



Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date 30th May 2019

**Committee:
Schools Forum**

Date: Thursday, 6 June 2019

Time: 8.30 am

Venue: The Guildhall, Frankwell Quay, Shrewsbury, SY3 8HQ

You are requested to attend the above meeting.
The Agenda is attached

Claire Porter
Director of Legal and Democratic Services

Members of Schools Forum

Bill Dowell (Chair)

John Hitchings (Vice-Chair)

Phil Adams

Michael Barrett

Mark Cooper

Alan Doust

Sabrina Hobbs

Sandra Holloway

Colin Hopkins

Marilyn Hunt

Shelley Hurdley

Samantha John

Sian Lines

Kerry Lynch

Stephen Matthews

David O'Toole

Alan Parkhurst

John Parr

Greg Portman

Michael Revell

Darren Reynolds

Mark Rogers

Andrew Smith

Charles Thomas

Guy Verling

Your Committee Officer is:

Philip Wilson Service Manager Business Support People

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AGENDA

- 1 Apologies**
- 2 Minutes and Matters Arising - 17th January 2019**
Paper A (Pages 1 - 4)
- 3 Allocation of Early Years Block 2019-20 [Neville Ward]**
Paper B (Pages 5 - 10)
- 4 High Needs Funding Task and Finish Group Update [Julia Dean]**
Paper C Report to follow.
- 5 Growth Fund 2019-20 [Gwyneth Evans]**
Paper D (Report to follow)
- 6 School Balances as at March 2019 [Gwyneth Evans]**
Paper E (Pages 11 - 14)
- 7 Schools Financial Value Standard [Gwyneth Evans]**
Paper F (Pages 15 - 18)
- 8 New Schools Financial Value Standard Requirement from April 2019 [Gwyneth Evans]**
Paper G (Pages 19 - 20)
- 9 Dedicated Schools Grant Update [Gwyneth Evans]**
Paper H (Pages 21 - 22)
- 10 Dedicated Schools Grant Monitoring [Stephen Waters/Julia Dean]**
Paper I (Report to follow)
- 11 Communications**

12 Future Meeting Dates

Future meetings (please note the new venue and diary):

Thursday 12 September 2019	8.30 am	The Guildhall, Frankwell
Thursday 7 November 2019	8.30 am	The Guildhall, Frankwell
Thursday 5 December 2019	8.30 am	The Guildhall, Frankwell
Thursday 16 January 2020	8.30 am	The Guildhall, Frankwell
Thursday 30 January 2020 (provisional)	8.30 am	The Guildhall, Frankwell
Thursday 19 March 2020	8.30 am	The Guildhall, Frankwell

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Schools Forum

Date: 6 June 2019

Time: 8.30 am

Venue: STDC, Monkmoor,
Shrewsbury

Item/Paper

A

Public

MINUTES OF SCHOOLS FORUM HELD ON 17 JANUARY 2019

Present

School Forum Members

Bill Dowell (Chair)
Phil Adams – Academy Headteacher
Mark Cooper – Secondary Headteacher
John Hitchings – SSGC
Sandra Holloway – Primary Governor
Marylin Hunt – Primary Headteacher
Shelly Hurdley – Early Years Representative
Kerry Lynch – Academy Headteacher
Sian Lines – Diocese of Hereford
Stephen Matthews – Primary Governor (and headteacher)
David O'Toole – Secondary Headteacher
Alan Parkhurst – Primary Headteacher
John Parr – Secondary Headteacher
Mark Rogers – Primary Headteacher
Andrew Smith – 16 -19 Representative
Charles Thomas – Professional Association Rep
Guy Verling – Primary Headteacher

Members

Cllr Nick Bardsley
Cllr Ed Potter

Officers

Phil Wilson
Julia Dean
Gwyneth Evans
Jo Jones
Neville Ward
Stephen Waters
Helen Woodbridge (Minutes)

Observers

Roger Evans – Shropshire Council

The chair extended a warm welcome to new members – Mark Cooper, John Parr and Sian Lines

1. Apologies

Apologies had been received from Alan Doust, Greg Portman, Michael Revell, Darren Reynolds and Karen Bradshaw. (Later apologies were received from Sam John.)

Nick Bardsley apologised for having to leave the meeting early due to a clash with another Council meeting.

2. Minutes and Matters Arising (Paper A)

The minutes were agreed as a true record.

