



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

Date: Date Not Specified

**Committee:
Schools Forum**

Date: Thursday, 3 December 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 **Minutes and Matters Arising - 5 November 2020** (Pages 1 - 4)
- 3 **School Funding Arrangements 2021-22** (Pages 5 - 8)
- 4 **Consultation on the Central Retention of Dedicated Schools Grant from April 2021** (Pages 9 - 38)
- 5 **Central School Services Block 2021-22** (Pages 39 - 64)
- 6 **Communications**
- 7 **Future Meeting Dates**

Please note the new venue and diary

Thursday 14 January 2021	8.30 am	Microsoft (MS) Teams
Thursday 28 January 2021 (if required)	8.30 am	Microsoft (MS) Teams
Thursday 18 March 2021	8.30 am	Microsoft (MS) Teams

Agenda Item 2

	Schools Forum Date: 3 December 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 5 NOVEMBER 2020 – HELD VIA MS TEAMS

Present

School Forum Members

Bill Dowell (Chair)
Mark Cooper – Secondary academy headteacher (left 9.00)
Alan Doust – Secondary academy headteacher
John Hitchings – Academy governor
Sandra Holloway – Primary governor
Marilyn Hunt – Primary headteacher
Donna Lewis – Academy representative
Kerry Lynch – Primary Academy Headteacher
Stephen Matthews – Primary governor (left at 9.56)
David O’Toole – Secondary academy headteacher
Alan Parkhurst – Primary headteacher
John Parr – Secondary academy headteacher (left 9.49)
Michael Revell – Primary Governor
Mark Rogers – Primary headteacher
Andrew Smith – 16 -19 Representative (left 9.31)
Charles Thomas – Professional Association Rep.
Reuben Thorley – Secondary headteacher (left at 9.51)

Members

Cllr Nick Bardsley (left 9.56)
Cllr Ed Potter

Officers

Karen Bradshaw (left at 9.27)
Julia Dean (left at 9.30)
Jo Jones
Neville Ward
Stephen Waters
Phil Wilson
Helen Woodbridge

Observers

Roger Evans
David Vasmer

Phil Wilson went through the protocols for the meeting.

<p>1. Apologies</p> <p>Apologies had been received from Sabrina Hobbs, Shelly Hurdley and Sian Lines.</p> <p>2. Minutes and Matters Arising</p> <p>The minutes of the meeting held on 17 September were agreed as a true record.</p> <p>Marilyn Hunt clarified Page 3 – where it stated that she agreed the need to increase the high needs budget. She had acknowledged the work of the SEN team in streamlining and achieving savings but recognised that the deficit remains.</p>	ACTION
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3. Schools' Finances and COVID-19

Phil Wilson presented his paper.

Several meeting participants advised that their schools had not yet received any payments for their claims.

Sandra Holloway added that her school had received reimbursement for three areas of the claim but not for the 'other' claim (which was for £900 - supply cover for a shielding teacher).

Charles Thomas asked for clarification and it was confirmed that there seems to be two different sets of schools. So far, 53 Shropshire schools have recovered the costs they claimed.

Reuben Thorley advised that his school had received an email confirming that £30k will be reimbursed but that claims made under 'other' are under review. No actual funding has been received by his school at this stage.

Phil Wilson advised that the criteria for making claims were very limited and supply cover was not included. Neville Ward added that despite the efforts of LA officers passing information to the DfE, they are not getting information back to enable support of schools and settings.

The Chair asked that LA officers continue to push for this support.

Phil Wilson alluded to the f40 letter circulated to Schools Forum members which covered these issues.

Mark Rogers observed that it will be a mixed position. The areas of concern are increased costs (mainly cleaning and staffing) and loss of income eg after school clubs (although he acknowledged that there could be some savings too). Some schools will face financial difficulties.

The Chair encouraged officers to keep an open dialogue with schools.

Charles Thomas passed on thanks from the education unions to headteachers and the LA for all the efforts being made.

4. Dedicated Schools Grant Recovery Plan

Stephen Waters presented his report which was for information only.

Stephen Matthews asked when the outcome of the financial modelling would be available. Phil Wilson confirmed that the finalised recovery plan will be available for the next meeting.

The Chair congratulated Stephen Waters and Julia Dean for the work undertaken on this.

5. Central Retention of DSG from April 2021 Consultation

Phil Wilson presented his paper.

A consultation document will be sent to all maintained schools following the meeting with a deadline for responses of the end of November.

A report will be brought back to the next meeting when voting will take place.

Schools Forum colleagues were encouraged to remind maintained colleagues to respond.

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

Stephen Waters presented his report which was for information only. Neville Ward commented regarding early years and added a caveat on the overspend. He was confident of the Summer term expenditure but the impact on Autumn term funding is not yet fully known. Demand for provision is less and short-term measures to protect providers have been taken.

Mark Rogers highlighted that the Schools Block 0.5% contribution to the deficit each year is supported. However, the Schools Block does not include post 16 and post 16 are benefitting. An ethical issue is emerging. Phil Wilson advised that the whilst the High Needs Block covers ages 0-23, the Schools Block covers statutory education age. The bottom line is that there is a need for more funding in the base for high needs. The Chair requested further information/work on this.

PW/JD/SAW

7. Communications

The f40 letter had been shared.

8. Future meeting dates:

Thursday 3 December 2020
Thursday 14 January 2021
Thursday 28 January 2021 (if required)
Thursday 18 March 2021

The Chair asked about free school meals in holiday time which had been highlighted recently in the media.

Phil Wilson and Ed Potter explained the approach in Shropshire. Shropshire Council had decided to implement a system quickly. They provided additional support to foodbanks and distributed food parcels to most vulnerable families.

Moving forward Shropshire Council had decided to provide free school meals over the Christmas holidays via a combination of food parcels and vouchers. There are currently around 5,500 children eligible.

The initiative may change if the government change their policy.

Phil Wilson stressed that schools' role in this will be critical. Intelligence is being gathered via meetings and through EWOs in schools. The provision will also include other vulnerable children identified by schools. A briefing note will be sent to schools shortly and the LA will need early information regarding the requirement for any food parcels.

The Chair thanked Ed Potter and the Cabinet for this.

Charles Thomas once again recorded the thanked of the education unions. He reminded colleagues not to forget small cafes/retail outlets that may like to be involved.

Marilyn Hunt expressed her thanks. Good to hear of Shropshire's commitment. Message needs to go to school headteachers were also pleased with the proposed response and encouraged information to go out to headteachers as soon as possible.

Phil Wilson agreed to bring an update to the next meeting.

PW

The meeting closed at 9.58 am.



Schools Forum

Date: 3 December 2020

Time: 8:30 a.m.

Venue: Virtual Microsoft (MS) Teams

Paper

B

Public

School Funding Arrangements 2021-22

Responsible Officer Jo Jones

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Summary

Details of the Government's recent funding announcements for 2021-22 and beyond for schools, including high needs and early years, were provided to Schools Forum in September 2020.

This report details specific local funding arrangements from April 2021 for consideration and agreement by Schools Forum in relation to:

- the split site factor within Shropshire's local funding formula
- the potential transfer of funding between blocks, and
- the approach to be taken should the Schools Block allocation for 2021-22 not deliver sufficient funding to fully fund Shropshire schools through the local funding formula in line with the national funding formula.

Recommendation

Schools Forum is recommended to consider and agree the specific funding arrangements from April 2021 as detailed within this report.

REPORT

Background

1. In July 2017, the Government announced the introduction of a national funding formula (NFF) for allocating the Schools Block of the Dedicated Schools Grant (DSG) to local authorities from April 2018.
2. Local authorities, in consultation with their schools and Schools Forum, continue to have local flexibility on the basis for distributing funding to schools through the local funding formula in 2021-22. It remains the Government's intention to fund all schools nationally via the NFF in the future.
3. Following consultation with Shropshire schools and Schools Forum, Shropshire's local formula for distributing the Schools Block to individual schools and academies has mirrored the NFF since 2018-19.

4. Schools Forum members are asked to consider and agree specific arrangements for 2021-22 as detailed within this report. Shropshire Council's Cabinet will make a final decision on the school funding arrangements for 2021-22 in January 2021.

Split Site

5. The schools' NFF includes a split site factor. The purpose of this factor is to support schools that have unavoidable extra costs because the buildings are on separate sites.
6. Previously in Shropshire we have had one secondary school operating on two sites and the agreed additional funding provided to this school within Shropshire's local funding formula is a lump sum of £33,300.
7. Last year it was agreed that the Ludlow Infant/Junior amalgamated school was to receive split site funding from 2020-21 to support the additional costs of operating on two sites. This was agreed at an amount of £15,000.
8. The NFF currently uses historic spend as the basis for funding premises factors including split site, and therefore Shropshire's split site funding for 2021-22 will be £48,300.
9. **It is recommended the lump sum split site factor value of £33,300 for Shrewsbury Academy and £15,000 for Ludlow Primary School continue to be allocated in 2021-22.**

Transfer of Funding between Blocks

10. The Schools Block remains ringfenced in 2021-22 but local authorities retain limited flexibility to transfer up to 0.5% of their Schools Block funding into another block with approval of Schools Forum. To transfer an amount above 0.5%, approval would need to be sought from the Secretary of State for Education
11. In the previous three financial years, Shropshire Schools Forum approved a transfer up to 0.5% of the Schools Block to the High Needs Block to support the growing pressures on the high needs budget. Agreement was given to transfer remaining Schools Block budget (up to 0.5%) after fully funding schools in line with the NFF factors and values in each year, including transitional protections and caps. Balances of £784,000 (0.49%), £397,000 (0.25%) and £842,000 (0.5%) were transferred to the High Needs Block in 2018-19, 2019-20 and 2020-21 respectively.
12. Until the October 2020 school census data is run through the NFF for 2021-22 for individual schools it is not possible to confirm if there will be any Schools Block balance remaining in next financial year. October 2020 census data will be made available to the local authority in December and work will take place through January 2021 to calculate individual school budget shares for 2021-22 mirroring the NFF factor values.

13. In line with previous years, **Schools Forum is asked to agree the recommendation to transfer any remaining balance, up to 0.5% of the Schools Block, into the High Needs Block after fully funding individual schools in line with the NFF.**

Affordability of the Funding Formula

14. The Schools Block of the DSG is allocated to local authorities based on a primary unit of funding (PUF) and a secondary unit of funding (SUF). Shropshire's 2021-22 PUF is £4,596.95 and SUF is £5,537.28. These units of funding will be multiplied by the total October 2020 school census numbers on roll in Shropshire and added to Shropshire's historic spend on premises factors to give a total Shropshire Schools Block allocation for distribution to schools through the local funding formula.
15. Until the local formula is run for each individual school in Shropshire based on their October 2020 census data, it will not be known whether the overall cost will be affordable from within the 2021-22 Schools Block allocation. To ensure affordability, a reduction to the factor values may be required. Which factor values are reduced will have differing impacts on individual schools' allocations. A reduction to the age weighted pupil unit (AWPU) factor value will affect individual schools on a proportional basis, whereas a reduction to the lump sum value will have a proportionally greater impact on smaller schools for example.
16. The minimum funding level (MFL) formula factor is set at a mandatory level and cannot be reduced within the local funding formula however the minimum funding guarantee (MFG) whilst being set at +2% per pupil in the NFF can be changed to a percentage between +0.5% and +2% in the local funding formula.
17. **To ensure a proportional impact on all schools, in the event that the Schools Block allocation for 2021-22 is not sufficient to fully fund the local formula in line with the NFF, Schools Forum is asked to agree the recommendation to reduce the MFG as necessary, and within allowable limits, to ensure affordability. Following this, if also required, to reduce the AWPU factor on a consistent basis across all Shropshire schools.**
18. Clearly, should this happen, there will be no remaining balance for transfer to the High Needs Block to support the significant financial pressures in this area.

