



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

Date: September 2020

**Committee:
Schools Forum**

Date: Thursday, 17 September 2020
Time: 8.30 am
Venue: VIRTUAL MEETING

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)	Kerry Lynch
John Hitchings (Vice-Chair)	Stephen Matthews
Phil Adams	David O'Toole
Michael Barrett	Alan Parkhurst
Mark Cooper	John Parr
Alan Doust	Greg Portman
Sabrina Hobbs	Revell
Sandra Holloway	Darren Reynolds
Colin Hopkins	Mark Rogers
Marilyn Hunt	Andrew Smith
Shelley Hurdley	Charles Thomas
Samantha John	Guy Verling
Sian Lines	

Your Committee Officer is:

Philip Wilson Service Manager Business Support People
Tel: 01743 254344
Email: phil.wilson@shropshire.gov.uk

AGENDA

- 1 **Apologies**
- 2 **Election of Chair**
- 3 **Minutes and Matters Arising - 25 June 2020** (Pages 1 - 4)
- 4 **Final Dedicated Schools Grant (DSG_ 2019 - 2020** (Pages 5 - 6)
- 5 **Updated Dedicated Schools Grant (DSG) 2020 - 21** (Pages 7 - 8)
- 6 **Schools Revenue Funding Update 2021 - 22** (Pages 9 - 10)
- 7 **Schools' Finances and Covid-19**
- 8 **Paper E - Schools and Covid-19** (Pages 11 - 16)
- 9 **Dedicated Schools Grant Monitoring (DSG) 2020 - 21** (Pages 17 - 22)
- 10 **Communications**
- 11 **Future Meeting Dates**

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

Thursday 5 November 2020	8.30 am	Microsoft (MS) Teams
Thursday 3 December 2020	8.30 am	Microsoft (MS) Teams
Thursday 14 January 2021	8.30 am	The Guildhall, Frankwell or MS Teams
Thursday 28 January 2021 (if required)	8.30 am	The Guildhall, Frankwell or MS Teams
Thursday 18 March 2021	8.30 am	The Guildhall, Frankwell or MS Teams

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Agenda Item 3

	Schools Forum Date: 17 September 2020 Time: 8.30 am Venue: Via MS Teams	<u>Item/Paper</u> A Public
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MINUTES OF SCHOOLS FORUM HELD ON 25 JUNE 2020 – HELD VIA MS TEAMS

Present

School Forum Members

Bill Dowell (Chair)
Mark Cooper – Secondary Headteacher
Caroline Clode – Professional Association rep.
John Hitchings – Academy Governor
Sabrina Hobbs – Academy Headteacher
Sandra Holloway – Primary Governor
Marilyn Hunt – Primary Headteacher
Kerry Lynch – Primary Academy Headteacher
Michael Revell – Primary Governor
Andrew Smith – 16 -19 Representative
Reuben Thorley – Secondary Headteacher
Alan Doust – Academy Headteacher
Sian Lines – Diocese of Hereford
Stephen Matthews – Primary Governor
Georgia Moss – Academy Business Manager

Members

Cllr Nick Bardsley
Cllr Ed Potter

Officers

Karen Bradshaw
Julia Dean
Gwyneth Evans
Jo Jones
Neville Ward
Stephen Waters
Phil Wilson

Observers

Roger Evans
Charles Thomas

Phil Wilson went through some ground rules in order to facilitate the smooth operation of the meeting:

- Please mute your microphones when not speaking.
- Presenters will briefly present their reports and then open up the item for Forum members to raise questions and/or comments.
- Use the 'Raise your hand' facility if you would like to raise a question or comment.
- Alternatively use 'Chat' to advise the Chair that you would like to speak.
- Turn off your video if bandwidth becomes an issue.
- Please note that this meeting is being recorded but will be deleted once the notes have been captured.

<p>1. Apologies Apologies had been received from Shelley Hurdley, Alan Parkhurst, Mark Rogers and Guy Verling.</p> <p>2. Minutes and Matters Arising The minutes of the meeting held on December 2020 were approved.</p>	ACTION
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3. School Finances – Impact of Covid-19

Phil Wilson went through his paper.

He verbally added some additional information (which had been received yesterday) regarding Covid-19 funding, which provided clarification of what could be claimed by schools. Steve Compton had emailed this guidance to schools and the claim process has been clarified. It seems complicated and an online claim form will need to be completed by 21 July. This information also clarified that the following costs will not be claimable:

- loss of self-generated income
- costs of opening of schools for more pupils from 1 June
- cost of any additional staff.

There is an opportunity to highlight exceptional costs which will be considered on a case by case basis. The LA will consider making representation to DfE.

Mark Cooper advised that Thomas Adams School has submitted a furlough claim for boarding and sports centre staff which has been straightforward and successful. However, the loss of boarding school fees is presenting a serious challenge.