- Gwyneth Evans confirmed that she will be writing to academies on behalf of Schools Forum regarding sharing their end of year balances.
- Phil Wilson had circulated the letter from Peter Nutting.
- Stephen Waters advised that he will be checking out the situation with regard to paternity leave before the next meeting.
- Gwyneth Evans had communicated the decision re school balances to schools.

Phil Adams queried the need for a meeting on 31 January. It was agreed that this meeting would not be required.

ACTION

3. Schools Revenue Funding Settlement and School Funding Arrangements 2019-20
Gwyneth Evans went through the paper.

Neville Ward advised that early years providers are struggling to make provision with the current level of funding - early years funding is now included in f40 concerns as Shropshire comes within the 20 lowest funded local authorities.

Neville Ward agreed to bring an explanatory paper regarding Early Years funding to the next meeting.

Nick Bardsley agreed to continue to press the issues with political groups/MPs.

Neville Ward also agreed to provide a briefing note for Nick Bardsley.

NW

NB
NW

Gwyneth Evans advised that there had been some shifts in school funding since drafting the paper. With significant academisation (academies are entitled to 80% rate relief) the rates bill has reduced. This has led to a forecast underspend of £440k which will be transferred to the High Needs block.

She also advised that the LA is awaiting approval for one disapplication request and that she intends to submit the APT on Monday 21 January.

Phil Adams felt that if the funding for high needs is not improved, there may come a time when schools will not agree to subsidise it.

The Chair agreed but was sure that it is right thing to do as an interim arrangement.

John Hitchings suggested that any shortfall of funding leads to a narrowing of the curriculum – there is a need for careful consideration in the future, especially for secondaries.

4. Shropshire Schools Forum Constitution

Phil Wilson went through the paper.

Mark Cooper agreed to check regarding the maintained governor vacancy (could be a headteacher).

It was suggested that Phil Wilson could contact Kate Aspinall at the Marches Academy Trust to put School Forum academy representative vacancies on the agenda for discussion at an academies meeting.

Phil Adams spoke of the need for some future localised decision making and therefore a future for Schools Forum.

MC

PW

Schools Forum unanimously approved the re-apportionment of membership from April 2019.

5. High Needs Funding Task and Finish Group

Phil Wilson went through the paper.

David O'Toole suggested that the priority needs to be (and driver is to) provide the correct education – not sacrificing provision just due to cost.

Julia Dean suggested that the policy move is not about finance, but about the need to intervene earlier.

John Hitchings spoke of the need to be careful as government will consider whether enough has been done (ie higher SEN in Shropshire).

Schools Forum agreed the need to develop greater understanding of why the level of SEN in Shropshire is above average.

The chair suggested the creation of a small group of around eight members. Volunteers from Schools Forum were: Kerry Lynch, Alan Parkhurst (who could also represent CPG), David O'Toole, Sabrina Hobbs/John Hitchings, Andrew Smith. It was agreed that an early years representative could be invited, if and when necessary. Mark Rogers suggested the inclusion of a headteacher from a school with a new SEN hub.

6. **Dedicated Schools Grant Monitoring**

Stephen Waters went through the paper.

Julia Dean reminded colleagues that once a pupil is placed in an expensive external placement, they are usually locked in to it for a number of years.

Mark Rogers asked about residential provision in the LA. He was advised that there are examples but there is not a high enough population of a type of child to create this.

Phil Wilson advised that the West Midlands LAs are working together to consider this as it is becoming impossible to place some pupils.

The Chair stressed that this is a multi-faceted area which is incredibly complex. This should be thoroughly understood before moving the strategy forward.

LGA report to be circulated to T&F group members.

Kerry Lynch advised of worsening mental health issues in schools which are complex and requiring huge resource.

7. **Communications**

Ed Potter and Nick Bardsley confirmed ongoing dialogue with local MPs which will include high needs, early years and the shortfall in budgets of all settings/schools/post 16.

Phil Adams advised that his local MP had taken action.

Gwyneth Evans advised that a wide range of schools are experiencing issues with their budgets next year.

John Hitchings reported that Sabrina Hobbs had been to meet The Education Select Committee on Tuesday. High needs would have been raised.

Charles Thomas reminded colleagues that the overall 1.6% increase in budgets is well below the rate of inflation so is in fact a cut.