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Schools Forum

Date: 3 December 2020

Time: 8:30 a.m.

Venue: Virtual Microsoft
(MS) Teams

Paper

C

Public

Consultation on Central Retention of Dedicated Schools Grant from April 2021

Responsible Officer Phil Wilson

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Summary

In 2013-14 school funding reforms required increased delegation to maintained schools and academies. Regulations were introduced to allow maintained mainstream primary and secondary schools the option to de-delegate certain delegated budgets to be held and managed centrally, subject to a Schools Forum decision by the representatives of each sector. De-delegation does not apply to academies, special schools or pupil referral units.

From 2017-18, Schools Forums have been able to agree to de-delegate further funding for additional school improvement provision for maintained schools.

In addition, maintained mainstream primary and secondary schools can agree to a top-slice to their delegated funding, to allow for the central retention of funding for statutory services for maintained schools provided by the local authority, previously funded from general duties Education Services Grant (ESG), which was removed in September 2017. Top-slicing is also subject to a Schools Forum decision by the representatives of each sector.

All Shropshire maintained mainstream schools were consulted on the options for de-delegation and top-slicing for the 2021-22 financial year. The consultation period ran until Friday 27 November 2020.

Recommendation

That Schools Forum consider the consultation responses received from Shropshire maintained mainstream schools, attached to and summarised within this report, and make decisions on de-delegation and top-slicing for centrally retained services for 2021-22.

REPORT

Background

1. Schools Forum is required to take decisions, on an annual basis, on the de-delegation of certain delegated budget areas since school funding reforms required increased delegation to schools through the schools funding formula. Since 2017-18, Schools Forum has also been required to take a decision on the de-delegation of further funding for additional school improvement provision for maintained schools, previously funded through Education Services Grant (ESG) to local authorities, which was removed from September 2017.
2. With the loss of the general duties element of the ESG, school finance regulations also allow local authorities to top-slice school budgets for certain services provided centrally, previously funded from ESG, again subject to the approval of Schools Forum.
3. All Shropshire mainstream maintained schools were consulted on the de-delegation and top-slicing options for the 2021-22 financial year. The consultation period closed on Friday 27 November 2020. The full consultation document is attached at Appendix A to this report and the detailed consultation responses attached at Appendix B and summarised within this report. Responses were received from 42 individual maintained schools (41 primary, 1 secondary). This represents 49.4% of the 85 mainstream maintained schools as at 1 December 2020 (significantly up from the response level of 19.5% in the 2020-21 consultation). Mainstream maintained schools are to be thanked for their support for the consultation process.
4. The impact in 2020-21 of the decisions taken by Schools Forum in November 2019 is summarised in the table below:

Decision	Total	Primary Per Pupil	Secondary Per Pupil
De-delegation (maintained primary and secondary):			
Pupil growth contingency	£95,000	£8.04	-
Maternity cover	£236,713	£19.27	£19.27
Trade union duties	£24,241	£1.93	£3.07
School improvement (primary)	£97,257	£4.11 + £572.67/school	-
School improvement (secondary)	£462	-	£0.99
Top-slice (maintained primary and secondary):			
Redundancy fund	£273,073	£22.23	£22.23
Statutory school finance	£30,000	£2.44	£2.44
Statutory human resources and health and safety	£54,050	£4.40	£4.40
Education welfare and inclusion	£141,512	£11.52	£11.52

De-delegation

5. Details of each of the areas de-delegated in 2020-21 with Schools Forum approval were included within the consultation document for 2021-22. Views were sought from Shropshire maintained schools on whether de-delegation should continue in 2020-21.

Pupil Growth Contingency (Primary Schools)

6. Schools Forum has previously agreed the de-delegation of a contingencies budget to allow additional funding to be targeted at maintained primary schools where their pupil number increased by at least 15% of their funded number on roll. Additional funding allocated from the contingency budget takes into account a school's minimum funding guarantee allocation and the additional expenditure incurred by the school as a direct result of the increased numbers.
7. The de-delegated contingency budget for 2019-20 was set at £95,000 given the raising of the threshold to 15% in 2018-19. Current monitoring of the 2019-20 de-delegated budget estimates a significant outturn underspend against this budget in 2020-21.
8. It is proposed to reduce this contingency in 2021-22, looking to reduce the contingency to around £50,000. Based on the estimated maintained pupil numbers expected in April 2021, this will reduce the unit cost from £8.35 per pupil in the current financial year to an estimated £4.36 per pupil in 2021-22.
9. Consultation responses from Shropshire maintained schools in relation to the de-delegation of the primary pupil growth contingency are detailed within Appendix B and summarised below.

	De-delegate as in previous years	No de-delegation	Total Responses
Responses in favour	39 (97.5%)	1 (2.5%)	40*

** one school did not respond to this question*

10. **Maintained primary school representatives** on Schools Forum are required to make a decision on whether to de-delegate funding from maintained primary school budgets for a pupil growth contingency for maintained primary schools in 2021-22.

Maternity

11. Schools Forum has previously agreed the de-delegation of the maternity budget. This centrally held budget funds the salary costs of any member of school staff on maternity leave, leaving the school budget liable for only the costs of the replacement employee.
12. The de-delegated budget was decreased in 2019-20 to £260,000. Current monitoring of the 2019-20 de-delegated maternity budget estimates that the allocated funds for the year will be sufficient.

13. Retaining the per pupil contribution at £19.27 would generate a maternity budget of around £232,000, based on the estimated maintained pupil numbers in April 2021. It is not anticipated that the per pupil contribution will need to be increased in 2021-22.
14. Consultation responses from Shropshire maintained schools in relation to the de-delegation of the maternity budget are detailed within Appendix B and summarised below.

	De-delegate as in previous years	Total Responses
Responses in favour	42 (100.0%)	42

15. **Maintained school representatives** on Schools Forum are required to make a decision on whether to de-delegate funding from maintained primary and secondary school budgets for a centrally managed maternity budget in 2021-22.

Trade Union Duties (referred to as facilities time)

16. Schools Forum agreed to de-delegate the trade union duties (more commonly referred to as facilities time) budget in previous years. This centrally held budget covers the costs of trade union representatives supporting their members in maintained schools.
17. The de-delegated budget was £24,241 in 2020-21. Current monitoring of the 2019-20 de-delegated trade unions duties budget estimates expenditure may exceed the allocated budget.
18. In 2021-22 it is proposed to move to a fixed budget for facilities time support to maintained schools, in order to maintain and secure a baseline of funding to guarantee the required level of support to these schools from union representatives contracted to deliver this support. This will involve moving away from the per pupil sums of £1.93 per pupil for primary and £3.07 per pupil for secondary - which has been in place for a number of years - to a fixed de-delegated total of £25,000, with the per pupil cost determined by the number of maintained pupils at the time the budgets for 2021-22 are set. Based on October 2020 census figures, the estimated unit cost will be £2.09 per pupil.
19. Consultation responses from Shropshire maintained schools in relation to the de-delegation of the trade union duties budget are detailed within Appendix B and summarised below.

	De-delegate as in previous years	Fully delegate with no de-delegation	Total Responses
Responses in favour	41 (97.6%) <i>Primary 40 (97.6%) Secondary 1 (100.0%)</i>	1 (2.4%) <i>Primary 1 (2.4%) Secondary 0 (0.0%)</i>	42 <i>Primary 41 Secondary 1</i>

20. **Maintained school representatives** on Schools Forum are required to make a decision on whether to de-delegate funding from maintained primary and secondary school budgets for a centrally managed trade union duties budget in 2021-22.

21. Representatives from the Association Secretaries Group have produced a discussion paper regarding the provision of trade union facility time in Shropshire (see Appendix C). While this cannot be taken into consideration for the decision regarding de-delegation for 2021-22, the paper gives notice of this issue for further discussion at Schools Forum ahead of any future consultations on de-delegation.

School Improvement

22. For 2019-20 Schools Forum agreed to de-delegate £98,500 from maintained primary schools and £1,500 from maintained secondary schools to secure the ongoing statutory school improvement support through the Education Improvement Service (EIS).

23. The consultation document proposed retaining the de-delegation model for primary schools of a fixed element per site and a variable element per pupil, with the unit values held at the 2019-20 levels of £572.67 per site and £4.11 per pupil. Based on the anticipated 84 maintained primary schools in April 2021, this model will secure an estimated £95,300 school improvement budget for 2021-22.

24. As there will only be one maintained secondary school from April 2021, EIS will liaise directly with the school on the appropriate level of de-delegation to provide the necessary level of statutory support to the schools.

25. Consultation responses from Shropshire maintained schools in relation to the de-delegation of the school improvement support budget are detailed within Appendix B and summarised below.

	De-delegate funding	Total Responses
Responses in favour	41 (100.0%)	41*

** one school did not respond to this question*

26. **Maintained primary school representatives** on Schools Forum are required to make a decision on whether to de-delegate funding from primary maintained schools, holding the unit values at 2020-21 levels of a fixed element of £572.67 per site and a variable element of £4.11 per pupil.

Free School Meal Eligibility, Public Duties, Library and Museums Strategic Management and Fidelity Insurance

27. Schools Forum has previously agreed not to de-delegate the administration of free school meal eligibility. This service is offered to schools on a traded basis by the local authority.
28. In addition, Schools Forum has previously agreed not to de-delegate the public duties, the library and museum services strategic management or fidelity insurance budgets. Schools are therefore currently responsible for meeting these costs from within their individual delegated budgets.
29. This report recommends these arrangements continue.

Top-slicing

30. These support areas for maintained primary and secondary schools were, prior to 2017-18, funded from the general duties element of the ESG.
31. With the removal of the general duties element of the ESG to local authorities in September 2017, Schools Forum determined that from 2017-18 onwards, funding would be top-sliced from individual school budgets and retained centrally in order to provide continuity of provision for maintained schools. This was based on the understanding and commitment to fully consult with schools on what would happen in each subsequent year, hence the consultation on top-slicing from April 2020.