4. Updated Dedicated Schools Grant from 2020-21

Gwyneth Evans went through her paper which was for information.

5. School Balances as at March 2020

Gwyneth Evans went through her paper which was for information.

She explained the actions taken with the primary schools that are in deficit.

There had been a significant deficit increase for one special school which did have a small licensed deficit. However, this has grown significantly over the year and officers are working with the school to establish how it has happened.

The confidential paper re maintained school balances was shared.

Alan Doust asked what challenges are being made to those schools who have high levels of surplus.

Gwyneth Evans advised that schools with high levels of surplus all have plans for its use, and some have built this up over time for a purpose. She assured School Forum that LA officers will ensure that it is spent for the benefit of pupils in their schools.

6. Growth Fund Allocations 2019-20 and 2020-21

Gwyneth Evans went through her paper and Schools Forum noted:

- the individual allocations made to schools from Shropshire's Growth Fund in 2019-20 and the use of the 2019-20 Growth Fund underspend to support the on-going pressure on the DSG high needs budget; and
- the current allocations from Shropshire's 2020-21 Growth Fund allocation.

7. Early Years Block Allocation 2020-21

Neville Ward went through his paper which was for information.

He stressed how grateful the LA were to the many settings that had remained open during the 13-week lockdown period.

He added that the demand for childcare in the future may look very different and advised that the LA will need to identify which providers it may be able to support.

The Chair added his gratitude for the incredible work of the early years providers.

8. High Needs Funding Task & Finish Group Update

Julia Dean provided an update.

Shropshire Council had recently been part of a local area inspection of 0-25 SEND. The outcome of this requires a written statement of action by 25 September. Six areas of weakness were identified with the majority around CCG, but, one specific area related to the work of the High Needs Task & Finish Group and concerns the number of exclusions. Continuing work on this will now come under the remit of the 0-25 SEND Board.

Julia Dean confirmed that surveys had been received from Shropshire schools, who had confirmed that they were happy to look at different models for supporting children who are at risk of permanent exclusion. The Task & Finish Group had agreed that TMBSS would provide a new model where pupils would remain in school for two days per week, attend a PRU for two days a week and on the other day, outreach work would be carried out to support schools and pupils. This has been delayed due to Covid-19 but will start in January 2021.

Julia Dean undertook to keep Schools Forum updated.

9. Dedicated Schools Grant Monitoring (DSG) 2020-21

Stephen Waters went through his paper.

Julia Dean advised that there had not been as big an overspend on specialist independent out of county places as expected. This is due to more places being made available in hubs at Shropshire schools. The new special school is due to open in September 2022 and will provide a further 120 places. Also, Social Care are working on a Stepping Stones policy which aims to ensure that there enough places for LAC in Shropshire and this will have a further impact.

Julia Dean alerted Schools Forum to the potential impact of Covid-19 on the High Needs Block – there are already increasing numbers of requests for EHCP assessments and there are higher levels of anxiety. Some parents are not returning their children to school and when they have to there may be another increase.

There will be a widening gap between SEN/non-SEN. The SEN team is receiving requests for extensions to Post 16 placements in order to complete programmes – these are being agreed on a term by term and individual basis.

The team is expecting requests for an additional year from parents. There would not automatically be approved and will be considered on a case by case basis.

The Chair went back to paragraphs 21/22 regarding the need for a recovery plan. He requested an emerging recovery plan for consideration by Schools Forum at their next meeting in September and for approval at the December meeting.

Neville Ward advised of the overspend on Early Years in 2020-21 due to Covid-19 which has meant that some places have been double funded.

He also cautioned around the difficulty of creating a recovery plan in these

SAW

uncertain times.

The Chair suggested that any plan may have to contain some 'ifs' and 'maybes'.

Schools Forum:

- noted the report and approved that the £1.368m in-year overspend is added to last year's deficit carried forward of £0.879m and carried forward into 2020-21 financial year to give a cumulative deficit of £2.247m
- noted that the ESFA has updated their DSG guidance in March 2020 to remove the requirement for those local authorities overspent by more than 1% of their gross DSG budget to formally submit a DSG deficit recovery plan to the Department for Education by the of June.

10. Communications

It was confirmed that briefings of headteachers will continue and the Chair and Phil Wilson will keep Schools Forum updated.

BD/PW

11. Future meeting dates:

17 September 2020 via MS Teams

The chair thanked Gwyneth Evans for all her hard work and dedication as this is her last meeting. Schools Forum wished her all the best for the future.

The meeting closed at 10.25 am.



Schools Forum

Date: 17 September 2020

Time: 8:30 a.m.

Venue: MS Teams Meeting

Paper

B

Public

Final Dedicated Schools Grant (DSG) 2019-20

Responsible Officer Phil Wilson

e-mail: phil.wilson@shropshire.gov.uk

Tel: 01743 254344

Summary

The Department for Education (DfE) announced provisional 2019-20 local authority Dedicated Schools Grant (DSG) allocations in December 2018 and further updates in March 2019 and May 2019 which have previously been reported to Schools Forum. In July 2020 the DfE announced final 2019-20 local authority DSG allocations.

