 2015/16, the LA in connection with schools may need to consider more efficient organisational structures and operations i.e. federating, merging, or becoming part of an Academy chain. This could have political and financial consequences for the Local Authority.
<b>Changes to formula grant arrangements in respect of Academies</b>	£900k for 2011/12, £700k for 2012/13	As part of the Governments proposals to introduce a business rates retention scheme, the Government are looking to transfer funding for relevant central education services from Formula Grant and into the DfEs budget. The DfE would then administer funding as a separate grant to LAs and Academies on a national basis, proportionate to the number of pupils for which they are responsible.
<b>Withdrawal of protections in funding at a per pupil level from 2015/16.</b>	For 2012/13, 2013/14, school budgets will be protected so that they remain at least at 98.5% of the value at a per pupil level compared to the previous year.	Removal of protections at a per pupil level will mean that some schools will experience significant financial challenges, particularly small schools, schools with falling rolls, schools with social and demographic challenges. Again, this might lead to a complete review of school organisation in Cheshire East, and the Local Authority may be required to provide support in an advisory and potentially financial capacity.
<b>Use of only two deprivation indicators, Free School Meals and IDACI, (Income Deprivation Affecting Children Index)</b>	Approximately £7m (plus £4m as pupil premium) is currently delivered through the schools funding formula for deprivation, using a number of different indicators. Given the additional funding provided to schools for the Pupil Premium, and use of new indicators, there could be a shift going forward in relation to levels of deprivation funding at school level.	When protections are withdrawn or reduced in 2015/16, there may be a shift in funding across schools which are likely to have a significant impact from a political perspective.

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Allowable Formula F actors from 2013/14	Formula Factors currently used 2012/13 - Primary and Secondary only		
	Formula Factor	£	%
1. Basic per pupil element – Allows a single unit for primary aged pupils and either a single unit for secondary pupils or a single unit for each of KS 3 and KS 4.	1. Age Weighted Pupil Unit	101,475,807	63.08%
2. Deprivation measured by FSM and/or the Income Deprivation Affecting Children Index (IDACI)	2. Social & Economic Disadvantage (Family Stress) Allowance	2,359,117	1.47%
	3. School Meals Allowance (per FSM entitlement)	1,654,560	1.03%
	13. Pupil Mobility Allowance	14,120	0.01%
3. Looked After Children			
4. Low cost, high incidence SEN	4. Statemented Pupils in Mainstream (includes IPF)	9,569,063	5.95%
	5. Resourced Provision (Primary)	1,402,229	0.87%
	6. Inclusion Resource (Secondary)	851,123	0.53%
	7. General Special Needs Allowance	3,009,180	1.87%
	8. Management Allowance - SEN units	7,898	0.00%
5. English as an additional language (EAL) for 3 years only after the pupil enters the compulsory school system		0	0.00%
6. Lump sum of limited size	9. Lump sum - management allowance	2,835,792	1.76%
	9. Lump sum - Supply Teaching - Primary	446,032	0.28%
	9. Lump sum - Support Staff - Clerical and Technical	1,876,586	1.17%
	9. Lump sum - Support staff - Midday Supervision	249,124	0.15%
	9. Lump sum - Support staff - Caretaking	1,873,570	1.16%
	9. Lump sum - Grounds Maintenance	204,577	0.13%
	9. Lump sum - Maintenance of Premises	1,314,970	0.82%
	9. Lump sum - Energy	647,904	0.40%
	9. Lump sum - Cleaning	476,708	0.30%
	9. Lump sum - Supplies and Services	1,166,758	0.73%
7. Split sites	10. Split Site Allowance	24,798	0.02%
8. Rates	11. Rates	2,558,087	1.59%
9. Private Finance Initiative (PFI) contracts		0	0.00%
10. (not applicable - relates to London schools only)		0	0.00%
	12. Top up Allowance for Small Schools	744,513	0.46%
	14. Early Years Funding	1,937,407	1.20%
	15. Maintenance of Premises - Excess Area *	278,602	0.17%
	16. Energy - Excess Area *	140,356	0.09%
	17. Cleaning - Excess Area *	88,347	0.05%
	18. Rented / Hired Accommodation *	21,198	0.01%
	19. Insurances	860,414	0.53%
	20. Swimming Pool Allowances *	92,052	0.06%
	21. Safeguarding of Salaries and Redeployed Travel	26,344	0.02%
	22. Administration of Admissions Allowance	4,935	0.00%
	23. Mainstreamed Grants	22,723,455	14.13%
	24. Abatement of Secondary 11-15 funding	(469,319)	-0.29%
	25. Infant Class Allocation	100,797	0.06%
	26. Small Schools - curriculum protection Allowance (secondary)	296,440	0.18%
	Total	160,863,544	100.00%

\* The EFA have stated that they will have discretion to consider exceptional circumstances relating to premises such as listed buildings, buildings that are rented or boarding provision

Ratio of Primary to Secondary Funding	Secondary pupils attract more than primaries. Average ration is 1:1.27, but ranges between 1:1:1 to 1:1:5. National consistency is req
EAL	New factor - limited for three years
LUMP SUM	Now a single lump sum for each school. Same lump sum for primaries, secondaries. An upper and lower limit to be set. Seeking view of levels of upper and lower limits Amounts available for funding as lump sums will depend on whether a minimum threshold will be set for delivery of funding through basic entitlement. Therefore it doesn't seem appropriate to set a minimum threshold at this stage. There are concerns that having the same lump sum for all schools might make the funding of this element, unaffordable. However, it is understood that this approach will also force Local Authorities to consider how funding is applied most effectively to create the best value for money, and lead to consideration of the most efficient organisational structures

ired, but there wont be restrictions for 2013/14.



**Appendix C - Funding for all high needs provision under a place-plus approach**

	Pre-16 SEN and AP		Post-16 SEN and LDD
	Mainstream settings	Specialist settings	All settings
Element 1: Core education funding	Mainstream per-pupil funding (AWPU)	Base funding of £10,000 for SEN and £8,000 for AP placements, which is roughly equivalent to the level up to which a mainstream provider would have contributed to the additional support provision of a high needs pupil. Base funding is provided on the basis of planned places.	Mainstream per-student funding (as calculated by the national 16-19 funding system)
Element 2: Additional support funding	Contribution of £6,000 to additional support required by a pupil with high needs, from the notional SEN budget		Contribution of £6,000 to additional support required by a student with high needs
Element 3: Top-up funding	"Top-up" funding from the commissioner to meet the needs of each pupil or student placed in the institution		

- Element 3 is received in the form of a top up directly from the commissioner based on the assessed needs of the individual pupil/student placed in a particular institution.
- Commissioner is the body having statutory responsibility for arranging the educational provision for the pupil or student. Commissioner is usually the Local Authority in which that child lives.
- Top up funding will be given to providers on a per pupil or per student basis, and will move in or close to the real time movement of the pupil or student, and will flow directly between the commissioner and the provider. This means that funding would be discussed by the commissioner and provider alongside dialogue about the pupils or students needs.