Redundancy Fund

32. The redundancy fund underwrites the costs of premature retirement and redundancy of staff in maintained schools.
33. The top-slice maintained primary and secondary per pupil rate in 2020-21 was £22.23. Holding at this per pupil rate would produce a redundancy fund of an estimated £265,800 from April 2021 based on current expectations on maintained school and pupil numbers. The levels of redundancies in 2020-21 are very low – the Covid-19 pandemic may have a significant factor influencing this. It is proposed to reduce the de-delegated fund to £200,000 in 2021-22, which would see a reduction in the unit cost per pupil to £16.73.
34. Consultation responses from Shropshire maintained schools in relation to the top-slicing of the redundancy budget are detailed within Appendix B and summarised below.

	Top-slice funding	Total Responses
Responses in favour	42 (100.0%)	42

35. **Maintained school representatives** on Schools Forum are required to make a decision on whether to top-slice a centrally held redundancy budget from maintained primary and secondary school budgets in 2021-22.

Statutory School Finance

36. The statutory school finance budget underwrites the costs of officer support for statutory financial functions on behalf of maintained schools.
37. This is an area in which it is difficult to present an option for schools to assume delegated responsibility or to offer an option for schools to secure the support on a buy-back basis, given the statutory nature of the support being provided.
38. Top-slice rates for the statutory school finance function are estimated to be £2.51 per primary and secondary maintained pupil for 2021-22 (based on October 2020 numbers on roll) and the anticipated maintained schools in April 2021.
39. Consultation responses from Shropshire maintained schools in relation to the top-slicing of the statutory school finance budget are detailed within Appendix B and summarised below.

	Top-slice funding	Total Responses
Responses in favour	42 (100.0%)	42

40. **Maintained school representatives** on Schools Forum are required to make a decision on whether to top-slice a centrally held statutory school finance budget from maintained primary and secondary school budgets in 2021-22.

Statutory Human Resources and Health and Safety

41. The areas of support covered by the £54,050 top-sliced in 2020-21 include health and safety, occupational health, recruitment, payroll and contracts, as well as HR advice. A proportion of this centrally retained funding underwrites the costs of the statutory functions outlined in the Recruitment, Payroll and Contracts Service Level Agreement (SLA). In addition, a significant proportion of this centrally retained funding underwrites the Health and Safety and Occupational Health SLA.
42. Given the statutory nature of the support provided through this budget, the only option presented for consultation was the continued top-slice at the same rate applied in the last four financial years of £4.40 per maintained primary and secondary pupil. This will produce a reduced total budget of an estimated £52,600.

43. Consultation responses from Shropshire maintained schools in relation to the top-slicing of the statutory HR and health and safety budget are detailed within Appendix A and summarised below.

	Top-slice funding	Total Responses
Responses in favour	42 (100.0%)	42

44. **Maintained school representatives** on Schools Forum are required to make a decision on whether to top-slice a centrally held statutory HR and health and safety budget from maintained primary and secondary school budgets in 2021-22.

Education Access Service

45. The 2020-210 top-slice partly funds education welfare delivered through the Education Access Service (EAS). It provides maintained schools with access to all EAS support.
46. The consultation for top-slicing for EAS was based on increasing the per pupil figure by 98p to £12.50 for maintained primary and secondary schools, to reflect pay and price increases. This will produce a budget of approximately £149,500 in 2021-22.
47. Consultation responses from Shropshire maintained schools in relation to the top-slicing of the EAS budget are detailed within Appendix B and summarised below (one respondent did not tick either option).

	Top-slice funding	Total Responses
Responses in favour	42 (100.0%)	42

48. **Maintained school representatives** on Schools Forum are required to make a decision on whether to top-slice a centrally held budget for EAS from maintained primary and secondary school budgets or to fully delegate and offer buy-back arrangements in 2021-22.

Consultation on Central Retention of Dedicated Schools Grant From April 2021

Introduction

On behalf of Shropshire Schools Forum, the views of maintained schools are being sought on the central retention of Dedicated Schools Grant (DSG) in the next financial year, 2021-22. Schools Forum is committed to consulting with maintained schools ahead of a Forum meeting on 3 December 2020, at which decisions on the de-delegation and top-slicing of DSG from April 2021 will be taken.

Background

Schools Forum is a legally constituted advisory and consultative group, made up of representatives from the maintained, academy and wider education sectors, who work with the local authority on issues related to school funding. One of their key areas of work is in relation to the school funding formula and the retention of a small part of the overall DSG to underwrite the costs of services, centrally managed by the local authority on behalf of maintained schools, given the economies of scale and value for money for schools this can realise.

The Government's school revenue budget settlement guidelines allow local authorities, following consultation with the maintained schools community and with Schools Forum approval, to centrally retain DSG through de-delegation and top-slicing. These retention methods are as follows:

- De-delegation – centrally held budgets within the Schools Block of DSG can be de-delegated from maintained schools by the sector representatives on Schools Forum, with decisions taken on an annual basis.
- Top-slicing – in December 2016 the Government's school revenue settlement allowed local authorities to retain some of their Schools Block of DSG to carry out statutory duties for maintained schools, previously funded through general duties Education Services Grant (ESG), which was removed in September 2017.

The impact in 2020-21 of the decisions taken by Schools Forum in December 2019 are summarised in the table below:

Decision	Total	Primary Per Pupil	Secondary Per Pupil
De-delegation (maintained primary and secondary):			
Pupil growth contingency	£95,000	£8.04	-
Maternity cover	£236,713	£19.27	£19.27
Trade union duties	£24,241	£1.93	£3.07
School improvement (primary)	£97,257	£4.11 + £572.67/school	-
School improvement (secondary)	£462	-	£0.99
Top-slice (maintained primary and secondary):			
Redundancy fund	£273,073	£22.23	£22.23
Statutory school finance	£30,000	£2.44	£2.44
Statutory human resources and health and safety	£54,050	£4.40	£4.40
Education welfare and inclusion	£141,512	£11.52	£11.52

This consultation document will examine each of the areas for which delegated funds are taken from maintained schools and seek views on a number of options for how to proceed on each in 2021-22. A simple return has been produced for collecting feedback from schools, which will be collated and inform the report that will be produced for the decision-making meeting of Schools Forum on 3 December 2020. **The consultation will run until Friday 27 November 2020.**

It is important to understand that Schools Forum has the choice, for each budget area, between de-delegating/top-slicing or not. This means that **any decisions taken will impact on all maintained schools from April 2021.**

De-delegation

This section looks at each of the support areas for which funding can be de-delegated from maintained schools. Historically, reports have been taken to the late autumn term meetings of Schools Forum to secure formal decisions for the following financial year. The table below summarises these decisions since 2014-15.

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Pupil growth	£87,680	£160,000	£159,770	£320,230	£150,170	£100,000	£95,000
Maternity cover	£429,190	£334,000	£321,570	£499,260	£410,000	£260,000	£236,713
Insurance	£24,450	£24,450	£23,280	£22,760	£0	£0	£0
Trade union duties	£60,160	£53,180	£50,400	£50,020	£43,600	£27,772	£24,241

An important consideration when looking at whether a budget should be de-delegated, is the impact on schools resulting from delegation, because **with delegation comes responsibility**. This means that the responsibility for the delegated budget line – e.g. paying for staff maternity cover – transfers to the school and any costs have to be met from the school's delegated budget. The de-delegated funds have therefore provided something of an insurance policy for schools against one-off hits to their budget, which can have a significant impact on schools with tight budgets and modest contingencies.

1. Pupil growth contingency – primary only

A contingencies budget de-delegated from maintained primary schools to allow additional funding to be targeted at schools where pupil numbers increase by at least 15% of their funded number on roll. Controls limit allocations to actual additional costs incurred by a school as a direct result of increased pupil numbers.

A key consideration is delegated responsibility. In this case, by not de-delegating, there would be no contingency for pupil growth from April 2021 and so schools would have to absorb cost pressures until the increased pupil numbers worked through from the school census in October 2021, which would result in an increased delegated budget from April 2022. In most cases, given the forecast data provided to schools each year by the local authority on pupil numbers, schools should be alert to such growth and be able to budget plan for the lagged funding. Such growth in pupil numbers will tend to impact from the beginning of an academic year, with the Reception intake, which means that the lagged funding generally follows two terms later.

Pupil growth contingency - options for 2021-22:

- a. De-delegate funding from primary maintained schools as in previous years, with per pupil sums determined by the outturn position in 2020-21 i.e. an overspend or underspend in 2020-21 will affect the per pupil rate in 2021-22. It is currently anticipated that there will be an underspend and that per pupil contribution of £8.04 will reduce in 2021-22.
- b. Fully delegate funding and responsibility to maintained schools, meaning that schools would be liable for funding pupil growth from their individual delegated budgets from April 2021.

2. Maternity cover

Funds the salary costs of any member of school staff on maternity leave in the maintained primary and secondary sector, meaning the schools are only liable for the costs of the replacement employee.

A decision not to de-delegate this budget from April 2021, would mean that maintained schools would be responsible for meeting all maternity pay costs of school staff from their individual delegated budgets. Schools would be able to access commercially available products/policies, some combining maternity cover with sickness cover. The experience of academies is mixed – some are sourcing cover arrangements from the market place, while others are carrying the risk of meeting any maternity costs from their own budgets.

These options would be available to maintained schools if the decision is taken not to de-delegate funding for maternity cover. Schools would need to carefully consider the flexibility and 'headroom' within their budget (including reserves), as well as the age profile of their female staff. In financial planning terms this can be challenging, given the difficulty of predicting the need for maternity leave.

Maternity cover - options for 2021-22:

- a. De-delegate funding from maintained schools as in previous years, with per pupil sums determined by outturn position in 2020-21 i.e. an overspend or underspend in 2020-21 will affect the per pupil rate in 2021-22.
- b. Fully delegate funding and responsibility to maintained schools, meaning that schools would be liable for funding maternity cover from their individual delegated budgets from April 2021.

3. Trade union duties (referred to as facilities time)

This funding is de-delegated for the costs of trade union representatives supporting their members in maintained schools through what is commonly referred to as facilities time. The funding provides cover for, among other things: carrying out trade union duties, attending union training, undertaking health and safety functions, and accompanying members attending hearings e.g. disciplinary or grievance. There is strong lobbying each year from the professional associations for these funds to be de-delegated.

Each union is required to attend a termly meeting with the local authority, called the Association Secretary Group. The membership of this group includes the local union representative from each recognised trade union and representatives from the Council's human resources advisory team. This meeting is the mechanism which allows collective consultation and negotiation between the local authority on behalf of schools and the trade unions on behalf of their members. All human resources policies and procedures are consulted and agreed at these meetings. Schools would be required to consult with trade unions and their own staff if this was removed. The group also discusses other employment relations issues and maintains a positive dialogue between schools and unions which in turn supports positive employee/employer relationships.

If local trade union representatives were not funded via the facilities time, maintained schools would be able to consider using their delegated funding to secure local arrangements with the trade unions, in particular by pooling funding with other maintained schools and academies. This could lead to a fragmentation of the current arrangements across the schools sector. Alternatively, it would mean each school would have to allocate funding for facilities time for all unions represented in their school and may lead to schools dealing with regional trade union representatives with little or no local knowledge. It is the view of the local authority that this would not be as effective and efficient an arrangement as that which could be secured through continuation of de-delegation.