This report provides a summary of Shropshire's final 2019-20 DSG allocation comparing it with Shropshire's provisional 2019-20 DSG allocation.

Recommendation

This report is for information only.

REPORT

1. In January 2019 Schools Forum members received a report summarising the funding blocks making up Shropshire's 2019-20 provisional DSG allocation and listing the key financial headlines for each of the blocks.
2. Shropshire's 2019-20 provisional DSG allocation was updated during the financial year to include recouplement for academies and deductions for high needs places funded by the Education and Skills Funding Agency (ESFA).
3. A final update to the 2019-20 DSG allocation was received in July 2020. A summary of the provisional 2019-20 DSG and the final 2019-20 DSG announced in July 2020, is shown in the table below.

4.

	Provisional DSG (as at Dec 18) £m	Recoupment / Early Years Adjustment / Deductions for HN places and Import/Export Adjustment £m	Final DSG (as at July 20) £m
Schools Block	160.063	-101.555	58.508
Early Years Block	15.155	+0.947	16.102
High Needs Block	26.056	-5.129	20.927
Central Schools Services Block (CSSB)	3.190	0	3.190
Total DSG	204.464	-105.737	98.727

5. The Schools Block adjustment shown in the table above relates to the recoupment of budget shares in relation to 61 Shropshire academies calculated through Shropshire's local funding formula. The funding is recouped from Shropshire's DSG and passed to the individual academies by the ESFA.
6. The Early Years Block adjustment relates to updated part time equivalent funded two, three and four year olds to reflect 5/12ths of the January 2019 school census and early years census, and 7/12ths of the January 2020 school census and early years census, providing additional funding of £0.947m.
7. The High Needs Block adjustment relates to:
- Deductions in relation to direct funding of high needs places by the ESFA totalling £4.808m
 - An increase in funding of £0.627m in relation to Shropshire's share of the extra £250m made available nationally to local authorities over the two years 2018-19 and 2019-20
 - An increase to our import/export deduction of £0.288m to reflect January 2019 school census high needs pupils' data and February 2018/19 RO6 ILR data (age 16 to 18 and 19 to 24 year olds with EHC plans). The import/export adjustment reflects the net place funding costs of other local authority pupils placed in our high needs settings and Shropshire high needs pupils placed in other local authority settings. Shropshire is a net exporter of high needs pupils and our 2019-20 import/export adjustment has increased from a provisional deduction of £0.804m to a final deduction of £1.092m in 2019-20.
8. Shropshire's final DSG allocation for 2019-20 after recoupment for academies and deductions for direct funding of high needs places by ESFA, totals £98.727m.



Schools Forum

Date: 17 September 2020

Time: 8:30 a.m.

Venue: MS Teams Meeting

Paper

C

Public

Updated Dedicated Schools Grant (DSG) 2020-21

Responsible Officer Phil Wilson

e-mail: phil.wilson@shropshire.gov.uk

Tel: 01743 254343

Summary

The Department for Education (DfE) announced provisional 2020-21 local authority Dedicated Schools Grant (DSG) allocations in December 2019. In March 2020 the DfE announced an update to the DSG allocation for the 2020-21 financial year. A further update was received in July 2020.

This report provides a summary of Shropshire's latest updated 2020-21 DSG allocation comparing it with Shropshire's previous provisional DSG allocation as reported to Schools Forum in June 2020.

Recommendation

This report is for information only.

REPORT

1. In February 2020 Schools Forum members received a report summarising the funding blocks making up Shropshire's 2020-21 provisional DSG allocation and listing the key financial headlines for each of the blocks.
2. Shropshire's 2020-21 provisional DSG allocation was updated in March 2020 to include recoupment for academies and deductions for high needs places funded by the Education and Skills Funding Agency (ESFA) at that point.
3. A further update was received in July 2020 including adjustments to academy recoupment in relation to recent convertors, the early years' provisional allocation and the high needs import/export adjustment.
4. A summary of the provisional 2020-21 DSG (as presented to Schools Forum in June 2020), and the latest updated 2020-21 DSG announced in July 2020, is shown in the table below.

5.

