



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

Date: Date Not Specified

**Committee:  
Schools Forum**

**Date: Thursday, 5 November 2020**

**Time: 8.30 am**

**Venue: THIS IS A VIRTUAL MEETING - PLEASE USE THE LINK ON THE AGENDA TO LISTEN TO THE 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)

John Hitchings (Vice-Chair)

Phil Adams

Michael Barrett

Mark Cooper

Alan Doust

Sabrina Hobbs

Sandra Holloway

Colin Hopkins

Marilyn Hunt

Shelley Hurdley

Samantha John

Sian Lines

Kerry Lynch

Stephen Matthews

David O'Toole

Alan Parkhurst

John Parr

Greg Portman

Revell

Darren Reynolds

Mark Rogers

Andrew Smith

Charles Thomas

Guy Verling

Your Committee Officer is:

**Philip Wilson** Service Manager Business Support People

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# AGENDA

- 1 **Apologies**
- 2 **Minutes and Matters Arising - 17 September 2020** (Pages 1 - 4)
- 3 **Schools Finances' and COVID-19** (Pages 5 - 18)
- 4 **Dedicated Schools Grant Recovery Plan** (Pages 19 - 28)
- 5 **Central Retention of DSG from April 2021 Consultation** (Pages 29 - 44)
- 6 **Dedicated Schools Grant Monitoring (DSG) 2020-21** (Pages 45 - 52)
- 7 **Communications**
- 8 **Future Meeting Dates**

Please note new venue

Thursday 3 December 2020 8.30 a.m. Microsoft (MS) Teams

Thursday 14 January 2021 8.30 a.m. The Guildhall, Frankwell or MS Teams

Thursday 28 January 2021 (if required) 8.30 a.m. The Guildhall, Frankwell or MS Teams

Thursday 18 March 2021 8.30 a.m. The Guildhall, Frankwell or MS Teams

# Agenda Item 2



**Schools Forum**  
**Date: 5 November 2020**  
**Time: 8.30 am**  
**Venue: Via MS Teams**

Item/Paper  
**A**  
Public

## MINUTES OF SCHOOLS FORUM HELD ON 17 SEPTEMBER 2020 – HELD VIA MS TEAMS

### Present

#### School Forum Members

Bill Dowell (Chair)  
Mark Cooper – Secondary Headteacher  
John Hitchings – Academy Governor  
Sandra Holloway – Primary Governor  
Marilyn Hunt – Primary Headteacher  
Kerry Lynch – Primary Academy Headteacher  
Stephen Matthews – Primary Governor  
Alan Parkhurst – Primary Headteacher  
John Parr – Academy Headteacher  
Michael Revell – Primary Governor  
Andrew Smith – 16 -19 Representative  
Charles Thomas – Professional Association Rep.  
Reuben Thorley – Secondary Headteacher

### Members

Cllr Nick Bardsley  
Cllr Ed Potter

### Officers

Karen Bradshaw  
Julia Dean  
Jo Jones  
Neville Ward  
Stephen Waters  
Phil Wilson  
Helen Woodbridge

### Observers

Roger Evans

	ACTION
<p><b>1. Apologies</b></p> <p>Apologies had been received from Alan Doust, Sabrina Hobbs, Sian Lines and Mark Rogers.</p>	
<p><b>2. Election of Chair and Vice Chair</b></p> <p>Karen Bradshaw welcomed all to the meeting and advised of the result of the ballot for the election of chair and vice chair. She confirmed that Bill Dowell and John Hitchings had been elected as chair and vice chair respectively for the academic year 2020-21, and until the date of the first meeting of Schools Forum in the academic year 2021-22.</p> <p>The chair thanked colleagues and gave best wishes to all school colleagues who were having to cope in the most difficult of times.</p>	
<p><b>3. Minutes and Matters Arising</b></p> <p>The minutes of the meeting held on 25 June 2020 were approved subject to the following clarification: John Hitchings identified that under item 8 in the first paragraph which referred to six areas of weakness, of which one applied to the work of the high needs task</p>	

and finish group. He clarified that this weakness related to the number of exclusions which the task and finish group is working on.

Item 9 - Action regarding a recovery plan. Phil Wilson advised that this will be picked up by Stephen Waters in a later paper.

**4. Final Dedicated Schools Grant from 2019-20**

Phil Wilson presented the paper which was for information only.