**2012/13 SEN Funding**

	Primary	Secondary	SEN funding (not split by sector)	Total
IPF & statemented	6,422,321	3,146,742		9,569,063
Non statemented SEN	2,212,073	797,107		3,009,180
Academies SEN Funding	102,800	2,159,076		2,261,876
Primary Resourced Provision	1,402,229			1,402,229
Inclusion Resource Unit		851,123		851,123
Management Allowance Spec. Unit		7,898		7,898
Notional SEN in One Line Budget (in AWPU)	3,137,300	1,860,019		4,997,319
Secondary HI units		150,624		150,624
Secondary ASC Units		382,000		382,000
Interauthority Placements			7,667,000	7,667,000
SEN contingencies			800,000	800,000
<b>Total</b>	<b>13,276,723</b>	<b>9,354,589</b>	<b>8,467,000</b>	<b>31,098,312</b>



# **School funding reform:**

## **Next steps towards a fairer system**

### **Consultation Response Form**

The closing date for this consultation is:

**21 May 2012**

Your comments must reach us by that date.

**THIS FORM IS NOT INTERACTIVE. If you wish to respond electronically please use the online response facility available on the Department for Education e-consultation website (<http://www.education.gov.uk/consultations>).**

The information you provide in your response will be subject to the Freedom of Information Act 2000 and Environmental Information Regulations, which allow public access to information held by the Department. This does not necessarily mean that your response can be made available to the public as there are exemptions relating to information provided in confidence and information to which the Data Protection Act 1998 applies. You may request confidentiality by ticking the box provided, but you should note that neither this, nor an automatically-generated e-mail confidentiality statement, will necessarily exclude the public right of access.

**Please tick if you want us to keep your response confidential.** ☐

Name Fintan Bradley

Organisation (if applicable) Cheshire East Council

Address:

If you have an enquiry related to the policy content of the consultation you can contact either

Ian McVicar : Telephone: 020 7340 7980 e-mail: [ian.mcvicar@education.gsi.gov.uk](mailto:ian.mcvicar@education.gsi.gov.uk) or

Natalie Patel: Telephone: 020 7340 7475 e-mail: [Natalie.patel@education.gsi.gov.uk](mailto:Natalie.patel@education.gsi.gov.uk)

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the Consultation Unit by e-mail:

[consultation.unit@education.gsi.gov.uk](mailto:consultation.unit@education.gsi.gov.uk), by Fax: 01928 794 311, or by telephone: 0870 000 2288.

Please tick the box that best describes you as a respondent.

<input type="checkbox"/> Maintained School	<input type="checkbox"/> Academy	<input type="checkbox"/> Teacher
<input type="checkbox"/> Individual Local Authority	<input type="checkbox"/> Schools Forum	<input checked="" type="checkbox"/> Local Authority Group
<input type="checkbox"/> Teacher Association	<input type="checkbox"/> Other Trade Union / Professional Body	<input type="checkbox"/> Early Years Setting
<input type="checkbox"/> Governor Association	<input type="checkbox"/> Parent / Carer	<input type="checkbox"/> Other

If 'Other' Please Specify:

## Simplification of the local funding arrangements

### Basic per-pupil entitlement

*In paragraphs 1.3.10 and 1.3.11 we discuss the basic per-pupil entitlement. The difference between providing education for Key Stage 3 compared to Key Stage 4 is sometimes significant due to the additional costs of practical work and examinations incurred in the latter Key Stage.*

**Question 1: Should local authorities and Schools Forums be able to agree separate rates for Key Stage 3 and Key Stage 4?**

☐

Yes

☐

No

☐

Not Sure

Comments:

Local Authorities and Schools Forums should be able to exercise local discretion when setting per pupil rates, and following consideration of representations from all sectors. Cheshire East would also prefer that local discretion is permitted around setting a separate rate for KS1 and KS 2 to reflect characteristics specific to these key stages.

The LA would argue a shift towards primary in support of early intervention and prevention would be helpful.

*In para. 1.3.13 we consider setting a minimum threshold for the basic entitlement. There is an interaction between the amount of funding that goes through the basic entitlement and the amount remaining for other factors, such as deprivation and low-cost SEN. There are three options available:*

- a) To require a minimum percentage to go through **the basic entitlement only** (and we think that 60% represents a reasonable starting point);*
- b) To require a minimum percentage to go through **all of the pupil led factors** (so would include the basic entitlement, deprivation, looked after children, low cost SEN and EAL). We think that 80% represents a reasonable amount for this threshold.*
- c) To not set a threshold at all and accept that there will be inconsistency in some areas*

**Question 2 : Do you think we should implement option a, b or c?**

☐

(a)

☐

(b)

☐

(c)

☐

None

☐

Not Sure

Comments:

Cheshire East believe that a threshold should not be set. An allowable range might be set (as outlined in option b), but with the understanding that there will continue to be inconsistency in some areas, therefore enabling authorities to respond according to local circumstances. Any decisions should be made following discussion with the Schools Forum.

AWPU is currently 63.08% in CEC. Therefore if a range was set, the LA believe it should be between 65%-75%.

## Deprivation

*In paragraphs 1.3.15 to 1.3.23 we discuss deprivation funding and the issue of banding. Our preference is to allow banding only for IDACI under a new system, and to keep it as simple as possible, for example by only allowing a certain number of bands with a fixed unit rate applied to each and a minimum IDACI threshold. We do not propose to allow banding for FSM.*

**Question 3: Do you agree with our proposals on banding? How do you think they might be applied locally?**

<input type="checkbox"/> <b>Yes</b>	<input type="checkbox"/> No	<input type="checkbox"/> Not Sure
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Comments:

Cheshire East have raised concerns previously in respect of the use of FSM as a measure for deprivation, therefore the use of IDACI as an indicator is welcomed.

It would seem appropriate to use a banding system in respect of IDACI. There will be different spreads of deprivation across different Local Authorities, therefore there should be some flexibilities for LAs to reflect local circumstances when determining the appropriate banding structure. However, to create national consistency, the Department should set up a framework for LAs when establishing banding structures.