	Provisional DSG (as at Dec 19) £m	Recoupment / Deductions for HN places (as at March 20) £m	Provisional DSG (as at March 20) £m	Recoupment / Early Years Adjustment / HN Import/Export Adjustment (as at July 20) £m	Latest DSG (as at July 20) £m
Schools Block	168.480	-112.431	56.049	-1.361	54.688
Early Years Block (Provisional)	15.857	0	15.857	0.939	16.796
High Needs Block	28.130	-5.136	22.994	0.066	23.060
Central Schools Services Block (CSSB)	2.791	0	2.791	0	2.791
Total DSG	215.258	-117.567	97.691	-0.356	97.335

6. The latest (July 2020) Schools Block adjustment shown in the table above relates to the additional recoupment of the budget share of a school converting to academy status on 1 May 2020, calculated through Shropshire's local funding formula as £1.361m. The funding is recouped from Shropshire's DSG and passed on to the academy by the ESFA. The DSG recoupment will be updated throughout the financial year to reflect any further academy conversions.
7. The latest provisional Early Years Block adjustment relates to updated provisional part time equivalent funded two, three and four year olds to reflect the January 2020 school census and early years census, providing additional funding of £0.914m., along with a small increase to the Early Years Pupil Premium grant of £24,829.
8. The latest High Needs Block adjustment relates to an update to our import/export adjustment to reflect January 2020 school census high needs pupils' data and February 2019/20 RO6 ILR data (age 16 to 18 and 19 to 24 year olds with EHC plans). The import/export adjustment reflects the net place funding costs of other local authority pupils placed in our high needs settings and Shropshire high needs pupils placed in other local authority settings. Shropshire is a net exporter of high needs pupils and our 2020-21 import/export adjustment has decreased by £66,000. The total deduction for our import/export adjustment is now £1.026m included within the High Needs Block funding.
9. Shropshire's latest remaining DSG for 2020-21, after recoupment for academies and deductions for direct funding of high needs places by ESFA, equates to £97.335m.



Schools Forum

Date: 17 September 2020

Time: 8:30 a.m.

Venue: MS Teams Meeting

Paper

C

Public

Updated Dedicated Schools Grant (DSG) 2020-21

Responsible Officer Phil Wilson

e-mail: phil.wilson@shropshire.gov.uk

Tel: 01743 254343

Summary

The Department for Education (DfE) announced provisional 2020-21 local authority Dedicated Schools Grant (DSG) allocations in December 2019. In March 2020 the DfE announced an update to the DSG allocation for the 2020-21 financial year. A further update was received in July 2020.

This report provides a summary of Shropshire's latest updated 2020-21 DSG allocation comparing it with Shropshire's previous provisional DSG allocation as reported to Schools Forum in June 2020.

Recommendation

This report is for information only.

REPORT

1. In February 2020 Schools Forum members received a report summarising the funding blocks making up Shropshire's 2020-21 provisional DSG allocation and listing the key financial headlines for each of the blocks.
2. Shropshire's 2020-21 provisional DSG allocation was updated in March 2020 to include recoupment for academies and deductions for high needs places funded by the Education and Skills Funding Agency (ESFA) at that point.
3. A further update was received in July 2020 including adjustments to academy recoupment in relation to recent convertors, the early years' provisional allocation and the high needs import/export adjustment.
4. A summary of the provisional 2020-21 DSG (as presented to Schools Forum in June 2020), and the latest updated 2020-21 DSG announced in July 2020, is shown in the table below.

5.

	Provisional DSG (as at Dec 19) £m	Recoupment / Deductions for HN places (as at March 20) £m	Provisional DSG (as at March 20) £m	Recoupment / Early Years Adjustment / HN Import/Export Adjustment (as at July 20) £m	Latest DSG (as at July 20) £m
Schools Block	168.480	-112.431	56.049	-1.361	54.688
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Central Schools Services Block (CSSB)	2.791	0	2.791	0	2.791
Total DSG	215.258	-117.567	97.691	-0.356	97.335

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7. The latest provisional Early Years Block adjustment relates to updated provisional part time equivalent funded two, three and four year olds to reflect the January 2020 school census and early years census, providing additional funding of £0.914m., along with a small increase to the Early Years Pupil Premium grant of £24,829.
8. The latest High Needs Block adjustment relates to an update to our import/export adjustment to reflect January 2020 school census high needs pupils' data and February 2019/20 RO6 ILR data (age 16 to 18 and 19 to 24 year olds with EHC plans). The import/export adjustment reflects the net place funding costs of other local authority pupils placed in our high needs settings and Shropshire high needs pupils placed in other local authority settings. Shropshire is a net exporter of high needs pupils and our 2020-21 import/export adjustment has decreased by £66,000. The total deduction for our import/export adjustment is now £1.026m included within the High Needs Block funding.
9. Shropshire's latest remaining DSG for 2020-21, after recoupment for academies and deductions for direct funding of high needs places by ESFA, equates to £97.335m.



Schools Forum

Date: 17 September 2020

Time: 8:30 to 10.20am

Venue: Virtual Microsoft
(MS) Teams

Paper

E

Public

SCHOOLS' FINANCES AND COVID-19

Responsible Officer Phil Wilson

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Fax: (01743) 254400

Summary

A report was presented to Schools Forum at their meeting on 25 June 2020 on the impact of the Covid-19 pandemic on Shropshire schools' finances, outlining the issues that had emerged and were being faced by schools and academies. This paper provides an update on developments over the summer.