**5. Updated Dedicated Schools Grant from 2020-21**

Phil Wilson presented the paper which was for information only.

**6. School Revenue Funding Update 2021-22**

Jo Jones presented the paper which was for information only.

Stephen Matthews asked about accessing IDACI data. It was confirmed that this is included in the outturn budget where there is a breakdown by factor.

The chair asked Karen Bradshaw about the issues re Central Schools Services Funding and she agreed that this will provide a challenge.

Stephen Matthews asked about the historic commitments.

Stephen Waters advised they these include contribution to combined budgets (£450k), and termination of employment – ongoing pension compensation payments and the £195k borrowing for Monkmoor Campus. Phil Wilson explained that as usual, there will be a paper on this at the November meeting.

**7. Schools' Finances and COVID-19**

Phil Wilson presented the paper which was for information only and was an update on the paper presented at the last Schools Forum meeting.

Marilyn Hunt was disappointed that significant expenditure had been made and only 32 schools had managed to access any of the extra funding.

Phil Wilson clarified that some schools have claimed and not yet received anything. He explained that the DfE is still assessing costs claimed in the section 'any other costs'. He has also requested information from the DfE on which schools in Shropshire have made claims.

Karen Bradshaw advised that if there is another window, guidance and support on claiming will be provided from the LA.

The new catch-up premium was welcomed by all and Phil Wilson stressed the importance of the monitoring of its use by governors/trustees.

The lobbying letter from f40 was shared.

## 8. Dedicated Schools Grant Monitoring (DSG) 2020-21

Stephen Waters presented the paper which was for information only.

Neville Ward explained the different approaches taken by LAs around Early Years and confirmed that the overriding aim in Shropshire has been to maintain the number of places required (which he suspected will be fewer from January 2021). He advised that further announcements regarding funding are expected and assured Schools Forum that expenditure is being carefully monitored.

The DfE template for the Financial Plan (for managing deficits) was shared. Julia Dean advised that:

- regarding high needs top up/graduated support pathway funding there is continuous monitoring, and, in terms of meeting children's need, impact monitoring is positive. More children are having their needs met at an earlier stage leading to better outcomes for those children.
- there is an increased pressure on the high needs block and the budget will need to be realigned. The national trend is that there are more children with SEN. The new SEN school planned for Shropshire will reduce expenditure on expensive high needs places.
- most schools are willing to support the policy of continuing with centralised alternative provision by providing some funding towards it. It is important to maintain capacity (as more children are being excluded) but not to add to costs in the high needs block.

Marilyn Hunt commented on the high needs deficit. She agreed the need to increase the budget and asked how the deficit compared to previous years. Stephen Waters advised that there is a £419k in-year deficit which is lower than in previous years.

The chair confirmed that for the meeting on 5 November there will be more information available to share with Schools Forum.

Stephen Waters agreed to schedule a meeting with Julia Dean to start the completion of the template.

Neville Ward suggested that the impact of COVID will also need to be taken into account.

## 9. Communications

The chair advised that f40 continue to monitor.

Phil Wilson is in regular touch with the DfE regarding COVID and offered to feed in any questions.

Regular headteacher meetings and briefings continue.

Karen Bradshaw confirmed that the meetings with local MPs are continuing.

## 10. Future meeting dates:

5 November 2020 via MS Teams

SAW

The meeting closed at 10.25 am.

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## Schools Forum

Date: 5 November 2020

Time: 8:30 to 10.20am

Venue: Virtual Microsoft  
(MS) Teams

## Paper

# B

Public

## SCHOOLS' FINANCES AND COVID-19

**Responsible Officer** Phil Wilson

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### Summary

Reports were presented to Schools Forum at their meetings on 25 June and 17 September on the impact of the COVID-19 pandemic on Shropshire schools' finances, outlining the issues that had emerged and were being faced by schools and academies. This paper provides an update on developments in the first half of the Autumn term.

### Recommendation

This report is for information only.