Local Authorities and Schools Forums will need to work closely to consider the levels of funding to be delivered based on FSM and IDACI, particularly in light of the funding delivered through the Pupil Premium.

## Lump Sums

*In paragraphs 1.3.38 to 1.3.42 we discuss the issue of lump sums. Many local formulae currently allocate a lump sum to schools. We want to set the upper limit on the lump sum at a level no higher than is needed in order to ensure that efficient, small schools are able to exist where they are genuinely needed. We think that the upper limit should probably fall somewhere between £100k and £150k, and is certainly no higher than £150k.*

**Question 4: Where within the £100k-150k range do you think the upper limit should be set?**

<input type="checkbox"/> £100k	<input type="checkbox"/> £110k	<input type="checkbox"/> £120k	<input type="checkbox"/> £125k	<input type="checkbox"/> £130k
<input type="checkbox"/> £140k	<input type="checkbox"/> £150k	<input type="checkbox"/> <b>None</b>	<input type="checkbox"/> Not Sure	



Comments:

Amounts available for funding as lump sums will depend on whether a minimum threshold will be set for delivery of funding through basic entitlement. Therefore it doesn't seem appropriate to set a minimum threshold at this stage.

There are concerns that having the same lump sum for all schools might make the funding of this element, unaffordable. However, it is understood that this approach will also force Local Authorities to consider how funding is applied most effectively to create the best value for money, and lead to consideration of the most efficient organisational structures.

There needs to be a clear basis on which any lump sum is calculated, and this should be understandable for all schools.

There are concerns that the idea of a single lump sum too simplistic. Will this not either fund small schools adequately, but over fund larger schools or alternatively fund larger schools adequately but underfund smaller schools.

## Free Schools, University Technical Colleges (UTCs) and Studio Schools

*In paragraphs 1.8.12 to 1.8.14 we discuss the funding of Free Schools, UTCs and Studio Schools. We have decided that Free Schools, UTCs and Studio Schools, like other Academies, should move across to be funded from 2013/14 through the relevant local simplified formula. One consequence of this is that confirmed funding levels for new schools will not be available until the spring prior to a September opening.*

**Question 5: What sort of information do Free School, UTC and Studio School proposers need, and at what stages, to enable them to check viability and plan effectively?**

Comments:

Free Schools need open, accurate and timely information which should be the same for all schools. Worked examples by the EFA of how lagged funding issues, MFG and other more confusing aspects of funding might affect schools should be available on the web.

Appropriate notice period for new schools being established should be given.

## Improving arrangements for funding pupils with high needs

*In Section 3 and Annex 5a, b and c we discuss the new arrangements for funding pupils with high needs. In Section 3.8 we discuss the roles and responsibilities under the new place plus approach, specifically those of providers, commissioners and the EFA. We want to ensure that unnecessary bureaucratic burdens are not placed on providers and that there is clarity as to the respective roles and responsibilities of the EFA and local authorities.*

**Question 6: What are the ways in which commissioners can ensure responsibilities and arrangements for reviewing pupil and student progress and provider quality can be managed in a way that does not create undue administrative burdens for providers?**

Comments:

Main points are that any system should be transparent, and responsive, and that children's progress can be tracked effectively in a commonly adopted system. Clear agreements should be drawn up between commissioners and providers, it might be helpful for the Department to give recommendations of model practice.

A National monitoring of this process should be put in place, particular as children cross Local Authority borders, there needs to be consistency.

Pupil and student progress and provider quality are issues that the LA is already responsible for. If the system becomes more market-led via commissioning, that responsibility will remain and providers need to be prepared to engage with the commissioners to ensure that outcomes are met and that the commissioner is prepared to use the provider again in a competitive situation – a commissioned market puts an onus on a provider to do what is required.

Where previously the LA maintained a special school, the opportunities for reduced bureaucracy were greater, with the change of status of the majority of providers, the most obvious method of ensuring that providers understand the obligations is via written contracts. This is bound to be more bureaucratic, but the commissioner is duty bound to get value for money and have a method of ensuring compliance.

We suggest that example system arrangements and model agreements are drawn up and sent out for consultation.

*In section 3.9 we discuss transitional protection for providers. We want to ensure that the transition from the current funding system to the new arrangements is as smooth as possible. In the document we set out a number of ways we intend to provide support through the transitional period and enable commissioners and providers to become accustomed to the new approach*

**Question 7: Are there other ways that we can help to ensure a smooth transition for commissioners and providers to the reformed funding approach for high needs pupils and students?**

Comments:

Outlined arrangements are relatively complex, and arrangements will be particularly complicated around levels and transfers of top up funding. It is difficult to ascertain whether interpretations of how the funding structure will work in practice is what is actually meant within the consultation document.

Further information is required about how this will actually work in practice, and there needs to be a consistency in approach nationally and between sectors for the place plus methodology to function in practice.

This will mean considerable changes for many Local Authorities who have already moved to delegation special needs funding through their local formulae. Presumably there has been consideration around whether the proposed changes represent an improvement in current practices.

The timeframes for changes are extremely tight, and there are concerns that changes and their associated impact have not yet been fully thought out, in particular in respect of how the commissioner, provider relationship will work in practice. Is the timeframe realistic, and what will be the impact on children currently in the system.

The progress and impact of the changes would need to be monitored extremely carefully and to be prepared to adjust if necessary, but this must not lead to the sustaining of funding for providers who are not meeting the quality and outcomes expected.

*In Annex 5a, paras 38 to 41 we discuss the level of base funding for AP settings and suggest that £8,000 would be an appropriate level of base funding.*

**Question 8: Do you agree that £8,000 per-planned place would be an appropriate level of base funding for AP settings within a place-plus funding approach?**

☐

Yes

☐

No

☐

Not Sure

Comments:

In Cheshire East, the Pupil Referral Unit has been funded for 2012/13 based on the Local Authorities Special Schools Funding formula. Via this formula, individual pupils have been funded at approximately £15k per pupil. There needs to be further review to determine whether £8k represents an appropriate level of base funding.

It is felt that the suggested amount is too low given the variety of types of provision individual, group; work based, college etc. The amount is limiting in terms of being able to provide a stable infrastructure to support young people who move in and out of the provision.

AP settings have quicker movements of pupils, the variety of needs is much more diverse – which could create financial difficulties very quickly.

AP settings have little experience as yet at financial management, which might make a move to what seems to be a more complex system than currently in operation – very difficult.