9. **Future meeting dates:**

21 March 2019	8.30 am	STDC, Monkmoor
6 June 2019	8.30 am	STDC, Monkmoor

The meeting closed at 9.45 am.

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Schools Forum

Date: 6 June 2019

Time: 8.30am

Venue: Shrewsbury Training
and Development
Centre

Item

Public

Paper

B

ALLOCATION OF EARLY YEARS BLOCK 2019/20

Responsible Officer Neville Ward
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Summary

This report is to inform Schools Forum of the local authority proposals for the allocation of the Early Years Block funding in 2019/20.

Recommendation

This report is for information only.

REPORT

Background

1. The Early Years Block funding covers the delivery of the following entitlements:
 - the 15 hours entitlement for disadvantaged two-year olds
 - the universal 15 hours entitlement for all three- and four-year olds
 - the additional 15 hours entitlement for eligible working parents of three- and four-year olds
 - the Early Years Pupil Premium (EYPP)
 - the Disability Access Fund (DAF).
2. The funding for local authorities to provide the above entitlements comes from the Early Years Block of the Dedicated Schools Grant (DSG). The key requirements on local authorities in terms of how they use funding within the block are provided below.

Local authorities must:

- plan to spend at least 95% of their funding for the three- and four-year old entitlements on the delivery of the entitlements for three- and four-year olds
- use a deprivation supplement in their local three- and four-year-old formulae
- not channel more than 10% of their funding for the three- and four-year-old entitlements through funding supplements
- provide a SEN fund for three- and four-year olds
- pass on EYPP and DAF funding in full to providers.

Compliance with the above requirements is monitored through the annual Section 251 return submitted by the local authority.

3. The 2019-20 Early Years Block allocation is provisional at this stage as it is based on January 2018 Early Years census data. This provisional allocation will be updated in July 2019 and July 2020 with the final allocation based on 5/12ths of January 2019 pupil numbers and 7/12ths of January 2020 pupil numbers.
4. The provisional Early Years Block allocation includes funding for the universal 15 hours free entitlement funding for three- and four-year olds, the additional 15 hours free entitlement for three- and four- year olds of working parents and the two-year old free entitlement funding. In addition, the Early Years Block includes funding for the EYPP and the DAF.
5. For three- and four-year olds, the amount per part time equivalent (PTE) pupil for the universal 15 hours free entitlement, and the additional 15 hours free entitlement for pupils of working parents, remains at £4.30 per hour in 2019-20. The amount per PTE two-year old from the most disadvantaged backgrounds remains at £5.20 per hour in 2019-20. Shropshire remains in a small group of local authorities who are funded at this rate which is the lowest of the various hourly rates used by the Department for Education (DfE).

Early Years Block

6. The initial 2019-20 Early Years Block allocation for Shropshire is as follows:

Funding for the two-, three- and four-year-old entitlements	£15,026,374
Funding for the Early Years Pupil Premium	£78,361
Funding for the Disability Access Fund	£50,430
Total	£15,155,165

7. The current budgeted spend of this initial allocation is as follows:

Funding for the two-, three- and four-year-old entitlements	£13,909,084
Early Years Pupil Premium	£78,361
Disability Access Fund	£50,430
Sustainability funding	£300,000
Deprivation funding	£300,000
SEN fund	£200,000
Central retained funds	£317,290
Total	£15,155,165

Further detail in relation to each of the above:

Universal and extended three and four-year old entitlement

The hourly rate at which Shropshire is funded by the DfE for the provision of these hours is £4.30 per hour per child. The hourly base rate which passed on to providers for the provision of the entitlements is £3.90 per hour per child (91%) thereby meeting the requirement set out above not to channel more than 10% of the funding allocation through supplements.

Two-year old entitlement

The hourly rate at which Shropshire is funded by the DfE for the provision of these hours is £5.20 per hour per child. The hourly base rate which Shropshire passes on funding to providers for the provision of the entitlements is £4.96 per hour per child (95%).

EYPP and DAF

The funding streams are passed on in full to providers based on claims made by them for those children meeting the relevant eligibility criteria.

