

DURHAM COUNTY COUNCIL

CHILDREN AND YOUNG PEOPLE'S OVERVIEW AND SCRUTINY COMMITTEE

At a Meeting of **Children and Young People's Overview and Scrutiny Committee** held in Evergreen Primary School, Warwick Road, Bishop Auckland, DL14 6LS on **Wednesday 7 November 2018 at 9.30 am**

Present:

Councillor H Smith (Chairman)

Members of the Committee:

Councillors B Bainbridge, D Bell, J Charlton, R Crute, C Hampson, I Jewell, L Kennedy, L Mavin, A Reed and M Simmons

Parent Governor Representative:

Mr R Patel

Co-opted Members:

Ms R Evans

Also Present:

Councillors

1 Apologies

Apologies for absence were received from Councillors C Potts, P Brookes, J Considine, N Grayson, K Hopper, A Patterson, M Wilson and Mrs J Norman, C Craig and P Parkins and Councillor J Allen.

2 Substitute Members

There were no substitute Members in attendance.

3 Minutes

The minutes of the Meeting held on 26 September 2018 were agreed as a correct record and signed by the Chairman.

4 Declarations of Interest

There were no declarations of interest.

5 Any items from Co-opted Members or Interested Parties

There were no items from co-opted Members or interested parties.

6 Media Relations

The Overview and Scrutiny Officer presented Members with recent press articles relating to the remit of Children and Young People's Overview and Scrutiny Committee;

- Ofsted inspectors to move away from exam results focus
- Children 'at risk' from toxic homes
- County Durham care leavers celebrated

The Head of Education confirmed that HM Chief Inspector for Education and Children's Services had established that the arrangements for inspecting the School Improvement Service was outdated and therefore the criteria had been removed. The work which had been done by the Council, in order to meet the required standards prior to inspection, was outdated, however the Service was awaiting new guidelines which were expected to be published by September 2019.

Resolved:

That the presentation be noted.

7 National Funding Formula & Mainstream Primary and Secondary Schools Funding Formula 2019-20

The Committee considered a report of the Corporate Director, Resources, which provided Members with a description of the Council's approach to settling a funding formula for mainstream primary and secondary schools for 2019-20 and the need to transfer funding from the Dedicated School Grant (DSG) to help cover a shortfall in the High Needs Block and the Head of Finance & Transactional Services gave a presentation (for copies see file of minutes).

At its meeting on 17 October 2018 Cabinet had expressed a preference for Option 2 which was a continuation of the current transitional formula and convergence with the NFF in 2020/21, and in addition to seek the maximum amount possible into the high needs (HN) block in 2019/20.

On 5 November 2018 the Schools Forum had expressed a preference for Option 3, which was to continue with a transitional formula approach, but at a slower rate than currently planned, aiming for a National Funding Formula (NFF) equivalent formula from 2021/22. The Schools Forum had did not support the transfer of any DSG funding to the HN block, as they were of the view that schools could not afford to take a further cut in funding (on top of the real terms cuts they had been facing); that supporting any transfer would effectively say to Government that school could afford it when they could not and that they thought the Council should top up the funding from their own reserves.

Ten other North East Local Authorities were facing a shortfall in their HNB next year and the latest Budget announcement had not indicated that any additional funding would be granted to cover the shortfall, and an increase of 0.5% per pupil for inflation was insufficient to meet the demands being placed on this budget.

An equality impact assessment of the impact of a transfer from the schools DSG budget to the High Needs budget had confirmed that the majority of schools would receive a reduction in funding if the transfer was to happen.

Although support of the Schools Forum was not a requirement when applying to the Secretary of State, they did have to be consulted as part of the decision-making process and it was not ideal if they did not support the application. The deadline for applications was 30 November 2018.

The Strategic Manager Support & Development, confirmed that Special Educational Needs and Disability (SEND) reforms had increased parental expectations and pupils were being identified much earlier now and were being supported until the age of 25 following the SEND reforms. It was also identified that some needs could not be met in County Durham and therefore parents were exercising their right to send their child out of county, which came at a cost to the Council. Reference was made to York City Council who could meet all required needs and therefore had a policy of only funding places within their boundary. If Durham was to provide their own services, this could offer a significant saving going forward.