*In Annex 5a paras 42 to 46 we discuss the top-up funding for AP settings. For short-term and part-time placements, we propose that appropriate pro rata arrangements*

would be put in place for calculating top-up funding and that it would be sensible to calculate top-up funding for short-term placements on a termly or half-termly basis, while part-time placements could be calculated on a daily rate. For very short-term placements, for example those that lasted less than ten days in an academic year, we would envisage that AWPU would not be repaid by a commissioning mainstream school and that the commissioner would pay an appropriate level of top-up funding to reflect this.

**Question 9: Do you agree that it would be sensible to calculate pro rata top-up payments for short-term placements in AP on a termly or half-termly basis?**

<input type="checkbox"/> Termly	<input type="checkbox"/> Half-termly	<input type="checkbox"/> Not Sure
Comments: A termly basis would be less of an administrative burden, as long as this didn't create any cashflow issues for the provider.		

**Question 10: Do you agree that it would be sensible to calculate pro rata top-up payments for part-time placements in AP on the basis of a daily rate?**

<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Sure
Comments: This seems the most sensible and accurately methodology as long as the daily rates were calculated on a consistent basis across providers.		

*In Annex 5a paras 47 to 52 we discuss hospital education. Hospital schools occupy an important place in the education system and we need to think carefully about how hospital education is funded within the parameters of a new approach to high needs funding. Hospital education is not an area where commissioners plan education provision and where pupils and their families exercise choice about the institution in which they will be taught. In funding terms, our aim must be to ensure that high-quality education provision is available whenever a pupil has to spend time in hospital.*

**Question 11: What are the ways in which hospital education could be funded that would enable hospital schools to continue to offer high-quality education provision to pupils who are admitted to hospital?**

Comments:

Cheshire East do not have any hospital schools, therefore are not able to offer comment on this question.

*In Annex 5a paras 53 to 56 we discuss the base level of funding for specialist providers. Under the place-plus approach there will be a simple process, with clear responsibilities and transparent information, for reviewing and, if appropriate, adjusting the allocation of base funding for specialist placements. The key components of this process are set out in the document.*

**Question 12a: Do you agree with the proposed process for reviewing and adjusting the number of places for which specialist settings receive base funding?**

☐

Yes

☐

No

☐

Not Sure

Comments:

Funding needs to be responsive, but also to create sufficient stability to enable suitable financial planning for these settings. The dialogue between providers and commissioners will be key to delivering appropriate levels of funding. It will be necessary that responsibilities are understood by both commissioner and provider.

It is not clear what would happen if there was disagreement between providers and commissioners.

Schools plan and set their budgets on a three year basis. Would it not be more sensible to review on a three year basis.

**Question 12b: Are there any other ways in which this process could be managed in a way that is non-bureaucratic and takes account of local need and choice?**

Comments: More information in respect of practical examples of how this would operate from a provider and commissioner perspective would be useful.

## **Simplifying arrangements for the funding of early years provision**

*In paragraphs 4.5.1 to 4.5.5 we discuss the 90% funding floor for three year olds. Current funding for three year olds is based on the actual number of three year olds who take up their entitlement to free early education or an amount equivalent to 90% of the estimated three year old population doing so, whichever is higher. We now think the time is right to phase out the floor so it is removed entirely from 2014-15. We also think it is right that we use 2013-14 as a transition year. Removing the floor from 2014-15 will require a level of transition support for local authorities, enabling them to increase participation levels. There are various options for how this transitional protection could operate but we think the most obvious way is to lower the floor in 2013-14 from 90% to 85%.*

**Question 13: Do you have any views on the move to participation funding for three year olds, particularly on how transitional protection for 2013-14 might operate?**

Comments:

Cheshire East have a 97% uptake of the three year old entitlement. Therefore, it is not envisaged that this will create any financial difficulties for the Local Authority.

Local Authorities which have less than a 90% uptake in funding, but who are being funded at this level, should be encouraged to increase uptake, or to plan for the impact of any associated reductions in funding, for implementation at the earliest opportunity.

*In paragraphs 4.6.1. to 4.6.3 we discuss free early education provision in academies. A small number of Academies with early years provision which existed prior to September 2010 continue to be funded by the Young People's Learning Agency (YPLA) through replication. We believe there is a strong case to be made for bringing together free early education funding for three and four year olds for all providers. This would mean that wherever a child accesses their free early education they would be funded and paid by local authorities through the EYSFF. This would further support simplicity and transparency in funding for free early education.*

**Question 14: Do you have any views on whether free early education in all Academies should be funded directly by local authorities?**

Comments:

It would seem appropriate for all free early education to be funded on the same basis. This would create transparency and consistency for providers of the same services.

**Question 15: Have you any further comments?**

Comments: Arrangements in respect of High Needs as detailed within this document are particularly complex. It is very difficult for Local Authorities to understand all of the associated implications at this stage. There is a concern in respect of children already in the system, if there are likely to be significant changes to funding levels for high needs children. As this is extremely complex, and the impact assessment doesn't appear to have been completed in respect of children currently in the system – are changes in respect of high needs feasible to implement for 2013/14.

The timing for modelling options for funding proposals is extremely tight, given that any changes will need to be consulted upon with all schools.

Cheshire East feel that proposals will lead to a more simplified system, however, there is disappointment that the most critical issue of national consistency in funding, still remains to be tackled by the Department.

The lowest funded LAs continue to operate on inadequate funding levels year on year. Given the possibility that there will be a different political administration and certainly a different political agenda by the time the next CSR period arrives, we are quite clear that the change in heart of the current administration is the root cause of the perpetuation of the inequitable and inadequate funding of many schools in this country - to the detriment of pupils in those areas.

The LA will continue to campaign for fair treatment and urge the current administration to consider how they can fairly invest in all schools rather than direct what is clearly additional funding into an uncertain academy and free school programme.



Thank you for taking the time to let us have your views. We do not intend to acknowledge individual responses unless you place an 'X' in the box below.

**Please acknowledge this reply** ☐

Here at the Department for Education we carry out our research on many different topics and consultations. As your views are valuable to us, would it be alright if we were to contact you again from time to time either for research or to send through consultation documents?

<input type="checkbox"/> Yes	<input type="checkbox"/> No
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All DfE public consultations are required to conform to the following criteria within the Government Code of Practice on Consultation:

Criterion 1: Formal consultation should take place at a stage when there is scope to influence the policy outcome.

Criterion 2: Consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.

Criterion 3: Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals.

Criterion 4: Consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach.

Criterion 5: Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained.

Criterion 6: Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.

Criterion 7: Officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.