## REPORT

### Background

1. Schools were closed from 20 March as the Government escalated its efforts to curb the increasing spread of coronavirus (COVID-19) across the country. Schools remained open, however, for the supervision of the children of critical workers and for vulnerable children. As the national position improved, the restrictions were eased, meaning that from 1 June primary schools were able to extend opening to children in nursery, Reception, Year 1 and Year 6, while from 15 June, secondary schools were able to welcome back students in Years 10 and 12. From the beginning of the Autumn term there was a full reopening of schools, operating within the Government's COVID safe guidelines.
2. Schools Forum has received reports at their meetings on 25 June and 17 September on the impact on schools' finances at each stage of the national crisis and the issues that were emerging in the education sector at that time. This report updates Schools Forum on developments since they last met.

## Covid-19 Schools Fund

3. The arrangements for the COVID-19 Schools Fund were detailed in the Government guidance initially issued on 7 April - *School funding: exceptional costs associated with coronavirus (COVID-19) for the period March to July 2020*. This guidance was updated on 24 June, accompanied by further guidance on the process for schools to claim exceptional costs related to COVID-19, with a deadline set for 21 July for first claims to be submitted online.
4. The Council was notified on the first payment from this fund made to Shropshire maintained schools at the end of August, as they are responsible for passporting these payments into maintained school budgets. Academy trusts will have been contacted regarding the outcome of any claims they submitted.
5. A further round of payments to maintained schools was received in October, relating to claims made in the summer. The following table summarises the approved claims for maintained schools both in August and October.

	<b>August 2020</b>	<b>October 2020</b>	<b>Total</b>
Number of maintained schools receiving payments	32	21	<b>53</b>
Total payments to these schools	£84,711	£57,319	<b>£142,030</b>
Analysed as:			
• Premises	£45,953	£22,403	<b>£68,356</b>
• Free school meals	£23,495	£18,695	<b>£42,190</b>
• Additional cleaning	£15,263	£16,221	<b>£31,484</b>

6. It is understood that some claims remain outstanding, in particular where schools put the costs they were seeking to reclaim in the 'Other costs' part of the form. These are still being assessed and so further payments may be released later this term.
7. The June guidance indicated that 'further claims will be possible in a subsequent claim window in the autumn and details regarding that process will be published later in the year'. Local authority officers have been seeking confirmation from the Department of Education on when this claim window will open and whether the criteria for costs that can be reclaimed will be expanded. The only feedback received is that the claim window will provide a final opportunity to reclaim any unclaimed costs from the Summer term.
8. A recent meeting with primary headteachers highlighted the following issues relating to finance from these school leaders:

### Wrap around care

- Parents aren't accessing wrap around care/clubs at the level they were previously - huge private income implications.
- Private income losses e.g. childcare if schools close again for local lockdowns.
- Costs of running after school/breakfast clubs with such low numbers this term.



### **Extra cleaning**

- Additional cost of cleaning materials and resources such as handwash etc. and additional cleaning hours.

### **Staffing**

- Extra costs to cover absent staff
- Absence insurance doesn't cover COVID-19 isolation
- Supply cover costs through staff absence due to waiting for tests.

## **Coronavirus (COVID-19) Catch-up Premium**

9. On 20 July the Government announced £1 billion of funding was being made available to support children and young people to catch up. This includes a one-off universal £650 million catch-up premium for the 2020 to 2021 academic year 'to ensure that schools have the support they need to help all pupils make up for lost teaching time'.
10. Individual school allocations of catch-up premium have been calculated on a per pupil basis as follows:
  - £80 per for each pupil from Reception through to Year 11 in mainstream
  - £240 for each place in special, alternative provision and hospital schools.
11. Schools will receive the funding in three tranches: autumn 2020, early spring 2021 and in the summer 2021. The autumn and spring payments will total £46.67 per pupil/£140 per place, and the summer payments will be £33.33 per pupil/£100 per place. The spring and summer term payments will be based on the October 2020 census data.
12. Shropshire schools will be receiving a total provisional allocation of £2,880,840 for the academic year 2020 to 2021. The payment for the autumn term 2020 is £720,210. The attached Appendix 1 details provisional allocations by individual school.
13. Details on the conditions of the grant are available at <https://www.gov.uk/government/publications/coronavirus-covid-19-catch-up-premium-provisional-allocations/coronavirus-covid-19-catch-up-premium-conditions-of-grant-for-academic-year-2020-to-2021-for-local-authorities> .

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

14. The lobby group f40, on behalf of their 42 member local authorities and school forums, including Shropshire, has written a second letter to the Department for Education on 20 October, highlighting a series of areas regarding the impact of Covid-19 on school and education funding. They had previously written on 12 August – this letter was shared with Schools Forum at their meeting on 17 September. The letter is attached in Appendix 2.