Supplements to the base rates of funding

The funding formulae for Shropshire allows for two additional supplements to the universal base rate of £3.90 per hour per child for three- and four-year olds.

a) Sustainability

Shropshire Council retains a statutory duty to ensure that it has sufficient, high quality, affordable and accessible early years places across the whole of the county so that parents and children are able to access their entitlement regardless of where they live. The local authority is continuing to retain funding for sustainability. This funding will be passed on to early years providers in line

with current policies and procedures and, at the end of the financial year, any unspent funding will be carried forward to the next year. The authority will constantly review this funding stream to ensure it remains appropriate and provides the best possible value for money. There are a small number of providers for whom regular support is provided each year dependant on their overall income – the equivalent of a minimum funding guarantee. Some funding is also retained to provide support where providers fall into short term financial difficulties.

b) Deprivation

Under the requirements of the early years national funding formula the local authority is required to provide additional financial support for the most deprived children. This is done by providing a one-off deprivation payment to providers based on the IDACI measure of those children attending the setting on census day in January. Whilst the amount that providers will receive will vary depending on their situation and circumstances this funding will be passed on in full to settings.

The local authority also use an element of the funding to provide specific, targeted support to children and families who are suffering disadvantage due to their family circumstances i.e. not just those children who meet the economic eligibility criteria.

The remainder of the block will be applied as follows:

Central retained funds

The local authority intends to retain £319,270 (2.6%) of the overall allocation of funding for the universal and extended free entitlement for three- and four-year olds. This is well within the required 5% maximum amount that can be retained centrally under the new regulations.

This funding is primarily used for the following purposes:

- i. Salary costs for approximately 6 FTE staff employed within the early years service which includes staff to support SEN, safeguarding and collection of data and distribution of funding to early years providers
- ii. Provision and maintenance of early years funding portal
- iii. Repairs, maintenance and running costs for a small number of buildings still owned by the authority from which childcare is delivered
- iv. Provision of information, support and guidance to settings failing their Ofsted inspection
- v. Provision of statutory CPD and training including safeguarding and SEN.

SEN Fund

The local authority provides additional targeted support to two-, three- and four-year olds accessing their free entitlement, who are identified as having special or additional needs. Providers can apply for funding on a case by case basis and applications are considered by the early years panel who allocate funding termly. As may be expected, this mirrors the situation in the schools sector, with funding

commitments increasing term by term and year by year as more children in need of additional support are identified.

Conclusion

8. In terms of how the local authority intends to allocate and spend the Early Years Block of the DSG, Shropshire operates within the requirements set out by the Education and Skills Funding Agency (ESFA). Whilst there are often pressures on different parts of the overall funding allocation at different times, the overall aim is to pass on as much of the funding allocation to providers as possible whilst ensuring that all statutory duties are met.
9. The authority is aware that many childcare providers are concerned at the overall level of funding they receive and whether they can continue to remain sustainable and offer the free entitlements given the rate at which they are reimbursed. Everything is being done at a local level to pass on the highest possible hourly rate to providers but all parties will need to continue to lobby nationally for more funding for Shropshire.

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Schools Forum

Date: 6 June 2019

Time: 8:30 a.m.

Venue: Shrewsbury
Training and Development
Centre

Paper

E

Public

School Balances as at March 2019

Responsible Officer Gwyneth Evans

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Summary

This report analyses the actual levels of individual local authority maintained schools' balances as at 31 March 2019 and compares these with the previous year's position. As Schools Forum represents Shropshire academy schools as well as maintained schools, this report also provides information on the financial position of Shropshire academies as at 31 August 2018, where this information has been provided to the local authority.

Recommendation

This report is for information only.

REPORT

Background

1. Shropshire maintained schools' surplus balances at the end of each financial year are carried forward and earmarked specifically for each individual school's use. Multi-academy trusts will have their own arrangements for the treatment of individual academy balances.
2. Deficit balances of Shropshire maintained schools are also carried forward and set against the individual school's budget for the following year except where a school becomes a sponsored academy. In these instances, any deficit remains with the local authority. Any maintained school planning a deficit budget is required to agree a licensed deficit arrangement with the local authority stipulating how and when the school will move out of a deficit position. Academies in a similar position will make arrangements with the Education and Skills Funding Agency (ESFA).

3. All such requirements for Shropshire maintained schools are contained within Shropshire's approved Scheme for the Financing of Schools. The Scheme no longer includes a schools' balance control mechanism, as agreed by Schools Forum following consultation with maintained schools. However maintained schools holding an excessive surplus balance will be required to provide a clear plan of how it will be used to benefit pupils.