If you have any comments on how DfE consultations are conducted, please contact Carole Edge, DfE Consultation Co-ordinator, tel: 01928 738060/ email: [carole.edge@education.gsi.gov.uk](mailto:carole.edge@education.gsi.gov.uk)

**Thank you for taking time to respond to this consultation.**

Completed questionnaires and other responses should be sent to the address shown below by 21st May 2012

Send by e-mail to: [schoolfunding.consultation@education.gsi.gov.uk](mailto:schoolfunding.consultation@education.gsi.gov.uk)

Send by post to:

Ian McVicar  
Funding Policy and Efficiency Team  
4<sup>th</sup> Floor  
Sanctuary Buildings  
Great Smith Street  
London  
SW1P 3BT

## **CHESHIRE EAST COUNCIL**

### **REPORT TO: CHILDREN AND FAMILIES SCRUTINY COMMITTEE**

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<b>Date of Meeting:</b>	19/6/12
<b>Report of:</b>	Julie Lewis/Gill Betton
<b>Subject/Title:</b>	Foster Carer Capital Support Policy
<b>Portfolio Holder:</b>	Cllr Hilda Gaddum

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#### **1.0 Report Summary**

- 1.1 This report seeks endorsement from Scrutiny Committee to the proposed policy for foster carers to access capital funding to expand or maintain existing placements.

#### **2.0 Decision Requested**

- 2.1 Scrutiny Committee is requested to:
- a) Consider the funding routes by which the capital funding is provided to foster carers based on the options outlined at Appendix 2; and
  - b) Endorse the proposed outline of the policy set out in Appendix 1;

#### **3.0 Reasons for Recommendations**

- 3.1 The foster carer capital support policy will support the local authority's requirement to provide sufficient and suitable accommodation for cared for children. This policy will enable a number of skilled and able foster carers to extend the number of places they are able to offer or to maintain existing placements whilst complying with national statutory requirements. This policy is in line with a recommendation from Scrutiny Committee that a budget be created to enable Cheshire East to pay commercial mortgage rates for home modifications in order to allow prospective carers to take on their first or additional placements.
- 3.2 Scrutiny Committee is asked to endorse the proposed policy against the level of risk to the local authority.

#### **4.0 Wards Affected**

- 4.1 All wards.

#### **5.0 Local Ward Members**

- 5.1 Not applicable.

#### **6.0 Policy Implications including - Carbon reduction, Health**

6.1 If approved, this proposal would introduce a new policy for the local authority to support existing foster carers with capital expenditure.

6.2 An equality impact assessment is underway. It is expected that this policy will have a positive impact on groups with the protected characteristics.

## **7.0 Financial Implications (Authorised by the Director of Finance and Business Services)**

7.1 £249,000 of approved funding is currently available in the 2012/13 capital budget for Cheshire East Foster Care Loans/Grants (Short Break Re-provision). At present this funding is forecast to be spent by March 2013.

7.2 The intention is to use this funding in 2012-13 to demonstrate savings made to the Fostering Service by maximising existing internal placements rather than using more costly agency places or recruiting new foster carers. The proposal is to use this evidence to secure 'invest to save' funding for future financial years.

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

8.1 The legal requirements around providing sufficient and suitable accommodation for foster carers and children in care are set out below.

8.2 Children Act 1989 - Sections 22C(5),(7), (8), (9), (10) and 22G of the 1989 Act require the local authority to take steps to secure, so far as is reasonably practicable, sufficient accommodation to meet the needs of looked after children in their local authority area. These must be the most appropriate placement available.

8.3 Fostering Services: National Minimum Standards (NMS) - Standard 10 of the NMS sets out the requirements to provide a suitable physical environment for the foster child. This includes the following minimum standards:

*10.1) The foster home can comfortably accommodate all who live there including where appropriate any suitable aids and adaptations provided and fitted by suitably trained staff when caring for a disabled child.*

*10.6) In the foster home, each child over the age of three should have their own bedroom. If this is not possible, the sharing of a bedroom is agreed by each child's responsible authority and each child has their own area within the bedroom. Before seeking agreement for the sharing of a bedroom, the fostering service provider takes into account any potential for bullying, any history of abuse or abusive behaviour, the wishes of the children concerned and all other pertinent facts. The decision making process and outcome of the assessment are recorded in writing where bedroom sharing is agreed.*

8.4 If the funding is to be spent by the Council commissioning services on behalf of foster carers then there is a requirement that it complies with competitive procurement process. The Council has Framework Agreements for building works.

- 8.5 If the money is provided by way of a grant then the terms of the grant must be clear. Whilst the level of funding is below EU threshold, grant funding could potentially be state aid as the Council is enriching the recipient of the grant by providing an asset or a means to enhance an existing asset.
- 8.6 In the case of an unsecured loan, payments will ultimately be recovered via a debt recovery process (County Court) if necessary. It should be noted that the Council does not have a debt recovery resource available.
- 8.7 In the case of a secured loan, the debt would be secured against the foster carers' property as a legal charge. If repayment is triggered then the amount of the loan which remains to be repaid can be converted to a repayment loan or can be repaid once the property is sold (i.e. if the Council were to decide to adopt a policy whereby it will not re-possess a property which is the main residence of former foster carer).
- 8.8 The Council has a fiduciary duty to deploy the financial resources available to best advantage and the basis upon which loans will be provided will need to be considered in the light of this duty. The basis upon which capital support could be provided and repayment requested are set out more fully in Appendix 2.

## **9.0 Risk Management**

- 9.1 The main risk is that the local authority pays a loan (conditional upon the foster carer remaining a foster carer for 10 years) and that the foster carer tenders their resignation within the 10 year term of the loan, thus triggering repayment. Without security in terms of loan repayment (ie the loan is not secured as a legal charge), the Council is at risk of losing this investment. Recovery of an unsecured debt is not certain and the Council will need to follow a debt recovery process and will not automatically be entitled to recover the sums due from the foster carer's available assets.
- 9.2 If the Council decides to make unsecured repayment loans (such as in relation to vehicles) the main risk is that the foster carer does not make repayments (either during the course of their continuing relationship with the Council as foster carers or following their resignation).
- 9.4 Whether payment is by means of a secured or unsecured loan then payments will need to be monitored to ensure that they are used for the designated purpose. To mitigate the risk, consideration could be given to payments for works upon property being made in stages and directly to the contractor and payments for cars being made directly to the garage providing the vehicle/making the adaptation.
- 9.5 There is potential for abuse of the scheme if the mechanisms for payment and recovery of the loans are not robust.
- 9.3 Risks associated with each of the funding options are set out in Appendix 2.