Recommendation

This report is for information only.

REPORT

Background

1. Schools were closed from 20 March 2020 as the Government escalated its efforts to curb the increasing spread of coronavirus (Covid-19) across the country. Schools remained open, however, for the supervision of the children of critical workers and for vulnerable children. As the national position improved, the restrictions were eased, meaning that from 1 June primary schools were able to extend opening to children in nursery, Reception, Year 1 and Year 6, while from 15 June, secondary schools were able to welcome back students in Years 10 and 12. From the beginning of the Autumn term the education sector has moved to the full reopening of schools, operating within the Government's Covid safe guidelines.
2. Schools Forum received a report at their meeting on 25 June 2020 on the impact on schools' finances at that stage of the national crisis and the issues that were emerging in the education sector at that time. This report updates Schools Forum on developments since they last met.

Covid-19 Schools Fund

3. The arrangements for the Covid-19 Schools Fund were detailed in the Government guidance initially issued on 7 April - *School funding: exceptional costs associated with coronavirus (COVID-19) for the period March to July 2020*. This guidance was updated on 24 June, accompanied by further guidance on the process for schools to claim exceptional costs related to Covid-19, with a deadline set for 21 July for first claims to be submitted online.
4. Notification has been received by the Council on the payments made to Shropshire maintained schools at the end of August from this fund. The payment has come to the Council for passporting into maintained school budgets. There is no information on how many schools submitted claims or whether they received everything they claimed for. Academy trusts will have been contacted regarding the outcome of any claims they submitted.
5. The following table summarises the approved claims for maintained schools, with details on individual (anonymised) maintained school payments detailed in Appendix 1.

Number of schools receiving payments	32
Total payments to these schools	£84,711
Analysed as:	
• Premises	£45,953
• Free school meals	£23,495
• Additional cleaning	£15,263
Range of payments	£207 up to £14,372
Average payment	£2,647
Total funds available to these schools	£845,000
Percentage of total available funds claimed	10.0%

6. The June guidance indicated that 'further claims will be possible in a subsequent claim window in the autumn and details regarding that process will be published later in the year'.

Coronavirus (Covid-19) Catch-up Premium

7. On 20 July the Government announced £1 billion of funding was being made available to support children and young people to catch up - <https://www.gov.uk/guidance/coronavirus-covid-19-catch-up-premium> . This includes a one-off universal £650 million catch-up premium for the 2020 to 2021 academic year 'to ensure that schools have the support they need to help all pupils make up for lost teaching time'.
8. The balance of the funds - £350 million – is being targeted at disadvantaged and vulnerable groups who have been hardest hit during the pandemic. A National Tutoring Programme will provide additional, targeted support for those children and young people who need the most help.

9. Individual school allocations of catch-up premium will be calculated on a per pupil basis as follows:
- £80 per for each pupil from Reception through to Year 11 in mainstream
 - £240 for each place in special, alternative provision and hospital schools.

A typical primary school of 200 pupils will receive £16,000, while a secondary school of 1,000 pupil will receive £80,000.

10. Schools will receive the funding in three tranches: autumn 2020, early spring 2021 and in the summer 2021. The autumn and spring payments will total £46.67 per pupil/£140 per place, and the summer payments will be £33.33 per pupil/£100 per place. The spring and summer term payments will be based on the October 2020 census data.
11. Schools are expected to use the sums available to them as a single total from which to prioritise support for pupils according to their need. The catch-up premium guidance signposts support for schools on how to use the funding, in particular a support guide published by the Education Endowment Foundation.
12. In terms of accountability, 'school leaders must be able to account for how this money is being used....', with governors and trustees expected to scrutinise their schools' approaches to catch-up and the plans for and use of the allocated funding. Ofsted will be conducting a programme of non-graded visits in the autumn during which 'inspectors will discuss how the school is bringing pupils back into full-time education – this may include plans schools have to spend their catch-up funding'.
13. The National Tutoring Programme will comprise of at least three parts in the 2020 to 2021 academic year:
- a 5 to 16 programme making high-quality tuition available to disadvantaged and vulnerable pupils in primary and secondary schools, from the second half of the autumn term
 - a 16 to 19 fund for school sixth forms, colleges and other providers
 - a reception year early language programme that will make training and resources available at no cost to schools.

Schools will be able to use their catch-up premium to cover the subsidised costs of the programmes.

f40 Letter on the Impact of Covid-19 on School and Education Funding

14. The lobby group f40, on behalf of their 42 member local authorities and school forums, including Shropshire, has written to the Department for Education on 12 August, highlighting a series of areas regarding the impact of Covid-19 on school and education funding. The letter is attached in Appendix 2.