In 2021-22 it is proposed to move to a fixed budget for facilities time support to maintained schools, in order to maintain and secure a baseline of funding to guarantee the required level of support to these schools from union representatives contracted to deliver this support. This will involve moving away from the per pupil sums of £1.93 per pupil for primary and £3.07 per pupil for secondary - which has been in place for a number of years - to a fixed de-delegated total of £25,000, with the per pupil cost determined by the number of maintained pupils at the time the budgets for 2021-22 are set

Trade union duties - options for 2021-22:

- a. De-delegate funding of £25,000 from maintained schools, with the per pupil cost determined by the number of maintained pupils at the time the budgets for 2021-22 are set.
- b. Fully delegate funding and responsibility to maintained schools, meaning that local arrangements for facilities time would need to be secured by individual schools and/or groups of schools in collaboration with trade unions.

4. School improvement

For 2020-21, Schools Forum agreed to de-delegate £97,257 from maintained primary schools and £462 from maintained secondary schools to secure ongoing statutory school improvement support for the year through the Education Improvement Service (EIS). This was necessary given the Government's removal of funding for school improvement from the two elements of ESG funding, for retained duties and general duties. The de-delegation is, in part, offset by the allocation of a school improvement monitoring and brokering grant for local authorities.

The de-delegation option for 2021-22, being presented to maintained schools for consultation, will secure the ongoing provision of school improvement services for maintained schools. In 2020-21 the de-delegation from primary maintained schools was done on a fixed/variable basis, with a fixed sum of £572.67 per site and a variable element of £4.11 per primary pupil. The impact of this option is that larger schools would retain more

of their delegated funds, while more funding would be recovered from smaller schools, but is potentially more appropriate based on the support each maintained school receives. The number of maintained schools in April 2021 is currently forecast to be 84 maintained primary schools (only one primary school converted since April 2020).

For secondary schools there will only be 1 maintained secondary school from 1 April 2021. It is therefore proposed to retain the same option for 2021-22 of a variable contribution of £0.99 per pupil.

This is an area of support in which it is difficult to present an option for schools to assume delegated responsibility, or to present an option for schools to secure the support on a buy-back basis, given the statutory nature of the support being provided. Therefore, the only option being presented is for the continued de-delegation of funding for this statutory support, but at a reduced unit cost.

School improvement - option for 2021-22:

De-delegate funding from primary maintained schools, holding the unit values at 2012-21 levels of a fixed element of £572.67 per site and a variable element of £4.11 per pupil. De-delegation for the remaining secondary maintained school will be based on a per pupil unit value of £0.99.

Top-slicing

This section looks at each of the support areas for which funding has been top-sliced from maintained schools in the financial year 2020-21. These support areas were previously funded from general duties ESG and so, in the knowledge that this grant funding was being removed by the Government in September 2017, Schools Forum determined that - for the last four financial years – funding would be centrally retained in order to provide continuity of provision for maintained schools. This was based on the understanding and commitment to fully consult with schools on what would happen in each subsequent year, hence this consultation on top-slicing from April 2021.

5. Redundancy fund

This fund underwrites the costs of premature retirement and redundancy of staff in maintained schools. Schools Forum supported the principle of retaining a central fund for redundancy costs in maintained schools in previous years. In 2020-21 the contribution was held at £22.23 per pupil in maintained schools.

A decision not to top-slice funding from April 2021 would mean that individual maintained schools would be liable for meeting any redundancy costs from their delegated budget. This would present a potential financial risk and significant challenge for schools struggling to manage their budgets in year and with low levels of school balances to draw upon. Schools in the academy sector already face these financial challenges and so have to plan carefully and in a timely manner to manage such costs.

In recent years the cost of redundancies in maintained schools has been: £573,600 in 2014-15, £362,200 in 2015-16, £516,600 in 2016-17, £751,900 in 2017-18, £145,864 in 2018-19 and £202,036 in 2019-20. During this period, a large number of maintained schools converted to academy status and so the number of schools drawing from this fund has reduced. The table below provides statistics on the number of redundancies in recent academic years, which suggests that there is an increasing call on the redundancy fund despite maintained school numbers falling.

Phase	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Primary/Special	14	27	17	57	74	20	21
Secondary	25	11	29	3	8	4	0
Total	39	38	46	60	82	24	17

The costs of redundancy can vary significantly dependent on the grade of staff and length of service. Based on figures from 2019-20, the average cost of a redundancy was £9,621.

In 2020-21 the per pupil contributions were held at £22.23. While it is not possible to calculate the outturn position for 2020-21 at this point in the financial year, it is important to highlight that if the numbers of redundancies are at 2018-19 levels or higher, the unit costs per pupil in 2021-22 will have to be increased. Every effort will be made to retain per pupil costs at 2020-21 levels, however it is important that schools are aware that it may increase over current levels.

Redundancy fund - options for 2021-22:

- a. Top-slice funding from maintained schools as in 2020-21, with per pupil sums determined by outturn position in 2020-21 i.e. an overspend or underspend in 2020-21 will affect the per pupil rate in 2021-22.
- b. Fully delegate funding and responsibility to maintained schools, meaning that schools would be liable for funding all redundancy costs from their delegated budget from April 2021.

6. Statutory school finance

This centrally retained funding underwrites the costs of officer support for statutory financial functions on behalf of maintained schools, including: the monitoring and control of school balances; advice and support to schools in financial difficulties; challenge to schools who are not exercising appropriate financial controls, and; appraising and approving licensed budget deficits. With 84 maintained schools in Shropshire from April 2021, the workload in this area is significant.

This is an area in which it is difficult to present an option for schools to assume delegated responsibility, or to present an option for schools to secure the support on a buy-back basis, given the statutory nature of the support being provided. Therefore, the only option being presented is for the continued de-delegation of funding for this statutory support.

Statutory school finance - option for 2021-22:

Top-slice funding of £30,000 from maintained schools, as in 2020-21, with the per pupil cost determined by the number of maintained pupils at the time the budgets for 2021-22 are set.

7. Statutory human resources and health and safety

A number of statutory and regulatory functions in the area of human resources and occupational health and safety were previously funded through general duties ESG. This is primarily because the local authority is the employer of staff in maintained schools, with the exception of voluntary aided schools, who directly employ their own staff. While maintained schools can secure advisory support through annual service level agreements, the costs of the functions previously funded through the general duties ESG are not costed into these agreements.

The areas of support covered by the £54,050 top-sliced in 2020-21 include health and safety, occupational health, recruitment, payroll and contracts, as well as HR advice.

A proportion of this centrally retained funding underwrites the costs of the statutory functions outlined in the Recruitment, Payroll and Contracts Service Level Agreement (SLA).

In addition, a significant proportion of this centrally retained funding underwrites the Health and Safety and Occupational Health SLAs. Such funding is required in order for the local authority to comply with its duties as the employer under the Health and Safety at Work etc. Act 1974 and the relevant statutory provisions. It is the view of the local authority that compliance with the above legislation cannot reasonably be achieved through tasks delegated to the governing bodies of schools. The centrally identified funding includes expenditure incurred by the local authority in monitoring the performance of such tasks by governing bodies and, where necessary, giving them advice.

It should be noted that the local authority has a statutory responsibility for approximately 4,000 school employees, including centrally employed supply teachers.

The local authority view is that the above areas are difficult to present as an option for schools to assume delegated responsibility, or to present an option for schools to secure the support on a buy-back basis, given the statutory nature of the support being provided. Therefore, the only option being presented is for the continued de-delegation of funding for this statutory support. However, the unit cost per pupil top-sliced in 2021-22 will be held at the same per pupil value as the last 4 years ie £4.40 per pupil.

Statutory human resources and health and safety - option for 2021-22:
 Top-slice funding of £4.40 per pupil from maintained schools (no increase therefore on 2020-21 per pupil rate).

8. Education Access Service

The top-slice in 2020-21 is partly funding education welfare, delivered through the Education Access Service (EAS). The service also receives grant funding from retained duties ESG (which the local authority continues to receive and is separate from the general duties ESG, which ceased in September 2017), as well as income from trading with academies.

The top-slice provides maintained schools with access to all EAS support including education welfare, attendance and inclusion/exclusion officers, child employment services and performance licensing. The top-slice per pupil has been held at £11.52 for the financial years 2019-20 and 2020-21. For 2021-22 it is proposed to increase the unit cost by 98p per pupil to £12.50 to reflect pay and prices increases the service is having to budget for.

The main alternative to top-slicing maintained school budgets is to move to a fully traded service from April 2021. Extensive work has been undertaken to develop a traded offer to schools that will ensure the continuity of service and maintains effective working with schools on securing improved attendance, safeguarding pupils and raising attainment. The service offer is dynamic and has been adjusted as necessary to meet changing requirements due to the COVID-19 pandemic, and will be further adapted if necessary in order to meet future requirements.

The proposed EAS service delivery agreement model has been based on a daily rate built around the time required in maintained schools for strategic intervention and casework. For the separate service delivery agreement for inclusion services, a standard rate will be applied for maintained primary schools. A bespoke package can be offered to meet the individual requirements of the remaining maintained secondary and special schools. The two service delivery agreements will give maintained schools access to the full range of advice and support offered by EAS. The tables below outline the potential costs.

EAS Trading Services Costs	
Education Welfare Services	Inclusion Services
£30 per hour OR £660 to £8,600 annual charge	£300 to £1,200 annual charge for packages of between 5 and 20 sessions

There are risks to maintained schools of not opting into a traded arrangement. They would need to be confident that they have the skills and underpinning knowledge they require within their own setting, or where they can secure this support from elsewhere and at what cost.

Education Access Service - options for 2021-22:

- a. Top-slice from maintained schools to be increased by 98p to £12.50 per pupil to reflect pay and price increases.
- b. Fully delegate funding and responsibility to maintained schools, presenting buy-back arrangements through service delivery agreements from April 2021 for those seeking to secure ongoing education welfare and inclusion support for the statutory areas currently covered by the top-slice.