## **10.0 Background and Options**

### **Cheshire East Context**

- 10.1 There are currently 182 foster carers in Cheshire East; 124 mainstream carers and 58 family and friends carers. In addition, there are currently 117 children in agency foster placements. Together they help to provide care for the 429 cared for children in the local authority.
- 10.2 The average cost of recruiting a new foster carer is estimated at around £10k. The average weekly cost of a Cheshire East foster carer placement is £301 or around £15.5k each year per child.
- 10.3 Where internal placements are not available or suitable, the Council uses Agency placements at a significantly higher cost. Cheshire East currently spends around £65k each week on agency placements - an annual cost of around £3.4m. This is an average of £555 per week or £29k per year for each child placed.
- 10.4 Given the available capital budget of £250k and an anticipated average spend of around £15k, it is expected that only 15-20 or around 8 to 11% of the total number of foster carers will benefit from the funding in 2012-13. An analysis of resignations in 2011-12 would suggest that around 7 of those who left fostering would warrant recovery of funds under a loans policy. This equates to less than 1 each year if the 8 to 11% is applied.
- 10.5 Cheshire East has a target to approve 15 mainstream foster carers in the year 2012-13 and to increase the number of mainstream foster carers by a minimum of 7 households.
- 10.6 A number of existing foster carers are willing to increase the number of places they offer or maintain existing placements through adaptations to their home to make them more accessible, increasing the number of bedrooms available in their property or increasing the size of their car to accommodate additional children. This policy would allow the Council the flexibility to make funding decisions such as these where they met the terms of the policy.

### **Funding Route Options**

- 10.7 The options requiring consideration by Scrutiny Committee are set out at Appendix 2.

### **11.0 Access to Information**

The background papers relating to this report can be inspected by contacting the report writer:

Name: Gill Betton

Designation: Policy & Strategy Manager

Tel No: x86502

Email: gill.betton@cheshireeast.gov.uk

**Proposed Outline Policy****Policy Objective**

Children live in foster homes which provide adequate space and to a suitable standard and foster carers are able to transport these children safely.

**Eligibility**

Capital funding will only be provided to:

- Foster carers who are registered by Cheshire East Council; or
- Family and friends carers of children who are under a care order.

Where the child is in the placement at the time of the application, then:

- The proposed placement should be consistent with the child's Care Plan;
- and the proposed placement must be approved by the Fostering Panel.

**Criteria**

Applications for funding will be assessed against the following criteria, ie that they:

- promote and ensure the best interests of the cared for child/children concerned;
- provide stability of a foster placement;
- provide a cost-benefit to Cheshire East Council substantiated through an application/business case in line with the policy; and
- be only payable where the foster carer can demonstrate that they have not been able to access other government grant/social funding options.

**Purpose and funding available**

The funding available and the use of funding is set out below:

<b>Purpose of funding</b>	<b>Type of funding</b>	<b>Maximum funding</b>
a) <u>Special Needs - adaptations</u> To provide the facilities necessary to enable the placement of a child with special needs with a foster carer who, if they were in a permanent placement, would be eligible for the Disabled Facilities Grant.	Grant	Up to £15,000
	Loan	£15,000 to £30,000
b) <u>Special Needs – equipment</u> To install or provide specialist equipment within the home or to adapt a vehicle for a child with special needs.	Grant	£15,000

c) <u>Special Needs – vehicle</u> To provide or adapt a vehicle for a child with special needs.	Grant	£10,000
d) <u>Mainstream adaptations – existing places</u> To provide adequate accommodation for children in an existing placement in line with Fostering Regulations and Minimum Standards.	Grant	Up to £15,000
	Loan	£15,000 to £30,000
e) <u>Mainstream adaptations – increased places</u> To enable existing carers to offer an increased number of placements in line with the recommendations for maximum numbers under the current regulations and in line with the appropriate terms of approval as established by assessment and/or foster carer review.	Grant	Up to £15,000
	Loan	£15,000 to £30,000
f) <u>Mainstream vehicle</u> To provide a vehicle that will safely transport the foster child/ren along with existing permanent family members, ie, where a larger vehicle is required.	Grant	£10,000

### **General Conditions**

The following conditions will apply to all applications:

- The maximum grant/loan allocated across a) to f) above will be £30,000 in any 5 year period.
- The maximum funding for spend on vehicles will be £10,000.
- Repeat applications for vehicles will be considered no less than every 5 years.
- For building works, the foster carer must provide:
  - Proof of ownership (in freehold and leasehold cases, this will be title documents).
  - Consents of mortgagee and any occupier (someone over 17 who may have interest in property), freehold owner (if leasehold) and any superior leasehold owner or joint owner not in occupation.
  - A Written valuation.
  - An up to date mortgage statement.

### **Loan Conditions**

- In the case of loans, ie, funding over £15,000, the Council will secure the funding by way of a legal charge on the foster carers property.
- To obtain a legal charge, the foster carer must be the owner of the property.



- The foster carer will need to obtain prior written consent of any existing mortgage in order for the Council's charge to be registered at the Land Registry.
- Any occupier, freehold owner, superior leasehold owner will need to consent to the legal charge (sign deed of consent)
- The loan amount will reduce at a rate of 10% of the original amount, or £1,000, (whichever is greater), per year up to 10 years.
- The amount that is converted to a grant each year is taxable and must be declared on the foster carer annual statement of earnings

### **Rented Property**

Grants for adaptations will only be considered where the property is rented from:

- A Local Authority; or
- A recognised Housing Association.

The foster carer must provide:

- The name and address of the landlord;
- The terms of the tenancy; and
- The written agreement of the landlord for the adaptations.

### **Approval**

- All grants and loans will be approved by the Principal Manager, Cared for Children upon receipt of an application form and supporting information.
- The Principal Manager will also consider the last review for the foster carer and the also the child/ren in placement.
- The Principal Manager may request further information to confirm that the foster carer meets the eligibility and criteria of the loan.
- Applications will be considered in line with the funding available and once the budget has been committed in a financial year, no further applications will be considered.

### **Payments**

Payment will be made in the following way:

- For amounts up to £10,000 – as a lump sum;
- For amounts over £10,000 up to £15,000 – in two stages, as agreed at the approval stage (usually at the beginning and end of the work being done);
- For amounts over £15,000 – in three stages, as agreed at the approval stage (usually at the beginning, middle and end of the work being done).

Payments for works upon property will normally be paid directly to the contractor.

Payments for cars will normally be paid directly to the garage providing the vehicle.

## **Appeals**

It is recognised that there may be situations where the refusal of assistance would disproportionately disadvantage a foster carer. In these circumstances, the Council may waive or alter some or all of the eligibility criteria, minimum or maximum amounts, or conditions of assistance based on the individual circumstances, and approve the application for assistance. All cases will be considered on an individual basis in a fair and transparent way through the Appeals process.