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COVID-19 Schools Fund Payment - Shropshire Maintained Schools - 28 August 2020

Establishment Name	Category			Total Payment	Limit
	Premises	Free School Meals	Additional Cleaning		
Maintained school #1	£0	£0	£0	£0	£0
Maintained school #2	£0	£0	£0	£0	£0
Maintained school #3	£0	£0	£0	£0	£0
Maintained school #4	£0	£0	£0	£0	£0
Maintained school #5	£0	£0	£0	£0	£0
Maintained school #6	£0	£0	£0	£0	£0
Maintained school #7	£0	£0	£0	£0	£0
Maintained school #8	£0	£0	£0	£0	£0
Maintained school #9	£0	£0	£0	£0	£0
Maintained school #10	£0	£0	£0	£0	£0
Maintained school #11	£0	£0	£0	£0	£0
Maintained school #12	£0	£0	£0	£0	£0
Maintained school #13	£0	£0	£0	£0	£0
Maintained school #14	£0	£0	£0	£0	£0
Maintained school #15	£0	£0	£0	£0	£0
Maintained school #16	£0	£0	£0	£0	£0
Maintained school #17	£0	£0	£0	£0	£0
Maintained school #18	£0	£0	£0	£0	£0
Maintained school #19	£0	£0	£0	£0	£0
Maintained school #20	£0	£0	£0	£0	£0
Maintained school #21	£0	£0	£0	£0	£0
Maintained school #22	£0	£0	£0	£0	£0
Maintained school #23	£0	£0	£0	£0	£0
Maintained school #24	£0	£0	£0	£0	£0
Maintained school #25	£0	£0	£0	£0	£0
Maintained school #26	£0	£0	£0	£0	£0
Maintained school #27	£0	£0	£0	£0	£0
Maintained school #28	£0	£0	£0	£0	£0
Maintained school #29	£0	£0	£0	£0	£0
Maintained school #30	£0	£0	£0	£0	£0
Maintained school #31	£0	£0	£0	£0	£0
Maintained school #32	£0	£0	£0	£0	£0
Totals	£45,953	£23,495	£15,263	£84,711	£845,000

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Schools Forum

Date: 17 September 2020

Time: 8:30 am

Item

Public

Paper

F

DEDICATED SCHOOLS GRANT MONITORING

Responsible Officer Stephen Waters
e-mail: Stephen.a.waters@shropshire.gov.uk Tel: (01743) 258952

Summary

This report outlines to Schools Forum members the centrally retained Dedicated Schools Grant (DSG) forecast outturn position at the end of August 2020.

Recommendation

This report is for information only.

REPORT

1. The overall 2020-21 outturn against centrally retained DSG is forecast to be £0.579m in deficit as at the end of August 2020. It should be noted that this figure is the in-year deficit and needs to be added to the £1.710m overspend carried forward from 2019-20 in order to give the overall cumulative deficit position of £2.289m.
2. Please note that the cumulative DSG deficit reported to Schools Forum in June was £2.247m at the time, however there was some good news in July when the final Early Years Block DSG was published at a figure £0.537m higher than the provisional Early Years Block DSG allocation resulting in the cumulative DSG deficit reducing from £2.247m to £1.710m.

Centrally Controlled Early Years Budget

3. The outturn position for the Early Years Block is forecast to be overspent by £0.152m on a provisional budget of £16.796m.
4. There is a £0.150m budget pressure reported against the Early Years Block of DSG as a direct result of the "double funding" of nursery placements due to Covid-19. There will be Early Years children who cannot access the free Early Years entitlement at the setting of their choice, either because it is still closed or

because they have had to restrict places in order to operate safely within the current guidelines of Covid-19. In these instances the children will be attending other settings where they can be accommodated.

5. While in practice, Local Authorities have used a variety of different approaches towards this scenario, Shropshire Council has opted to double fund the child's place. This means funding the place at the setting that is closed or restricted and as well as the place at the new setting. While this approach has given some protection to those early years settings that have reduced capacity or taken on additional children, the Local Authority has not received any additional funding from the Government to adopt this approach of "double funding" so consequently a budget pressure of £0.150m has been estimated.

Centrally Controlled High Needs Budget

6. The centrally controlled High Needs Block is the largest budget area within central DSG accounting for £20.441m of the £40.373m central DSG budget in 2020-21. The £20.441m budget excludes the place funding element of the High Needs Block totalling £7.756m.
7. Overall, the forecast outturn position for the High Needs Block is an in-year deficit of £0.419m

Lines 1.2.1 & Line 1.2.2 - Top Up funding – Mainstream Schools and Post 16 Further Education