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School		NOR		De -delegation					Top slicing							
				15% growth(Primary)		Maternity Cover		Trade Union duties		School Improvement	Redundancy		Statutory school finance	Statutory HR (H&S)	Education Access Service	
				A	B	A	B	A	B		A	B			A	B
Primary Schools																
1	Morda CE Primary School	148	1		1		1		1	1		1	1	1		
2	St Andrew's CE Primary School, Nesscliffe	64	1		1		1		1	1		1	1	1		
3	Kinnerley CE Primary School	62	1		1		1		1	1		1	1	1		
4	Trefonen CE Primary School	144			1		1			1		1	1	1		
5	St Laurence CE Primary School	195	1		1			1	1		1	1	1			
6	West Felton Primary School	125	1		1		1		1	1		1	1	1		
7	John Wilkinson Primary School	192	1		1		1		1	1		1	1	1		
8	Weston Lullingfields Primary School	45	1		1		1		1	1		1	1	1		
9	Weston Rhyn Primary School	156	1		1		1		1	1		1	1	1		
10	Oxon CE Primary School	424	1		1		1		1	1		1	1	1		
11	St Mary's CE Primary School, Albrighton	189	1		1		1		1	1		1	1	1		
12	Harlescott Junior School	361	1		1		1		1	1		1	1	1		
13	Sundorne Infant School	298	1		1		1		1	1		1	1	1		
14	Meotw Brake Primary School	355	1		1		1		1	1		1	1	1		
15	Christ Church CE Primary School	98	1		1		1		1	1		1	1	1		
16	Claverley CE Primary School	111	1		1		1		1	1		1	1	1		
17	Longden CE Primary School	121	1		1		1		1	1		1	1	1		
18	Baschurch CE Primary School	196	1		1		1		1	1		1	1	1		
19	Myddle CE Primary School	107	1		1		1		1	1		1	1	1		
20	Gobowen Primary School	191	1		1		1		1	1		1	1	1		
21	Much Wenlock Primary School	178		1	1		1		1	1		1	1	1		
22	Norton in Hales Primary School	84	1		1		1		1	1		1	1	1		
23	Minsterley Primary School	139	1		1		1		1	1		1	1	1		
24	Long Mountain CE Primary School	92	1		1		1		1	1		1	1	1		
25	Woore Primary School	66	1		1		1		1	1		1	1	1		
26	Bicton Primary School	126	1		1		1		1	1		1	1	1		
27	Church Preen Primary School	60	1		1		1		1	1		1	1	1		
28	Brockton CE Primary School	57	1		1		1		1	1		1	1	1		
29	Wistanstow CE Primary School	57	1		1		1		1	1		1	1	1		
30	Our Lady & St Oswalds Primary School	135	1		1		1		1	1		1	1	1		
31	Adderley Primary School	32	1		1		1		1	1		1	1	1		
32	Moreton Say Primary School	71	1		1		1		1	1		1	1	1		
33	Albrighton Primary School	238	1		1		1		1	1		1	1	1		
34	Stoke on Tern Primary School	103	1		1		1		1	1		1	1	1		
35	Criftins CE Primary School	108	1		1		1		1	1		1	1	1		
36	Cockshutt CE Primary School	61	1		1		1		1	1		1	1	1		
37	St Lucia's CE Primary School	90	1		1		1		1	1		1	1	1		
38	Kinlet CE Primary School	26	1		1		1		1	1		1	1	1		
TOTALS		5305	36	1	38	0	37	1	37	38	0	38	38	38	0	
Secondary School																
1	Community College, Bishops Castle	467	n/a	n/a	1		1		1	1		1	1	1		
TOTALS		467	n/a	n/a	1	0	1	0	1	1	0	1	1	1	0	

The provision of trade union facility time in Shropshire – Discussion paper

Background

In line with school funding regulations, Shropshire Council is required to consult on an annual basis with its maintained schools on the de-delegation for trade union facility time from individual mainstream school budgets. Academies are invited to voluntarily buy into the service, in accordance with Department for Education (DfE) and Education and Skills Funding Agency (ESFA) advice. This states:

‘Where de-delegation has been agreed for maintained primary and secondary schools, our presumption is that the local authority will offer the service on a buy-back basis to those schools and academies in their area which are not covered by the de-delegation.’¹

The per pupil funding which the Shropshire Schools Forum, following consultation, has de-delegated for trade union costs in the 2019-20 financial year is £1.93 per pupil for primary mainstream schools and £3.07 per pupil for secondary mainstream schools. These unit costs also apply to Academies who choose to buy back into this service.

This figure has increased over the years from £1.78 (primary) and £2.91 (secondary) in 2014 to the current amounts. Within that time though, due to Academy conversions of the majority of secondary schools in Shropshire, the budget has decreased significantly in that same period. In 2014 it was £60,160. This compares to the 2020 amount of £23,001. The current buy-back from Academies in 2020 is £35,792, meaning that the total budget is £58,793.

For context, the current Unions being paid via the budget are:

NASUWT – 0.4fte (2 days) - £21,304

NEU – 0.4 fte (2 days) - £21,393

NAHT - 0.1fte (half day) - £8,798

Total - £51,495

All of the above are currently working in Shropshire schools. The fte’s decreased in 2019 for NASUWT and NEU (from 0.5fte) due to the decreased budget and limited buy back from Academies. Those Academies not buying back do not benefit from access to locally reps or locally agreed policies and procedures.

¹ ESFA Schools Revenue Funding 2020-21, Operational Guide, paragraph 337

The cost of the facility time for the three reps above is £51,494.66 (including on costs). Therefore, the majority of facility time for the reps is met by the buy back from Academies. There are currently only 4 Shropshire MATs buying back into the facility budget. Should one of these decide not to in future, further reductions to facility time would need to be considered.

Local reps are reporting that workload has not decreased as a result of less maintained schools and in fact has increased in the past 2 years meaning they are regularly working double the amount of time they are paid for under the facility time budget. This is not sustainable long term and is also impacting upon policy and procedure consultation as member support and casework takes priority.

Research by the local reps has found that the Shropshire amounts are lower when compared with the average de-delegated per pupil trade union costs figure across England of £3.00.² The secondary per pupil trade union costs figure is therefore at the average level for local authorities in England, but the primary trade union costs figure is lower.

In Shropshire, it has long been shown that schools were in need of higher funding. Under the National Funding Formula, per pupil funding is increasing in 2021/22 to £4,597 in the primary phase and £5,537 in the secondary phase. The current cost of trade union facility time is therefore 0.042% of per pupil funding for primary schools in Shropshire and 0.055% of per pupil funding for secondary schools in Shropshire.

Shropshire has received above inflation increases in school funding through the National Funding Formula (NFF) in 2020/21 and will do also in 2021/22. The increases in schools budget per pupil funding over the 2019/20 and 2020/21 baseline figures are:

- 2020/21 – 3.67% per pupil increase;
- 2021/22 - 4.5% per pupil increase;

In particular, the increase in the schools budget from 2020/21 to 2021/22 is £15,178,733, with an increase of £345 in primary per pupil funding and £432 in secondary per pupil funding from 2020/21 to 2021/22.

High needs funding in Shropshire is increasing by a larger percentage than schools budget funding from 2020/21 to 2021/22. The increases in high needs per pupil funding over the 2019/20 and 2020/21 baseline figures are:

- 2020/21 – 8.85% per pupil increase;
- 2021/22 - 10.45% per pupil increase;

² DfE, Expenditure by Local Authorities and Schools on Education, Children and Young People's Services in England, 2018-19, Table 1a

The total increase in the high needs budget from 2020/21 to 2021/22 is £3,632,671.

It is accepted that this increased funding comes after years of underfunding and that some Shropshire schools will potentially be worse off under the NFF. Nevertheless, trade union facility time funding in Shropshire is not comparable with the national average across both phases of schools in Shropshire.

Therefore, Trade Union representatives are requesting consideration of an increase in per pupil funding is, partly due to the increase in per pupil funding under the NFF but also due to the decrease over the past 6 years of the size of the budget and the facility time. This decrease has not led to a decrease in workload or casework, and in fact in the last 9 months workload has obviously increased dramatically due to COVID-19.

The Local Union reps would request consideration of the primary per pupil facility time figure was to increase to £3.00, the national average, and the secondary per pupil facility time figure was to increase to £4.00. Based on current pupil numbers this would provide a budget of £36,601. This could be considered for consultation with schools in autumn 2021 with a view to being implemented in April 2022. If agreed, this increase would also be applied to Academy buy back from September 2022.

It should also be noted that, under the de-delegation arrangement, schools benefit from a local service from local trade union representatives. NASUWT members' national subscriptions meet the cost of Full time NASUWT staff salaries and legal costs. If the only means of engagement between the NASUWT and union members is via full-time officials, there is likely to be a greater recourse to litigation in order to resolve industrial relations difficulties. This would not be in the interests of Shropshire schools or necessarily create the most positive environment for industrial relations.

Below is further evidence highlighting the benefits of local trade union representatives.

The Benefits of Pooled Trade Union Facility Time.

Good relations

- Retaining de-delegated funding for facilities time is logical and cost-effective. During the last 12 months, de-delegated funding for has enabled a significant contribution to good employer/employee relations at county level and for individual schools, especially in light of COVID-19.
- In turn, this supports the quality of pupils' education by avoiding both disruption and low staff morale.

Policy development

- During this year, there has been a great deal of work done at county level on policies; for example on Teacher Pay and Appraisal.
- The model policies can be adopted by schools, thereby avoiding the management of each school spending time and resources on developing and negotiating its own policies.

Representation

In the last 12 months county-based TU representatives have supported:

- groups of members in particular schools; e.g. when their school is in Special Measures.
- individual members have been supported formally; e.g. Appraisal and Capability.
- at disciplinary and appeal hearings.
- individual members have been supported informally; e.g. with advice on Return to Work meetings.

Centrally-funded facility time also means schools benefit from:

1. Informal discussion between a member of staff and their local union representative quite often prevents potential issues ever coming to the attention of schools; e.g. an alleged grievance which is never in fact submitted.
2. Early resolution of issues, thereby saving and avoiding unnecessary escalation of costs to schools, and unnecessary workload for school leaders, on matters such as disciplinary, grievance, and capability.
3. Less disruption because a local union representative can help school leaders and trade union members understand the impact of organisational change; e.g. school reorganisations, academy transfer consultations.
4. The expertise of local union representative, meaning that every school TU rep would need a lot of time off with pay (a statutory requirement) to attend the requisite intensive training courses.

5. A quicker response because a local union representative will usually be available sooner than union Regional Officers, who cover much larger areas.
6. Discussions and negotiations through regular meetings with HR during working hours; e.g. consultation on proposed policies and procedures. This saves each school individually having to go through the process with school TU representatives.
7. Attendance during the regular working day of local union representative at meetings; e.g. disciplinary, grievance, ill health, and capability (formal or informal), consultation meetings on changes in working arrangements.

Benefits of effective local trade union representation

Trade union representatives carry out a range of complex and demanding duties, including:

- Advice - this may be through telephone, e-mail, documents, or meetings. This may involve long telephone calls to give reassurance and greater understanding of issues which may have arisen in school. Local knowledge from local union representative helps to promote good industrial relations.
- Representation - accompanying members to meetings, both informal and formal. By having local union representative, meetings can usually be arranged speedily, and issues resolved more quickly. De-delegated Facility Time funding enables local union representative to attend such meetings during the working day.
- Negotiation - local union representative work with HR in the creation and revision of policies. Thus centralising a workload that would otherwise be far greater if spread over individual schools.
- Changes - effective local union representative can help school leaders and union members alike understand the impact of organisational changes; help to resolve reorganisation issues; and pass on ideas from staff. By doing so, they can help to minimise the impact of changes on schools.
- Legal - trades unions help to ensure that schools and the LA meet their legal obligations.
- Resolving issues - good local union representative help to resolve issues at an early stage. Without de-delegated, central Facility Time funding, fewer issues would be resolved informally, resulting in a marked increase in costs to schools and in workload for school leaders and LA officers. Disciplinary, grievance and capability issues would be more likely to escalate unnecessarily, with cases more likely to reach Employment Tribunals.