Actual levels of maintained schools' balances as at 31 March 2019

4. The overall level of school balances held by maintained schools in Shropshire has reduced over the last financial year by £1,481,292 (30%) to a total balance of £3,519,698. This overall reduction reflects reduced balances of £1,067,257 (21%) relating to 2018-19 academy convertors and £414,035 (8%) relating to maintained schools as at 31 March 2019.
5. A confidential appendix setting out detailed school by school information on the levels of individual schools' balances will be tabled at the meeting. The data in the confidential appendix is presented in order of percentage size of balance compared to the total school revenue funding.
6. A summary is given in the table below:

	March 2018 Number of Schools	Balance March 2018 £	March 2019 Number of Schools	Balance March 2019 £	Variance	
					£	%
Primary Schools						
In Deficit	5	-20,281	4	-34,404	-14,123	70%
In Surplus	94	4,604,924	84	3,752,307	-852,617	19%
Net Total	99	4,584,643	88	3,717,903	-866,740	19%
Secondary (inc All-Through) Schools						
In Deficit	1	-431,153	1	-458,381	-27,228	6%
In Surplus	5	776,567	1	57,384	-719,183	93%
Net Total	6	345,414	2	-400,997	-746,411	216%
Special Schools						
In Deficit	1	-29,160	1	-61,176	-32,016	110%
In Surplus	1	100,093	1	263,967	163,874	164%
Net Total	2	70,933	2	202,791	131,858	186%
All Schools						
In Deficit	7	-480,594	6	-553,961	-73,367	15%
In Surplus	100	5,481,584	86	4,073,658	-1,407,926	26%
Net Total	107	5,000,990	92	3,519,698	-1,481,292	30%

7. During the financial year 2018-19, four secondary schools and 11 primary schools transferred to academy status taking the total number of Shropshire maintained schools from 107 at March 2018 to 92 at March 2019.

Maintained school surplus balances

8. Overall surplus balances have reduced by £1,407,926 (26%) during the year, this follows a 19% reduction to overall surplus balances in the previous year. The reduction in overall surplus balances in 2018-19 relates to the primary and secondary sectors only and includes the balances relating to in-year academy convertors.
9. Primary school surplus balances reduced by £852,617 (19%) and secondary school surplus balances reduced by £719,183 (93%) over the year. Conversely, special school surplus balances (relating to one school) have increased by £163,874 (164%) over the year.

Maintained school deficit balances

10. Overall deficit balances have increased by £73,367 (15%), which follows a 4% reduction to deficit balances in the previous year. Deficit balances have increased in all sectors: secondary, primary and special.
11. Primary school deficit balances increased by £14,123 (70%) over the 2018-19 financial year. The number of primary schools in deficit reduced from five to four. Of the five schools in deficit at March 2018, three fully repaid their deficits in 2018-19, one increased their deficit and one converted to academy and took their deficit balance with them.
12. Of the four primary schools in deficit at March 2019, one remained in deficit from the previous year and the others all moved into a deficit position during the year. None of the schools had a licensed deficit agreement with the local authority. Appropriate support and challenge is being taken with these schools to ensure the unlicensed deficit positions are fully addressed in 2019-20.
13. Secondary school deficit balances increased overall by £27,228 (6%) over the year. This relates to one secondary school and is as a result of unprocessed year end accounting adjustments in relation to outstanding income.
14. Special school deficit balances increased by £32,016 (110%) over the year. This relates to one special school. The school does not have a licensed deficit agreement with the local authority. Appropriate support and challenge is being taken with the school to ensure the unlicensed deficit position is fully addressed in 2019-20.
15. Termly monitoring meetings will be held between the local authority's School Funding Policy Officer and the schools with year end deficit balances where appropriate. As and when necessary, headteachers, school business managers and chairs of governors/chairs of finance will be called in to meetings with the Principal Education Improvement Adviser to discuss the budget position at the school.