8. On budget lines 1.2.1 and 1.2.2, shown in the Appendix, there is an overspend of £0.974m.

Top Up funding - Mainstream Schools

9. This overspend reflects a forecast pressure of £0.585m on top-up funding paid to mainstream schools with total expenditure on top-ups and graduated support pathway payments to mainstream schools projected at £4.768m, £0.320m higher than the equivalent figure in 2019-20. Increase in demand for top-up funding mirrors the national picture. The Local Government Association reports that the number of children and young people with an Education Health Care (EHC) plan increased by 35% between 2013/14 and 2018/19. The forecast expenditure does anticipate some increase in top-up funding from the Autumn Term, however the scale of increase in demand is difficult to quantify at this stage.
10. The above figures include the Graduation Support Pathway payments as well as top-up funding. The Graduated Supported Pathway aims to provide additional funding to supplement element 2 funding which comes directly through the Schools Block of DSG. Over the longer term, it is anticipated that the local authority will see a reduction in the proportion of Education Health Care (EHC) plans in line with the national average though it is important to stress that this is determined by the child's need. Further work is required to understand the ongoing cost and impact of this strategy on both the number of EHC plans and the level of expenditure on top-ups.

Post 16 Further Education Colleges

11. Within the “1.2.2 - Top Up funding - Academies, Free Schools and Colleges” there is a budget of £1.989m allocated for Post 16 funding at further education colleges and sixth form colleges. Growth in expenditure on post 16 further education colleges reflects the national picture, however Shropshire is anticipated to experience particularly significant growth in the 2020-21 financial year with the number of post 16 FE college placements up from 90 in the Summer Term to 148 in the Autumn Term. The 2020-21 forecasted expenditure of £2.318m is an increase of £0.510m on the 2019-20 outturn figure and is responsible for a budget pressure of £0.328m.
12. The Council has and will continue to experience significant expenditure growth in this area as a direct result of changes in legislation which has seen local authorities having significant new statutory duties for students with special educational needs up to the age of 25 years under the Children and Families Act (September 2014). As a result, Shropshire has seen a sharp increase in students with SEN requiring additional support in further education year on year. The local authority’s SEN team work closely with local colleges to increase accessibility to education within mainstream colleges rather than more expensive independent specialist providers. The overspend is as a result of a large increase in numbers at 2 lower cost, mainstream colleges in particular rather than the independent specialist settings.

Line 1.2.3 - Top Up funding - Non-Maintained and Independent Providers

13. A forecast underspend of £0.642m is reported in this budget area.

Independent Special Schools

14. The budget for Independent Special School placement costs is one of the largest in the High Needs Block at £5.088m. In recent years this budget heading has been one of the highest overspending areas. To address this, the budget was significantly increased by £0.550m in 2020-21 as part of the budget setting process. This was achieved using some of the overall increase in High Needs Block DSG allocation.
15. As at the end of August 2020, the Council has not experienced the increase in expenditure anticipated at the start of the financial year. Consequently, a significant forecast underspend is being reported. It is important to note that for this reason the forecast underspend does not reflect a large decrease in expenditure, only that it is lower than the anticipated budget level.
16. It is important to stress that the Council anticipates an increase in demand for this type of placement due to Covid-19 and that the picture will become clearer once pupils have returned to schools in the Autumn Term.
17. One explanation for not seeing a large increase in expenditure again is that Shropshire Council has invested in supporting children to access mainstream

provision in specialist hubs within mainstream schools. This has reduced the number of children placed at high cost, specialist Independent schools. The development of the SEND free school, anticipated to open in September 2022 will further reduce the number of children requiring access to independent, high cost placements and support us to meet their need locally.

18. The national picture being reported by the f40 group of local authorities during a survey of high needs costs pressures concluded increasing demand for independent special school placements, and higher contributions from education towards joint social care placements. Shropshire has mirrored these trends in recent years but as stated above there are signs that the growth in this budget area is being managed by the strategies in place.

Accounting for the DSG Deficit

19. The ESFA published their DSG guidance for 2020-21 in March 2020 and this removes the requirement for those local authorities overspent by more than 1% of their gross DSG budget to formally submit a DSG deficit recovery plan to the Department for Education by 30 June. Instead, the DSG guidance states further conditions relating to DSG deficits for those local authorities that have an overall deficit on their DSG as follows:
 - Provide information as and when requested by the department about its plans for managing its DSG account in the 2020 to 2021 financial year and subsequently.
 - Provide information as and when requested by the department about pressures and potential savings on its high needs budget.
 - Meet with officials of the department as and when they request to discuss the local authority's plans and financial situation.
 - Keep the schools forum regularly updated about the local authority's DSG account and plans for handling it, including high needs pressures and potential savings
20. Given the large cumulative deficit being reported it is likely that Department for Education officials will be in contact with Shropshire Council officers to request details of the deficit and plans being progressed to remove the deficit, and the timescale for those plans. As such, it is important that officers continue to work on these plans in collaboration with Schools Forum and report back to Schools Forum through the 2020-21 financial year.