All appeals will be considered by the Head of Service, Social Care.

The decision of the Head of Service, Social Care will be final in respect of that individual case and will not be binding upon future applications made by that or any other applicant.

## **Grant Repayments**

Generally foster carers will not be expected to repay a grant. However, the Council reserves the right to request repayment of a grant in certain circumstances, for example, if the foster carer sells or otherwise disposes of a funded vehicle. These conditions will be set out in the agreement between the Council and the foster carer.

## **Loan Repayments**

- Loan agreements will remain in place for 10 years.
- Should the foster carer remain registered for the whole of the term, then no repayment would be required.
- Any outstanding loan would be repaid within the 10 year period in circumstances which would prevent the foster carer from fulfilling the condition of the loan. Such circumstances would include ill health, death, bankruptcy, allegation of abuse (unfounded or otherwise).
- Where the loan is secured on a property, then consideration could also be given to including the sale of the property as a trigger for repayment within the 10 year term.
- If repayment is triggered, it will be at the discretion of the Council to consider whether to demand repayment.
- If the Council considers that in the circumstances of the case re-payment will be required, then the policy may also allow the loan to be converted to a repayment loan or repayment to be deferred (repaid if the foster carer transfers the property to someone else).
- Decisions made by the Council about whether to demand repayment would be subject to the policy's appeal process.

### Financial Options for Developing Loans to Foster Carers

Option and Description	Financial Risk to LA	Pros	Cons
<p><u>Secured loan</u></p> <ul style="list-style-type: none"> <li>A loan is secured against a physical asset. Therefore, if the loan is secured against a property, then the lender will register a legal charge on the title of the property at land Registry (i.e. a mortgage).</li> </ul>	Low	<ul style="list-style-type: none"> <li>It is more likely that funding can be recovered in the event of a default in the term of the loan.</li> <li>The Council remains in control of the funding so it can re-consider the position against the circumstances that exist at the time should repayment be triggered.</li> <li>Council has a greater level of control as the foster carer cannot deal with that asset (ie sell it or re-mortgage it) without the Council's consent.</li> <li>If circumstances trigger repayment then the Council is not compelled to demand repayment and can make a decision (on a case by case basis) about whether the circumstances which trigger repayment warrant payment being demanded.</li> <li>The policy could provide for partially repaid loans to be converted to repayment loans or re-payment be deferred until the foster carer transfers the property.</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed that this type of loan would not apply to loans for vehicle as this is a depreciating asset.</li> <li>This option would exclude those in negative equity or in rented accommodation from obtaining loans to carry out works on property (although the circumstances of each case can be considered further under the appeal process – see 10.8).</li> <li>There is a question as to whether this level of security is proportionate given the role of foster carers.</li> <li>There is an administrative cost associated with the mechanism of securing loans (cost of children's services and legal services time and registration fees charged by Land Registry – legal services time and fees in region of £250 per loan).</li> <li>The conditions whereby the Council would expect foster carers to repay against their property would need to be very clearly established.</li> </ul>

<p><u>Unsecured loan with local land charge/notice registered</u></p> <ul style="list-style-type: none"> <li>• With an unsecured loan the lender has no right to the property or other assets of the borrower if the money is not paid back.</li> <li>• A loan can be drafted so that repayment is related to sale of the property or from the proceeds of sale and a local land charge can be registered against the property which would mean that the lender is informed if there are any changes in the property.</li> <li>• A notice can be registered by agreement.</li> <li>• For use where the unsecured loan relates to works on property</li> </ul>	<p>Medium to High</p>	<ul style="list-style-type: none"> <li>• Foster carers might be more inclined to accept an unsecured loan than potentially put up their property as collateral.</li> </ul>	<ul style="list-style-type: none"> <li>• Whilst this option would inform the Council if there were any changes to the property in the future, it would not guarantee that money could be recovered if the foster carer defaulted on the terms of the loan. The local land charge does not appear in the part of the register which deals with statutory charges (those which the law compels are repaid from the net proceeds of sale). It is notice of the existence of an unsecured debt (but could be missed by the seller's solicitor).</li> <li>• Repayment of the loan would need to be via a debt recovery process if repayment was triggered or the loan was not repaid upon sale.</li> <li>• Any debt will need to be recovered via a County Court Judgement.</li> <li>• The Council would not be consulted should the foster carer re-mortgage their property. The potential funds available for repayment from the equity in the property could potentially be used up leaving the Council with a money judgement.</li> <li>• There is an administrative cost associated with the mechanism of setting up an unsecured loan not dissimilar to that of securing a loan but with less prospect of repayment from the available asset.</li> <li>• Recovery of the debt would require resourcing and the Council does not provide a debt recovery service.</li> </ul>
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<p><u>Unsecured loan with no registration requirements</u></p> <ul style="list-style-type: none"> <li>• With an unsecured loan the lender has no right to the property or other assets of the borrower if the money is not paid back. With no other requirements, the lender would not be aware of any changes in the property.</li> <li>• The loan could provide for regular repayments</li> </ul>	<p>Medium</p>	<ul style="list-style-type: none"> <li>• This approach is more acceptable in relation to a depreciating asset (car).</li> <li>• The agreement can include terms in which the money will be recovered – bankruptcy, sale, from insurance monies (if an insurance write off)</li> <li>• The loan could provide for repayments to be made from money provided by the Council (ie. foster carer allowance) which would reduce the administrative burden of monitoring repayment for the service department (although it would direct that the allowance be used for this particular purpose).</li> </ul>	<ul style="list-style-type: none"> <li>• A County Court Judgement would be needed to recover any outstanding loan and this could be costly to the local authority.</li> </ul>
<p><u>Grant</u></p> <ul style="list-style-type: none"> <li>• Funding is given for a specific purpose. Whilst there may be conditions attached to grant funding, a failure on the part of the foster carer to meet the conditions of the grant may mean that any further sums due may be withheld, it is unlikely to result in clawback of the sums paid.</li> </ul>	<p>High</p>	<ul style="list-style-type: none"> <li>• Would be easier and cheaper to administer as no need to tie into loan repayments or to recover debt.</li> </ul>	<ul style="list-style-type: none"> <li>• The local authority would have no recourse to recover the funding should the foster carer resign.</li> </ul>

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## **CHESHIRE EAST COUNCIL**

### **REPORT TO: CHILDREN AND FAMILIES SCRUTINY COMMITTEE**

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<b>Date of Meeting:</b>	19 June 2012
<b>Report of:</b>	Borough Solicitor
<b>Subject/Title:</b>	Work Programme update

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#### **1.0 Report Summary**

- 1.1 To review items in the 2012/13 Work Programme, to consider the efficacy of existing items listed in the schedule attached, together with any other items suggested by Committee Members.