Actual levels of academy balances as at 31 August 2018

16. Shropshire Schools Forum agreed the need to consider Shropshire academy revenue balances along with maintained school balances to understand the financial position of all Shropshire schools funded through Shropshire's Dedicated Schools Grant (DSG) allocation.
17. All Shropshire academies were asked to provide their latest end of financial year revenue balance for inclusion in this report to Schools Forum. The confidential appendix to this report includes this information where provided.
18. Of the 57 Shropshire academies and 1 free school as at 31 March 2019, 23 provided their latest end of year revenue balance information, 13 are more recent convertors and have not yet completed their first end of financial year accounts, 3 were not able to provide a response at the current time and 19 did not respond to the request for information.
19. Of the 23 academies with financial accounts to the year ended 31 August 2018 that provided information, 18 primary academies and 4 secondaries recorded surplus revenue balances, no primary academies and one secondary academy recorded deficit balances.



Schools Forum

Date: 6 June 2019

Time: 8:30 a.m.

Venue: Shrewsbury
Training and Development
Centre

Paper

F

Public

Schools Financial Value Standard

Responsible Officer Gwyneth Evans

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Summary

All local authorities are required to include within their Scheme for the Financing of Schools a requirement for all maintained schools to complete and submit a Schools Financial Value Standard (SFVS) assessment form to the local authority by 31 March each year.

The purpose of the SFVS assessment form is to assist schools in managing their finances and to provide assurance that they have secure financial management arrangements in place.

Each local authority's Chief Finance Officer is required to complete and return to the Department for Education (DfE), an assurance statement recording the number of schools that have and have not complied with this requirement.

This report details the position of Shropshire schools as recorded on the assurance statement as at 31 March 2019.

From April 2019, the DfE has introduced new requirements. The standard for 2019-20 consists of a checklist and a dashboard which schools will need to complete and submit to the local authority. Details of the new requirements are provided in a separate report to Schools Forum.

Recommendation

This report is for information only.

REPORT

1. The SFVS assessment form has been a requirement since September 2011. The purpose of the SFVS is to assist schools in managing their finances and to provide assurance that they have secure financial management in place.
2. Governing bodies have formal responsibility for the financial management of their schools so the SFVS is primarily aimed at governors.

3. The SFVS assessment form must be completed, signed by the chair of governors and submitted to the local authority by 31 March each year. It is for the school to determine at which time of year to complete the form.
4. The 2018-19 SFVS assessment form is a series of 25 questions which the governing body must answer Yes, No or In Part to. It includes a comments section where governors can provide additional commentary to support their answer.
5. Each local authority's Chief Finance Officer is required to submit an annual assurance statement to the DfE detailing the numbers of maintained schools that have completed their SFVS by 31 March each year and the number that have not.
6. The table below details the position at 31 March 2019, as reported by Shropshire's Chief Finance Officer within the assurance statement to the DfE by 31 May 2019.

Total number of eligible schools	92
Number of eligible schools that completed the SFVS by 31 March 2019	85 (92%)
Number of eligible schools that did not complete the SFVS by 31 March 2019 (without exemptions)	7(8%)
Number of schools granted exemption as issued with an academy order/merged/closed or entered into hard federation with new governing body	0 (0%)

7. In previous years local authorities have been required to record whether or not a school submitted their return to the local authority by 31 March deadline. For 2018-19 the assurance return only requires schools to have completed the return by 31 March deadline so a year on year comparison of records is not appropriate.
8. There are 4 (4%) outstanding SFVS returns for 2018-19 as at 24 May 2019. The local authority is continuing to pursue individual schools for this outstanding information.
9. The SFVS assessment form template and supporting notes are available on the Shropshire Learning Gateway. The SFVS requirement is detailed in Shropshire's Scheme for the Financing of Schools. A reminder is included within the Information from the Corporate Director on autumn term governing body agendas as well as being included as an agenda item on the spring term governing body agenda. The annual notes supporting the budget information provided to Shropshire schools in January included a reminder of the SFVS requirements. In addition, a reminder email was sent to all schools in March 2019.

10. The DfE has published new requirements in relation to the Financial Management Standard including a checklist and dashboard for 2019-20. Details of the new requirements are provided in a separate report to Schools Forum.

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Schools Forum

Date: 6 June 2019

Time: 8:30 a.m.

Venue: Shrewsbury
Training and Development
Centre

Paper

G

Public

New Schools Financial Value Standard Requirements from April 2019

Responsible Officer Gwyneth Evans

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Summary

Local authority maintained schools have been required to complete and submit an annual Schools Financial Value Standard (SFVS) assessment return since 2011.