APPENDIX

CENTRALLY RETAINED DEDICATED SCHOOLS GRANT FUNDING PERIOD (2020-21)

	2020-21 Budget £	2020-21 Spend £	2020-21 Variance £	
DEDELEGATED ITEMS				
1.1.1	Contingencies	94,800	94,800	0
1.1.2	Behaviour Support Services	0		0
1.1.3	Support to UPEG and bilingual learners	0		0
1.1.4	Free school meals eligibility	0		0
1.1.5	Insurance	0		0
1.1.6	Museum and Library Services	0		0
1.1.7	Licences/subscriptions	0		0
1.1.8	Staff costs Maternity supply cover	227,700	227,700	0
1.1.9	Staff costs Trade Union Duties	23,400	23,400	0
	DEDELEGATED ITEMS SUB TOTAL	345,900	345,900	0
CENTRALLY CONTROLLED EARLY YEARS BUDGET				
1.3.1	Central Expenditure on Children under 5	331,030	333,464	2,434
1.0.1	Individual Schools Budget - Early Years PVI's and Maintained Nursery Provision	16,464,670	16,614,670	150,000
	CENTRALLY CONTROLLED EARLY YEARS SUB TOTAL	16,795,700	16,948,134	152,434
CENTRALLY CONTROLLED HIGH NEEDS BUDGET				
1.2.1	Top Up funding - Maintained Providers	4,209,760	4,427,419	217,659
1.2.2	Top Up funding - Academies, Free Schools and Colleges	7,550,020	8,306,265	756,245
1.2.3	Top Up funding - Non-Maintained and Independent Providers	5,540,210	4,898,339	-641,871
1.2.4	Additional High Needs Targeted Funding for Maintained Schools and Academies	259,450	259,450	0
1.2.5	SEN Support Services	1,440,580	1,499,779	59,199
1.2.6	Hospital Education Services	170,190	169,084	-1,106
1.2.7	Other Alternative Provision Services	99,050	102,423	3,373
1.2.8	Support for Inclusion	1,171,250	1,196,887	25,637
1.2.9	Special Schools and PRUs in Financial Difficulty	0		0
1.2.10	PFI / BSF Costs at Special Schools and AP / PRUs	0		0
1.2.11	Direct Payments (SEN and Disability)	0		0
1.2.12	Carbon Reduction Commitment Allowances (PRUs)	0		0
	CENTRALLY CONTROLLED HIGH NEEDS BUDGET SUB TOTAL	20,440,510	20,859,646	419,136
CENTRAL SCHOOL SERVICES BLOCK				
1.4.1	Contribution to combined budgets	452,110	455,501	3,391
1.4.2	Schools Admissions	243,040	246,833	3,793
1.4.3	Servicing of Schools Forums	10,000	10,000	0
1.4.4	Termination of employment costs	966,440	966,440	0
1.4.5	Falling Rolls Fund	0		0
1.4.6	Capital Expenditure from Revenue (CERA)	0		0
1.4.7	Prudential Borrowing Costs	295,350	295,350	0
1.4.8	Fees to independent schools without SEN	0		0
1.4.9	Equal Pay - Back Pay	0		0
1.4.10	Pupil growth / Infant Class sizes	0		0
1.4.11	SEN Transport	0		0
1.4.12	Exceptions agreed by Secretary of State (Deficit)	0		0
1.4.13	Other Items (Copyright Licensing Agency fee)	220,910	220,910	0
	Ongoing duties	603,130	603,130	0
	CENTRAL PROVISION WITHIN SCHOOLS BUDGET SUB TOTAL	2,790,980	2,798,164	7,184
	TOTAL CENTRAL DSG	40,373,090	40,951,844	578,754

	£
DEFICIT CARRIED FORWARD FROM PREVIOUS YEARS	2,247,368
2019-20 EARLY YEARS DSG ADJUSTMENT	-537,445
REVISED DSG DEFICIT CARRIED FORWARD FROM PREVIOUS YEARS	1,709,923
PROJECTED 2020-21 IN YEAR DEFICIT	578,754
CUMULATIVE CENTRAL DSG DEFICIT	2,288,677

Breakdown of total DSG:

TOTAL CENTRAL DSG	40,373,090
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High Needs Budget - Place Funding	
Post 16 FE Colleges	772,000
Pre and Post 16 SEN Places - Special Academies	4,090,000
Pre and Post 16 SEN Places - Resourced Provisions	223,670
Post 16 Mainstream Provision	50,000
Total deduction to 2019-20 High Needs Block for direct funding of places by ESFA	5,135,670
TMBSS	1,560,000
Woodlands School	820,000
Maintained School SEND Hubs	240,000
Total deduction to 2019-20 High Needs Block for central funding of places	2,620,000
HIGH NEEDS BUDGET - Place Funding	7,755,670

INDIVIDUAL SCHOOLS BUDGET SHARES (Excluding De-delegated Items)	168,134,511
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TOTAL DSG Allocation (Updated July 2020)	216,263,271
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