Councillor Crute queried the position of the Council, should the Secretary of State reject the application and commented on the need to increase pressure on the Government. The Head of Finance & Transactional Services confirmed that the Portfolio Holder for Children and Young People's Services had written to the Minister and expressed her concerns.

With regards to whether the application would be successful, the Head of Finance and Transactional Services confirmed that Hartlepool Borough Council had successfully applied last year with the support of their Schools Forum but this year's application was not supported by them. He was not aware of any applications which had yet been unsuccessful in the current year, but speculated that there would be an increase in applications in the coming year.

Issues arising from the pressures in the HNB included the inability to set a balanced budget for the HNB – the Council would have to increase resources available, reduce spend, refuse to meet the needs or reduce the way the needs were met. If the Council could not meet the needs of the HNB, this could potentially open them up legal challenge. It was likely that the Council would therefore be forced to put in money from their overall budget, which would effect the Medium Term Financial Plan MTFP and increase required savings. Over the next four year period, savings of around £20 to 25 million will be required to balance the Councils existing MTFP. Any additional pressures linked to HNB spending would only serve to increase this requirement.

There was an opportunity as part of the Comprehensive Spending Review next year for the Government to rebase and invest in High Needs, to recognise the under-funding position and address this in the 2020/21 funding allocations. It was imperative to know the Government's intention with regards to any additional funding going forwards.

Ms Evans referred to the breakdown of the figures at Appendix 3 and of the impact of the HNB transfer for each school and noted that it was not a significant amount for some

schools. She agreed that parents had higher expectations and schools worked closely with families, building up trust and understanding of a families' needs. She was concerned that if budget restraints resulted in services being cut, the support would diminish and it would place more pressure on other child services.

Ms Evans further commented on the importance of ensuring that families were well aware of the proposals and the potential impact. The Head of Finance & Transactional Services added that it would also encourage people to make representations during the consultation period.

Councillor Jewell confirmed that he felt he was fortunate as a Councillor to have knowledge of the decision-making process and a full view from both a financial point of view and from the perspective of the community.

In response to a question from Councillor Bainbridge, the Head of Finance & Transactional Services confirmed that approximately a third of the HNB budget was spent on children going out of County, therefore if services could be improved internally, it would amount to a significant saving.

Resolved:

That the presentation and report be noted.

8 Ofsted Inspections of County Durham Schools

The Committee considered a report of the Corporate Director, Children and Young People's Services, which provided a summary of Ofsted inspection results over the 2017-18 academic year (for copy see file of minutes).

In response from a question from Councillor Jewell in relation to whether the inspection process was fit for purpose the Strategic Manager Support and Development advised that not all local authorities had school improvement teams due to austerity measures. In County Durham the local authority can go into any school to help and support the school following an inspection.

The Interim Head of Education confirmed that even as the budget reduced, schools would be challenged to do better. Results in the County had improved and this was due to the hard work of teaching staff and governors but there was no doubt that the budget reductions would effect children from deprived areas. With regards to permanent exclusions, children from primary schools were getting the intervention required to recover and therefore were not being excluded from school.

Mr Patel thanked the Strategic Manager Development and Support for a good report.

Councillor Kennedy commented that school exclusions were often not recorded because parents were forced to accept managed moves for their children as an alternative to permanent exclusions. The threat of permanent exclusion put pressure on parents to accept a managed move, even though it was not always best for the child.

The Strategic Manager, Support and Development, agreed that managed moves were not a solution and it was recognised that it did not serve to meet the needs of the child, although was a better option than permanent exclusion. Many children were not strictly academic and the service were exploring alternative provision which would ensure more meaningful outcomes and reduce the number of managed moves.

Resolved:

That the report be noted.

9 Draft Review Report: Role of the Social Worker from a Child's Perspective

The Committee considered a report of the Director, Transformation and Partnerships which presented the findings, conclusions and recommendations of the Children and Young People's Overview and Scrutiny Review: Role of a Social Worker from a Child's Perspective (for copy see file of minutes).

Councillor Crute confirmed that having participated in the working group, he was pleased with the service responses. Referring to the response of the Joint Targeted Area Inspection, he confirmed that there were already areas of priority action and improvement which had been identified and all of which should be closely monitored by the Committee.

Resolved:

That the recommendations outlined in the report, be approved and the report be submitted to Cabinet and the Children and Families Partnership.