From April 2019 the Department for Education (DfE) has published new Standard requirements consisting of a checklist and dashboard. The checklist asks questions of governing bodies in 6 areas of resource management. The dashboard shows how a school's data compares to thresholds on a range of statistics identified by the DfE as indicators of good resource management and outcomes.

A similar version, the school resource management self-assessment tool, is available to academies

This report details the new requirements for maintained schools.

Recommendation

This report is for information only.

REPORT

1. The SFVS assessment has been a requirement for local authority maintained schools since September 2011. The purpose of the SFVS is to assist schools in managing their finances and to provide assurance that they have secure financial management in place.
2. The DfE announced in May 2018 their intention to introduce a new resource management tool to replace the current SFVS from April 2019. The aim of the new tool is to support schools to make a better self-assessment of how they manage their resources and identify if and where there is potential to make improvements to how they allocate and manage their resources in order to have a greater impact on pupil progress. The tool will also provide assurance to local

authorities that schools are considering how their resources could be most effectively managed.

3. The new SFVS tool is in two parts:
 - A checklist asking questions of governing bodies in 6 areas of resource management covering systems, structures and processes which are in place in making decisions about the allocation of resource (this is a development of the current SFVS), and
 - A dashboard showing how a school's data compares to thresholds on a range of statistics identified by the DfE as indicators of good resource management and outcomes.
4. The DfE has also published checklist and dashboard guidance – available on the GOV.UK website at <https://www.gov.uk/government/publications/schools-financial-value-standard-sfvs>. The checklist guidance provides clarification for each question, examples of good practice, and details of further support available to assist schools in addressing specific issues. The dashboard guidance provides explanations of each of the indicators, and helps schools fill in their data and understand the results.
5. There remains a requirement for maintained schools to submit their SFVS to the local authority annually for review.
6. Schools will be made aware of the new SFVS requirements for 2019-20 and the new SFVS checklist, dashboard and supporting guidance will be made available to maintained schools via the Shropshire Learning Gateway.



Schools Forum

Date: 6 June 2019

Time: 8:30 a.m.

Venue: Shrewsbury
Training and Development
Centre

Paper

H

Public

Dedicated Schools Grant Update

Responsible Officer Gwyneth Evans

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Summary

The Department for Education (DfE) announced provisional 2019-20 local authority Dedicated Schools Grant (DSG) allocations in December 2018, as reported to Schools Forum on 17 January 2019. In March 2019 the DfE announced an update to the DSG allocation for the 2019-20 financial year.

This report provides a summary of Shropshire's updated 2019-20 DSG allocation, comparing it with Shropshire's initial provisional DSG allocation as reported to Schools Forum in January 2019.

Recommendation

This report is for information only.

REPORT

1. In January 2019 Schools Forum members received a report summarising the 2019-20 funding blocks making up Shropshire's provisional DSG allocation and listing the key financial headlines for each of the blocks.
2. Shropshire's 2019-20 DSG allocation was updated in March 2019 to include recoupment for academies and deductions for high needs places funded by the Education and Skills Funding Agency (ESFA).
3. A summary of the provisional 2019-20 DSG (as presented to Schools Forum in January 2019), and the latest updated 2019-20 DSG allocation including recoupment for academies and deductions for high needs places funded by the ESFA, is shown in the table below.

	Provisional DSG £m	Recoupment / Deductions for HN places £m	Latest DSG £m
Schools Block	160.063	99.824	60.239
Early Years Block (Provisional)	15.155	0	15.155
High Needs Block	26.056	4.800	21.256
Central Schools Services Block (CSSB)	3.190	0	3.190
Total DSG	204.465	104.624	99.841

4. The Schools Block recoupment shown in the table above relates to the budget shares, calculated through Shropshire's local funding formula, of 57 Shropshire academies. The funding is recouped from Shropshire's DSG and passed on to providers by the ESFA. The DSG recoupment will be updated throughout the financial year to reflect new academy conversions.
5. The High Needs Block deduction relates to pre and post 16 high needs place funding for Severndale Specialist Academy, pre 16 high needs place funding for Kettlemere Centre based at Lakelands Academy, post 16 high needs places at mainstream academies and maintained schools in Shropshire and post 16 high needs places in Commercial and Charitable Providers (CCPs) and Further Education (FE). The funding is deducted from Shropshire's DSG and passed on to providers by the ESFA.