Cost-benefit analysis

- Expertise - the current arrangements enable unions to develop expertise amongst local union representative, who serve as local union officers supporting members across a large number of schools.

- Central Funding - an end to (i.e. delegation of) central funding would dilute expertise, meaning that each school would need to provide much more paid time off (a statutory obligation – see Appendix 3, below) to enable school-based TU representatives to train for, and to carry out their TU duties.
- Impact of losing Central funding - delegation would have substantial financial consequences for schools because, over time, the costs for each school would be likely to exceed considerably the funding delegated; for example through the slower resolution of cases, and/or their unnecessary escalation.
- The opportunity cost of central funding – on a school-by-school basis, the amount of funding for facilities time is relatively small.
- Evidence from research - research commissioned for the TUC from the University of Hertfordshire shows that involving trade union representatives effectively usually leads to better staff morale and productivity, to reduced dismissal and exit rates – meaning lower recruitment costs – and to improved health, to less sickness absence, and to fewer injuries.
- VfM - the return on the investment made in trade union facility time is many times the sum spent. The researchers cited above estimated that, for every £1 spent on facility time, between £3 and £9 of benefits accrue to the employer.
- Providing balance - at a time of significant change and pressures on funding, the cost to Local Authorities and to schools of failing to fund facility time appropriately could lead to significant problems in the delivery of education.

Statutory rights to time off for trade union duties

1. Rights to Paid Time Off

The statutory provisions on time off for trade union representatives are contained in sections 168-170 of the Trade Union and Labour Relations (Consolidation) Act 1992 (TULR(C)A) and section 10 Employment Relations Act 1999.

In summary, the statutory rights provide for paid time off for:

- union representatives to accompany a worker to a disciplinary or grievance hearing.
- union representatives to carry out trade union duties.
- union representatives to attend union training.
- union learning reps (“ULRs”) to carry out relevant learning activities.

2. Time off to accompany

A union representative who has been certified by the Union as having experience of, or as having received training in, acting as a worker’s companion at disciplinary or grievance hearings, has a right to take reasonable time off to accompany a worker to a disciplinary or grievance hearing.

The right applies to those entitled to time off for trade union duties under TULR(C)A below, i.e. an official or accredited representative who has been elected, or appointed,

in accordance with the rules of the union, to be a representative of all, or some, of the union's members who work for that employer.

This right is additional to the rights of trade union officials employed by the trade union to accompany members to such hearings.

3. Time off for other Trade Union duties

TULR(C)A provides for time off for other trade union duties. The legislation does not specify precisely how much time off should be provided – only that it should be 'reasonable'. The interpretation of 'reasonable' time off has traditionally reflected the number of Union members employed by a particular employer. Union duties by law must relate to the representative's own employer and not, for example, to any associated employer such as an Academy. However it is possible to reach agreements whereby duties can be undertaken in respect of other employers.

In the case of maintained LA schools, this would apply to all members employed by the local authority. Although voluntary aided and foundation school governing bodies are technically the employer of teachers in their schools, they have traditionally maintained their participation in LA arrangements.

Provision for paid time off is also the subject of a collective agreement contained in the Burgundy Book.

4. Who is entitled to Time off?

Under TULR(C)A, an accredited trade union representative is an employee who has been elected, or appointed, in accordance with the rules of the union, to be a representative of all, or some, of the union's members who work for that employer.

Section 169 of TULR(C)A 1992 states that an employer who permits representatives time off for trade union duties must pay them for the time off taken. This will be the amount that would ordinarily be paid for that time. Part time staff are entitled to receive paid time off in the same way as full time staff. There is, however, no statutory right to pay for time off where the duty is carried out at a time when the union representative would not otherwise have been at work.

5. Trade Union Duties

In addition to the right to time off to accompany to hearings, section 168 allows time off for duties such as:

- negotiations with the employer on collective issues relating matters listed in s.178 TULR(C)A: terms and conditions of employment, or the physical conditions in which any workers are required to work;
- engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers;

- allocation of work or the duties of employment between workers or groups of workers;
- matters of discipline;
- a worker's membership or non-membership of a trade union;
- facilities for officials of trade unions; and
- machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures.
- performance of other functions on behalf of employees of the employer which relate to the matters above, and which have been agreed with the employer.
- receipt of information and consultation relating to TUPE and Section 188 redundancy notices
- negotiations under TUPE.

6. Time off for Training

Section 168(2) of TULR(C)A provides that union representatives are to be permitted reasonable time off during working hours to undergo training. The training must be relevant to the carrying out of their trade union duties as described above and approved by the relevant union or by the TUC.

7. Union Learning Representatives (“ULRs”)

s.168(A) TULR(C)A provides that an employer must allow reasonable (paid) time off for a ULRs to carry out activities relating to:

- analysing learning or training needs,
- providing information and advice about learning or training matters,
- arranging learning or training, and
- promoting the value of learning or training,

However, these rights do not apply unless the employer has been notified by the Union that the person is a learning representative, and that person has either received sufficient training to carry out the role, or will receive that training within six months of the initial notification to the employer. ULRs are entitled to paid time off to undergo the training above.

Once the training has been completed, the union must notify the employer accordingly.

8. Health & Safety Representatives

In addition to the provisions in TULR(C)A, the Safety Representatives and Safety Committees Regulations 1977 regulation 4(2)(a) requires that employers allow union health & safety representatives paid time, as is necessary, during working hours, to perform their functions, including:

- Investigation of potential hazards and dangerous occurrences/ accidents at work
- Investigate member's complaints regarding health, safety or welfare at work
- Making representations to the employer on the above
- Carrying out health and safety inspections
- Representing members in workplace consultations with enforcing authorities including HSE inspectors
- Receiving information from HSE inspectors
- Attending safety committee meetings in their capacity as safety representative

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Schools Forum

Date: 3 December 2020

Time: 8:30 am

Venue: Virtual via Microsoft
(MS) Teams

Item

Public

Paper

D

CENTRAL SCHOOL SERVICES BLOCK 2021-22

Responsible Officer Stephen Waters

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Summary

1. In July 2020, the Education and Skills Funding Agency (ESFA) issued their technical note on the Central School Services Block (CSSB) and provisional CSSB allocations for 2021-22. Final allocations are updated for October 2020 census data.
2. The purpose of the CSSB is to provide funding to local authorities to carry out central functions on behalf of pupils in state-funded maintained schools and academies.
3. The funding is split into funding for historic commitments and funding for ongoing responsibilities.
4. For those centrally retained services categorised as historic commitments, Schools Forum approval is required on a line-by-line basis and the budget cannot exceed the value agreed in the previous funding period, and no new commitments can be entered into.
5. For 2021-22, historic commitments funding will be reduced by 20% compared to their 2019-20 baseline. This reduction is in line with ESFA's previously stated policy to withdraw this funding over time.
6. For ongoing responsibilities, Schools Forum approval is required on a line-by-line basis and the budget can increase from year to year.
7. This report therefore presents a number of proposals on the retention of Dedicated Schools Grant (DSG) in 2021-22 to fund these statutory duties for which formal Schools Forum approval is required.

Recommendation

- Schools Forum notes that the historic commitments value within Shropshire's CSSB funding allocation has been subjected to a 20% cut in funding by the ESFA. Consequently, the historic commitments element of Shropshire's 2021-22 CSSB allocation has been reduced by £342,781 to £1,371,123.
- Schools Forum notes that Shropshire Council has chosen to build expenditure growth of £342,780 into its 2021-22 budget therefore no impact on service delivery.
- Schools Forum consider and approve to the proposals presented in this report.

REPORT

Background

8. In 2018-19, Schools Block funding, for the first time, included the new Central School Services block, determined by a separate national funding formula.
9. The purpose of the CSSB is to provide funding to local authorities to carry out central functions on behalf of pupils in state-funded maintained schools and academies.
10. The CSSB funding is split into funding for historic commitments and funding for ongoing responsibilities.
11. CSSB historic commitments funding for each local authority is equal to their 2017-18 baseline value submitted to the ESFA in April 2017 and confirmed by the ESFA in August 2017. These historic commitments are subject to a limitation of new commitments or increases in expenditure.
12. The funding for ongoing responsibilities comprised funding previously allocated through the retained duties element of the Education Services Grant (ESG) at a rate of £15 per pupil, plus funding for ongoing central functions such as schools admissions and the servicing of Schools Forum.
13. The CSSB national funding formula allocated funding to local authorities for ongoing responsibilities uses a pupil-led formula to establish a CSSB ongoing responsibilities rate per pupil. This is multiplied by the Schools Block pupil count from the latest census to arrive at each local authority's final allocation.

Shropshire's Central Schools Services Block Allocation 2021-22

14. In 2020-21, Shropshire Council's CSSB allocation totalled £2,790,979. The contributions levels or allocations for ongoing responsibilities plus the contributions for historic commitments were approved by Schools Forum on 5th December 2019 in "Paper D – Central School Service Blocks 2020-21" (based on a provisional allocation of £2,782,298).

	2020-21 Allocation
Historic Commitments	
Contribution to combined budgets	£452,110
Termination of employment costs	£966,444
Prudential borrowing	£295,350
Sub Total Historic Commitments	£1,713,904
Ongoing Responsibilities	
Schools admissions	243,040
Servicing of Schools Forum	10,000
Other items (Copyright Licensing Agency fee)	225,410
Exceptions agreed by Secretary of State	0
Former retained duties ESG	589,944
Sub Total Ongoing Responsibilities	£1,068,394
Total Central Spend	£2,782,298

Shropshire's Provisional Central Schools Services Block Allocation 2021-22

15. In July, the Department for Education issued provisional 2021-22 allocations for the CSSB. The technical note published states that "for Local Authorities that receive it, their historic commitments funding will be reduced by 20% compared to their 2020-21 baseline.
16. For Shropshire Council this means that the £1,713,904 historic commitments 2020-21 value in the table above has been subject to a 20% cut equal to £342,781 in determining the 2021-22 provisional historic commitments allocation of £1,371,123.
17. The ongoing responsibilities value of £1,077,074 for 2020-21 has been run through the national funding formula to arrive at a provisional 2021-22 allocation for ongoing responsibilities of £1,146,541. This represents an increase of 6.45% on the ongoing responsibilities value and is the percentage change in per pupil funding in 2021-22. The provisional total CSSB allocation for 2021-22 is £2,517,664.

	20120-21 Allocation	Provisional Total 2020-21 CSSB NFF Funding	Provisional % Change to CSSB Funding in 2019-20
Historic commitments	£1,713,904	£1,371,123	20% reduction in line with ESFA's previously stated policy to withdraw this funding over time
Ongoing responsibilities	£1,077,074	£1,146,541	6.45%
Total Central Spend	£2,790,979	£2,517,664	-9.79%

Historic Commitments Approval

18. As outlined in Appendix A, historic commitments require Schools Forum approval on a line-by-line basis. The budget cannot exceed the value agreed in the previous funding period, and no new commitments can be entered into. To enable Schools Forum members to make a more informed decision to continue to approve funding the following paragraphs give more detail regarding what services are funded and any ongoing commitments.