#### **2.0 Recommendations**

- 2.1 That the work programme be received and noted.

#### **3.0 Reasons for Recommendations**

- 3.1 It is good practice to agree and review the Work Programme to enable effective management of the Committee's business.

#### **4.0 Wards Affected**

- 4.1 All

#### **5.0 Local Ward Members**

- 5.1 Not applicable.

#### **6.0 Policy Implications including - Climate change - Health**

- 6.1 Not known at this stage.

#### **7.0 Financial Implications for Transition Costs**

- 7.1 None identified at the moment.

#### **8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 None.

#### **9.0 Risk Management**

9.1 There are no identifiable risks.

## **10.0 Background and Options**

10.1 In reviewing the work programme, Members must pay close attention to the Corporate Plan and Sustainable Communities Strategy.

10.2 The schedule attached, has been updated in line with the Committees recommendations on 23 April 2012. Following this meeting the document will be updated so that all the appropriate targets will be included within the schedule.

10.3 In reviewing the work programme, Members must have regard to the general criteria which should be applied to all potential items, including Task and Finish reviews, when considering whether any Scrutiny activity is appropriate. Matters should be assessed against the following criteria:

- Does the issue fall within a corporate priority
- Is the issue of key interest to the public
- Does the matter relate to a poor or declining performing service for which there is no obvious explanation
- Is there a pattern of budgetary overspends
- Is it a matter raised by external audit management letters and or audit reports?
- Is there a high level of dissatisfaction with the service

10.4 If during the assessment process any of the following emerge, then the topic should be rejected:

- The topic is already being addressed elsewhere
- The matter is subjudice
- Scrutiny cannot add value or is unlikely to be able to conclude an investigation within the specified timescale

## **11.0 Access to Information**

The background papers relating to this report can be inspected by contacting the report writer:

Name: Mark Grimshaw  
Designation: Scrutiny Officer  
Tel No: 01270 685680  
Email: [mark.grimshaw@cheshireeast.gov.uk](mailto:mark.grimshaw@cheshireeast.gov.uk)



**As of 11/06/2012**

**Children and Families Scrutiny Committee: May 2012 – October 2012**

**Historical Record**

Date of Meeting	Topic	Purpose/Key issues (including origin)	Comments post meeting	Action/update

**Next Agenda Setting Meeting: tba**

## **Possible Future Issues / Items (Chronology)**

**Meeting dates:**

Month	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April
<b>Children and Families Scrutiny Committee (Tuesday) 1.30 pm: Westfields</b>	19	17		11	9	13	11	15	12	12	16

**Regular item: Announced Inspection on safeguarding action plan**

Item	Corporate Priority / Targets	Notes	Suggested Action	Due Date and Status
School Organisation Plan	Support our Children and Young People		Members to consider and comment	<b>17 July 2012</b>
Successful transition between children's and adults' social care services	Support our Children and Young People	Requested following the meeting held on 23 April 2012. Initial background paper required.		<b>17 July 2012</b>
Q1 Budget	Support our Children and Young People		To monitor Cabinet report	<b>17 July 2012</b>
Director of Public Health	Support our Children and Young People	To cover issues around eating disorders and obesity		<b>TBA</b>
Academies	Support our	To cover issues around accountability and		<b>TBA</b>

	Children and Young People	services packages		
Fostering	Support our Children and Young People	Update on the Task and Finish Review – what has happened to recruitment and has that reduced dependency on out of Borough placements.		TBA
Supported travel for SEN pupils	Support our Children and Young People	To follow up recommendations made in the Task and Finish Review. Possible visit to Stockport Council.	Possible desk research and single Member task	TBA

### **Items requiring further information via Email:**

1. PARIS system - including information on:
  - Information on the procurement process
  - work that is being done to improve the current system and ensuring a smooth transition
  - Approximate costs of the new system and justification/value for money
2. Public feedback/comments and complaints
3. Youth Offending Service – potential changes to management footprint and implications.
4. Regulation 33 update
5. Annual safeguarding in schools report

### **Training Requirements/Site Visits:**

- Local Authorities' changing interface with schools and education – **part II tba**
- C&F Budget – June/July (extra session)

### **Disregarded / Discontinued Items**

<b>Item</b>	<b>Date</b>	<b>Reason</b>
Post 16 Transfer of Funding to Local authorities	22.09.10	Responsibility no longer with LA
Analysis of School Performance	22.09.10	To be merged with educational attainment item
Early Years Funding Reform	22.09.10	Briefing heard on 27.07.10
Children's Centres	26.10.10	Dealt with as part of the Family Support review.
School Status report	26.10.10	Merged with Academies item
Interventions in Schools	26.10.10	To be dealt with in the schools inspection item.
School Admissions Policy / TLC review	14.12.10	Superseded by White Paper item
Redesign of Children's Services	17.02.11	Incorporated into Safeguarding item
Teenage Pregnancy	17.02.11	Superseded by Director of Public Health Item
NEETS	17.02.11	Superseded by Connexions Item
Macclesfield High School Review	04.05.11	Item no longer needing consideration
Transport for Young People	18.05.11	Superseded by Home to School Transport Review
Aiming Higher Report	13.06.11	Superseded by Disabled Respite Care item.
Member Engagement in Social Services Systems	03.08.11	Superseded by Training session on Contact, Referrals and Assessments

### **Task Groups – potential/current**

<b>Title</b>	<b>Progress Notes</b>	<b>Actions</b>
Foster services	Recommendations agreed 04.11. Went to Cabinet 06.11	Response received February 2012. Update required February 2013.
Care Leavers	Set up Membership 28/06/2011 – deferred to January 2012	Ongoing
Health and Cared for Children	Following Fostering service review – in partnership with H&W Committee	Ongoing.
Early Years Education	Recommended to be established on 23.04.2012	Monitor resource availability

### **Dates of Future Cabinet Meetings**

25 June 2012, 23 July 2012, 20 August 2012, 17 September 2012, 15 October 2012, 12 November 2012, 10 December 2012, 7 January 2013, 4 February 2013, 4 March 2013, 2 April 2013, 29 April 2013

### **Dates of Future Council Meetings**

19 July 2012, 11 October 2012, 13 December 2012, 21 February 2013, 18 April 2013.

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