Contribution to Combined Budgets

19. Contribution to combined budgets is expenditure that has traditionally been retained from the Central Schools Block for maintained schools and academies to fund a contribution from the schools budget to services which would otherwise be funded from other sources.
20. The ESFA carried out a DSG baselining exercise to determine the baseline level of all historic commitments including contribution to combined budgets funding that is deemed eligible for Shropshire Council under the condition that Schools Forum agreed to fund these costs prior to April 2013. To assist the ESFA with this exercise, Shropshire Council officers submitted evidence to the ESFA of these historic commitments. The result of this baselining exercise was the confirmation by the ESFA of a contribution to combined budgets value of £852,110.
21. As previously stated the ESFA has cut the historic commitments funding by 20% or £428,476 in the 2020-21 CSSB funding allocation. As the "Contribution to combined budgets" funding was the budget area under historic commitments with the greatest degree of controllable expenditure and one of the largest of the 3 budgets area accounting for £852,110 of the £2,142,380 baseline funding, it was determined that a sensible approach would be to target £400,000 of the £428,476 reduction in funding against this area.
22. Appendix C sets out how the remaining £452,110 of contribution to combined budgets funding was allocated in 2020-21.

23. The approach for 2021-22 will replicate that of 2020-21 in that £340,000 of the £342,781 reduction will be targeted in this area where there is the greatest degree of controllability. Appendix C sets out where the £340,000 reduction in funding is proposed in 2021-22. This £340,000 funding will be replaced by Council base budget funding. To achieve this the Council is committed to building in £340,000 expenditure growth into its 2021-22 as part of the budget setting process.

Recommendation 1 - Maintained and academy school representatives agree to continue to contribute £112,110 to combined budgets as per the detail of these costs outlined in Appendix C.

Termination of Employment Costs

24. This budget covers the ongoing termination costs for ex-Shropshire Council school staff. This historic pension commitment will eventually to be reduced to nil, but over many years.
25. The DSG baselining exercise carried out of by the ESFA established a baseline cost for termination of employment costs of £994,920. The total cost of these ongoing pension commitments is significantly higher than £994,920 with the Council also making a sizeable contribution. £994,920 is the maximum contribution permitted from centrally retained DSG on the basis that this budget line cannot increase in value compared to previous years and this was the level of contribution set in 2017-18.
26. In the Schools Forum Paper dated 5th December 2019 dealing with specifically CSSB contributions levels in 2020-21, the recommended DSG level of £966,444 was approved on the basis that the total termination of employment costs fall marginally year on year.
27. For 2021-22, it seems a sensible approach to target a very small portion of the £342,781 reduction in funding to this area as we know that expenditure has reduced only very slightly year on year since the original baselining exercise. It is therefore proposed to reduce the £966,444 level from 2020-21 by £2,781 to £963,663. It is important to note that this expenditure is not controllable for the Council as these are ongoing pension commitments.

Recommendation 2 - Maintained and academy school representatives agree to contribute £963,663 to fund a portion of these ongoing pension commitments, a reduction of £2,781 compared to 2020-21.

Prudential Borrowing Costs

28. The prudential borrowing costs budget heading covers expenditure incurred in the repayment of loans.
29. Shropshire Council has ongoing annual revenue costs of £295,350 for funding prudential borrowing relating to the Monkmoor Campus Project approved in 2006-07.

30. The rationale behind the project was to expand Severndale School to ensure that all Shropshire special needs pupils can be considered for a place in Severndale before a more expensive out of county place is deemed necessary. The delivery of this project delivered revenue savings against costs funded within the High Needs Block of DSG where placements are funded at expensive out of county, independent special schools.
31. Due to available financing from other areas of the schools capital programme on a cash flow basis the borrowing was not applied until 2010-11, with the first borrowing costs in 2010-11 and will thus be incurred until 2035-36.
32. Shropshire Council was required to evidence these costs to the ESFA as part of the DSG baselining exercise. A capital budget report for 2006-07, which approved the prudential borrowing together with the capital project appraisal form was submitted to the ESFA and the figure of £295,350 was approved as part of the Shropshire's baseline.
33. As this is an ongoing cost commitment of £295,350 until 2035-36, it is not appropriate to target any of the £342,781 reduction in historic commitments DSG funding to this budget line.

Recommendation 3 - Maintained and academy school representatives agree to continue to contribute £295,350 to fund the ongoing revenue costs of funding prudential borrowing for the Monkmoor Campus Project.

Ongoing Responsibilities Approval

34. As outlined in Appendix A, funding for ongoing central functions previously retained from the School Block also require Schools Forum approval on a line-by-line basis. In contrast to the historic commitments discussed above, the ongoing central functions of school admissions, servicing of Schools Forum, copyright licensing and ongoing responsibilities formerly funded by retained duties ESG, are not subject to the limitation of no new commitments or increases in expenditure, or any % reduction in funding. This portion of the CCSB funding allocation has increased by 6.45% compared to 2020-21.

Schools Admissions

35. Shropshire Council employs a School Admissions team to provide a comprehensive administrative service for the allocation of school places within statutory requirements through compliance with the School Admissions Code published by the Department for Education in 2014.
36. The Schools Admissions Team's core service includes:
 - Exchange of application data with other local authorities
 - Production of the annual Parents' Guide
 - Input/import of application details
 - Submission of electronic transfer file to schools
 - Production of offer letters to parents on behalf of admission authority

- Administration of review process/ offers refused
- Maintenance of transfer group waiting list.

37. In addition, an extended chargeable service is offered to academies which provides support in meeting the legal responsibilities of an admission authority.

38. To discharge these statutory duties, local authorities are expected to retain some central DSG funding to fund the costs of the Schools Admissions Team. The 2020-21 budget allocation for the Schools Admissions team was £243,040. An increased budget allocation of £250,120 is required for 2021-22. This increase of £7,080 would be met from the overall increase in CSSB allocation.

Recommendation 4 - Maintained and academy school representatives agree to the increased charge of £250,120 for the provision of a School Admissions Team.

Servicing of Schools Forum

39. The servicing of Schools Forum expenditure line covers all expenditure incurred in connection with the local authority's functions of running the Forum as defined under section 47A of the 1998 Education Act.

40. The 2020-21 budget allocation for the Servicing of Schools Forum was £10,000, and will be held at this level in 2021-22.

Recommendation 5 - Maintained and academy school representatives agree to the budget of £10,000 for the servicing of Schools Forum.

Copyright Licenses

41. As set out in the 2017-18 DSG Technical Note published by the Department for Education on 20 December 2016, the Department agreed with the following agencies to purchase a single national licence managed centrally for all state-funded schools in England:

- Copyright Licensing Agency (CLA)
- Education Recording Agency (ERA)
- Filmbank Distributors Ltd. (for the PVSL)
- Motion Picture Licensing Company (MPLC)
- Newspaper Licensing Authority (NLA)
- Schools Printed Music Licence (SPML)
- Christian Copyright Licensing International (CCLI)
- Mechanical Copyright Protection Society (MCPS);
- Performing Rights Society (PRS), and
- Phonographic Performance Limited (PPL).

42. This means that local authorities and schools do not have to negotiate individual licences. The Department for Education pays the cost, including VAT, to the agencies and provides this as a service to local authorities, at a charge. Local authorities can reclaim VAT on the charge. These arrangements cover

academies as well as maintained schools and local authorities can hold this money centrally, rather than include it in school budgets.

43. The 2020-21 budget allocation for the annual copyright licensing invoice was set at £225,410, however the actual cost for 2020-21 has been confirmed as £220,910. For 2021-22 it is anticipated that the annual charge will increase again due to inflation, so a proposed budget allocation for 2020-21 is £225,270. This is based on a 2.0% inflationary increase applied to the 2020-21 value of £220,910 which mirrors the % increase in actual cost in 2020-21.

	2019-20	2020-21	2020-21
Financial Year	Actual Cost	Actual Cost	Proposed Budget
Value	216,630	220,910	225,270
% Increase		2.0%	

Recommendation 6 - Maintained and academy school representatives agree to the increased charge of £225,270 for the annual copyright licensing fees.

Ongoing Responsibilities that Local Authorities Hold for all Schools

44. The CSSB funds local authorities for the statutory duties they hold for both maintained schools and academies which was previously allocated through the retained duties element of the ESG.
45. Details of these retained ongoing duties are provided in Appendix B (Column 1).
46. £603,124 was included in Shropshire’s CSSB 2020-21 allocation to cover these duties.
47. Schools Forum is required to agree to the central retention of retained duties ESG and to enable Schools Forum members to make a more informed decision to continue to approve funding, Appendix D details how the Council apportions this £660,701 to cover these ongoing retained duties. £660,701 is the value available within the ongoing responsibilities allocation of £1,146,541 once the items above have been allocated.
48. It is important to note that in some cases the total cost of providing the statutory functions listed would be greater than the illustrative budget allocation. In these cases the Council subsidises the additional costs above and beyond the £660,701 allocation.

Recommendation 7 - Maintained and academy school representatives agree to continue to contribute £660,701 to ongoing responsibilities that the local authority provides for maintained schools and academies as per the detail of these costs outlined in Appendix D.

49. The final table below illustrates what the proposed CSSB budget allocations above would be if all recommendations are approved.

	2020-21 Allocation	2021-22 Proposed Allocation
Historic Commitments		
Contribution to combined budgets	£452,110	£112,110
Termination of employment costs	£966,444	£963,663
Prudential borrowing	£295,350	£295,350
Sub Total Historic Commitments	£1,713,904	£1,371,123
Ongoing Responsibilities		
Schools admissions	£243,040	£250,120
Servicing of Schools Forum	£10,000	£10,000
Other Items (Copyright Licensing Agency fee)	£220,910	£225,720
Former retained duties ESG	£603,124	£660,701
Sub Total Ongoing Responsibilities	£1,077,074	£1,146,541
Provisional 2019-20 CSSB Allocation	£2,790,979	£2,517,664

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Appendix A

Schools forum approvals for centrally held funding

1. A number of the services that are covered by funding that is held centrally are subject to a limitation of no new commitments or increases in expenditure from 2017 to 2018.

- 1.1. This limit does not now apply to admissions or the servicing of schools forums.
- 1.2. Schools forum approval is required each year to confirm the amounts on each line.
- 1.3. The following table sets out the level of approval required for each service and for funding of brought forward deficits.

2. When using centrally held funding, local authorities must treat maintained schools and academies on an equivalent basis.

Centrally retained service (Where Applicable in Shropshire and decision required today in bold)	Approval required
<ul style="list-style-type: none">• high needs block provision• central licences negotiated by the Secretary of State	Schools forum approval is not required (although they should be consulted)
<ul style="list-style-type: none">• funding to enable all schools to meet the infant class size requirement• back pay for equal pay claims• remission of boarding fees at maintained schools and academies• places in independent schools for non-SEN pupils• admissions	Schools forum approval is required on a line-by-line basis

Centrally retained service (Where Applicable in Shropshire and decision required today in bold)	Approval required
<ul style="list-style-type: none"> • servicing of schools forum • contribution to responsibilities that local authorities hold for all schools • contribution to responsibilities that local authorities hold for maintained schools (voted on by relevant maintained school members of the forum only) • de-delegated services from the schools block (voted on by the relevant maintained school members of the forum only) 	
<ul style="list-style-type: none"> • central early years block provision • any movement of funding out of the schools block • any deficit from the previous funding period that reduces the amount of the schools budget • any brought forward deficit on de-delegated services which is to be met by the overall schools budget 	Schools forum approval is required
<ul style="list-style-type: none"> • capital expenditure funded from revenue <ul style="list-style-type: none"> • projects must have been planned and decided on prior to 	<p>Schools forum approval is required on a line-by-line basis.</p> <p>The budget cannot exceed the value agreed in the previous funding period, and no new commitments can be entered into.</p>

Centrally retained service (Where Applicable in Shropshire and decision required today in bold)	Approval required
<p>April 2013; no new projects can be charged</p> <ul style="list-style-type: none"> • details of the remaining costs should be presented • contribution to combined budgets <ul style="list-style-type: none"> • where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources • existing termination of employment costs <ul style="list-style-type: none"> • costs for specific individuals must have been approved prior to April 2013; no new redundancy costs can be charged • prudential borrowing costs <ul style="list-style-type: none"> • the commitment must have been approved prior to April 2013 • details of the remaining costs should be presented 	<p>Read establishing local authority DSG baselines for more information.</p>

Centrally retained service (Where Applicable in Shropshire and decision required today in bold)	Approval required
<ul style="list-style-type: none"> • funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy • funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years 	<p>Schools forum approval is required on a line-by-line basis, including approval of the criteria for allocating funds to schools</p>

Appendix B

Central services that may be funded with agreement of schools forums

1. The split of services between responsibilities local authorities hold for all schools, and those that relate to maintained schools only are shown in tables below.
 - 1.1. Responsibilities held by local authorities for all schools (shown in the first column) are funded from the central schools services block, with the agreement of schools forums.
 - 1.2. Responsibilities held by local authorities for maintained schools only (shown in the second column) are funded from maintained schools budgets only, with agreement of the maintained schools members of schools forums.
 - 1.3. We've included references to the relevant schedules in the current [schools and early years finance \(England\) regulations 2017](#).

Statutory and regulatory duties

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none">• Director of children's services and personal staff for director (Sch 2, 15a)• Planning for the education service as a whole (Sch 2, 15b)• Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)• Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c)	<ul style="list-style-type: none">• Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 2, 56)• Budgeting and accounting functions relating to maintained schools (Sch 2, 73)• Functions relating to the financing of maintained schools (Sch 2, 58)• Authorisation and monitoring of expenditure in respect of schools which do not have delegated

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> • Formulation and review of local authority schools funding formula (Sch 2, 15d) • Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e) • Consultation costs relating to non-staffing issues (Sch 2, 19) • Plans involving collaboration with other LA services or public or voluntary bodies (Sch 2, 15f) • Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17) • Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21) 	<p>budgets, and related financial administration (Sch 2, 57)</p> <ul style="list-style-type: none"> • Monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies (Sch 2, 58) • Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 for maintained schools (Sch 2, 59) • Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 2, 60) • Investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body (Sch 2, 61) • Functions related to local government pensions and administration of teachers' pensions in relation to staff working at maintained schools under the direct management of the headteacher or governing body (Sch 2, 62) • Retrospective membership of pension schemes where it would not be appropriate to expect a

Responsibilities held for all schools	Responsibilities held for maintained schools only
	<p>school to meet the cost (Sch 2, 75)</p> <ul style="list-style-type: none"> • HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition or organisation of staff (Sch 2, 63); determination of conditions of service for non-teaching staff (Sch 2, 64); appointment or dismissal of employee functions (Sch 2, 65) • Consultation costs relating to staffing (Sch 2, 66) • Compliance with duties under Health and Safety at Work Act (Sch 2, 67) • Provision of information to or at the request of the Crown relating to schools (Sch 2, 68) • School companies (Sch 2, 69) • Functions under the Equality Act 2010 (Sch 2, 70) • Establish and maintaining computer systems, including data storage (Sch 2, 71) • Appointment of governors and payment of governor expenses (Sch 2, 72)

Table 8a: Central services responsibilities held by local authorities (statutory and regulatory duties)

Education welfare

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> • Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20) • School attendance (Sch 2, 16) • Responsibilities regarding the employment of children (Sch 2, 18) 	<ul style="list-style-type: none"> • Inspection of attendance registers (Sch 2, 78)

Table 8b: Central services responsibilities held by local authorities (education welfare)

Asset management

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> • Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a) • General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b) 	<ul style="list-style-type: none"> • General landlord duties for all maintained schools (Sch 2, 76a & b (section 542(2)) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have: <ul style="list-style-type: none"> • appropriate facilities for pupils and staff (including medical and accommodation) • the ability to sustain appropriate loads • reasonable weather resistance • safe escape routes

Responsibilities held for all schools	Responsibilities held for maintained schools only
	<ul style="list-style-type: none"> • appropriate acoustic levels • lighting, heating and ventilation which meets the required standards • adequate water supplies and drainage • playing fields of the appropriate standards • General health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc. Act 1974) • Management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012)

Table 8c: Central services responsibilities held by local authorities (asset management)

Central support services

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> • No functions 	<ul style="list-style-type: none"> • Clothing grants (Sch 2, 52) • Provision of tuition in music, or on other music-related activities (Sch 2, 53) • Visual, creative and performing arts (Sch 2, 54) • Outdoor education centres (but not centres mainly for the

Responsibilities held for all schools	Responsibilities held for maintained schools only
	provision of organised games, swimming or athletics) (Sch 2, 55)

Table 8d: Central services responsibilities held by local authorities (central support services)

Premature retirement and redundancy

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> No functions 	<ul style="list-style-type: none"> Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 2, 77)

Table 8e: Central services responsibilities held by local authorities (premature retirement and redundancy)

Monitoring national curriculum assessment

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> No functions 	<ul style="list-style-type: none"> Monitoring of National Curriculum assessments (Sch 2, 74)

Table 8f: Central services responsibilities held by local authorities (monitoring national curriculum assessment)

Therapies

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> No functions 	<ul style="list-style-type: none"> This is now covered in the high needs section of the regulations and does not require schools forum approval

Table 8g: Central services responsibilities held by local authorities (therapies)

Other ongoing duties

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none"> • Licences negotiated centrally by the Secretary of State for all publicly funded schools (Sch 2, 8); this does not require schools forum approval • Admissions (Sch 2, 9) • Places in independent schools for non-SEN pupils (Sch 2, 10) • Remission of boarding fees at maintained schools and academies (Sch 2, 11) • Servicing of schools forums (Sch 2, 12) • Back-pay for equal pay claims (Sch 2, 13) • Writing to parents of year 9 pupils about schools with an atypical age of admission, such as UTCs and studio schools, within a reasonable travelling distance (new addition to CSSB, to be included in 2018 to 2019 regulations)¹ 	<ul style="list-style-type: none"> • No functions

Table 8h: Central services responsibilities held by local authorities (other ongoing duties)

¹Funding for this duty was previously delivered to local authorities via a s.31 grant. Additional funding will be added to the CSSB baseline for this from 2018-19.

Historic commitments

Responsibilities held for all schools	Responsibilities held for maintained schools only
<ul style="list-style-type: none">• Capital expenditure funded from revenue (Sch 2, 1)• Prudential borrowing costs (Sch 2, 2(a))• Termination of employment costs (Sch 2, 2(b))• Contribution to combined budgets (Sch 2, 2(c))	<ul style="list-style-type: none">• No functions

APPENDIX C

Historic Commitments under the Budget Heading "Contribution to Combined Budgets" as agreed by Schools Forum prior to 1 April 2013 and evidenced by ESFA as meeting this criteria during local authority DSG baselining exercise

Cost Heading	Summarised version of what Budget Funds	Benefits to the Schools	2020-21 Allocation	2021-22 proposed reduction in DSG Funding	Proposed 2021-21 Allocation
Enhance Contract (Contribution to Commissioned Contract where Schools are Co-Commissioners)	1-1 work with young people and families on relationships, self esteem, resilience in coping with pressures. Revised contract is looking to target children with multiple problems.	Support the child/young person to maintain school attendance and achieve in education as problems have an outlet outside school.	£308,060	-£266,170	£41,890
Parenting (Contribution to Internal team)	Parenting courses delivered through schools and to targeted groups including UYCB for teenagers	Most schools engaged in delivery of this programme.	£73,830	-£73,830	£0
Safeguarding Board Contribution	The SSCB delivers an extensive training package which includes learning briefing on CSE and thresholds. The Board also delivers GCP2 training (Graded Care Profile) and provide dedicated training for school staff only to enable this to meet the needs of the teaching agenda and timetable. The Board also works very closely with Education Improvement and co deliver designated Safeguarding lead training.	Any training offered by the Board is free of charge and any course can be accessed schools. This ensures that schools can access training and are provided up to date safeguarding information that is consistent. Training messages are aligned to the Board priorities and all resources can be accessed by schools; this is further enhanced by the co delivery of courses and sharing of information with Education Improvement. Courses have also been specifically organised for teaching/school staff re GCP2 at the request of schools to enable schools to chose an appropriate time and to work with relevant colleagues. Other training events allow schools to book on and learn in a multi agency environment thus sharing best practice, update to date knowledge with partners and to be aware of emerging themes and issues.	£10,640		£10,640
Music Service - Early Years Music provision	Specific funding for Early Years Music Provision that is not funded by music tuition traded income		£25,000		£25,000
Rates Provision - Contingency for Overspend	Rates Provision - Schools only pay the Budgeted not the Actual	Ensures that Schools' Budgets only funds the budgeted Rates costs and that any unexpected costs are funded from the Rates Provision	£34,580		£34,580
	TOTAL CONTRIBUTION TO COMBINED BUDGETS		£452,110	-£340,000	£112,110

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Appendix D

Responsibilities local authorities hold for all schools (funding may be retained centrally from all schools with agreement of Schools Forum)	How much does it cost Shropshire per year to provide it?	
<u>Statutory and Regulatory duties</u>		
Director of Children’s Services and personal staff for director (Sch 1, 20a)	£136,030	
Planning for the education service as a whole (Sch 1, 20b)	£85,640	
Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 1, 20d)	£101,740	
Administration of grants (Sch 1, 20e)		
Authorisation and monitoring of expenditure not met from schools’ budget shares (Sch 1, 20fi)		
Formulation and review of local authority schools funding formula (Sch 1, 20g)		
Internal audit and other tasks related to the authority’s chief finance officer’s responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 1, 20i)	£131,020	
<u>Education Welfare Services</u>		
Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 1, 10c)		
School attendance (Sch 1, 11)	£206,271	
Responsibilities regarding the employment of children (Sch 1, 29)		
<u>Asset Management</u>		
Management of the LA’s capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 1, 10a)	£206,271	
General landlord duties for all buildings owned by the local authority, including those leased to academies	£660,701	
TOTAL	£660,701	

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