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## Coronavirus (COVID-19) catch-up premium provisional allocations for the academic year 2020 to 2021

URN	LA	LA Name	LAESTAB	Establishment Name	Maintained School or Academy	Pupil Numbers	Per Pupil Rate	Provisional Allocation academic year 2020 to 2021	Autumn 2020 Payment
138268	893	Shropshire	8932000	Barrow 1618 CofE Free School	Academies	94	£80	£7,520	£1,880
141180	893	Shropshire	8932003	Morville CofE (Controlled) Primary School	Academies	52	£80	£4,160	£1,040
141340	893	Shropshire	8932005	Stokesay Primary School	Academies	133	£80	£10,640	£2,660
141368	893	Shropshire	8932006	Longlands Primary School	Academies	192	£80	£15,360	£3,840
142575	893	Shropshire	8932007	Buildwas Academy	Academies	65	£80	£5,200	£1,300
143548	893	Shropshire	8932008	Alveley Primary School	Academies	86	£80	£6,880	£1,720
144983	893	Shropshire	8932009	Tilstock CofE Primary and Nursery	Academies	57	£80	£4,560	£1,140
145300	893	Shropshire	8932010	St Edward's CofE Primary School	Academies	49	£80	£3,920	£980
146432	893	Shropshire	8932011	Whitchurch CofE Junior Academy	Academies	326	£80	£26,080	£6,520
147539	893	Shropshire	8932012	Grange Primary School	Academies	210	£80	£16,800	£4,200
145672	893	Shropshire	8932029	Bishops Castle Primary School	Academies	145	£80	£11,600	£2,900
123357	893	Shropshire	8932032	Cheswardine Primary and Nursery School	LA Maintained	56	£80	£4,480	£1,120
123359	893	Shropshire	8932034	Church Preen Primary School	LA Maintained	60	£80	£4,800	£1,200
141637	893	Shropshire	8932035	Clee Hill Community Academy	Academies	124	£80	£9,920	£2,480
141636	893	Shropshire	8932036	Cleobury Mortimer Primary School	Academies	223	£80	£17,840	£4,460
143326	893	Shropshire	8932044	Ellesmere Primary School	Academies	343	£80	£27,440	£6,860
123366	893	Shropshire	8932046	Gobowen Primary School	LA Maintained	191	£80	£15,280	£3,820
123371	893	Shropshire	8932052	Highley Community Primary School	LA Maintained	224	£80	£17,920	£4,480
123372	893	Shropshire	8932054	Hinstock Primary School	LA Maintained	121	£80	£9,680	£2,420
123373	893	Shropshire	8932055	Hodnet Primary School	LA Maintained	173	£80	£13,840	£3,460
145792	893	Shropshire	8932070	Market Drayton Infant & Nursery School	Academies	265	£80	£21,200	£5,300
123383	893	Shropshire	8932072	Minsterley Primary School	LA Maintained	139	£80	£11,120	£2,780
123385	893	Shropshire	8932075	Norbury Primary School and Nursery	LA Maintained	61	£80	£4,880	£1,220
139630	893	Shropshire	8932077	Woodside Primary School	Academies	604	£80	£48,320	£12,080
144848	893	Shropshire	8932084	Coleham Primary School	Academies	421	£80	£33,680	£8,420
145791	893	Shropshire	8932086	Woodfield Infant School	Academies	268	£80	£21,440	£5,360
123391	893	Shropshire	8932088	Crowmoor Primary School and Nursery	LA Maintained	191	£80	£15,280	£3,820
123393	893	Shropshire	8932090	Harlescott Junior School	LA Maintained	361	£80	£28,880	£7,220
146183	893	Shropshire	8932092	St George's Junior School	Academies	359	£80	£28,720	£7,180
123395	893	Shropshire	8932098	Sundorne Infant School and Nursery	LA Maintained	298	£80	£23,840	£5,960
123396	893	Shropshire	8932099	Sheriffhales Primary School	LA Maintained	74	£80	£5,920	£1,480
123397	893	Shropshire	8932101	Buntingsdale Primary School and Nursery	LA Maintained	66	£80	£5,280	£1,320
123399	893	Shropshire	8932103	Stoke-on-Tern Primary School	LA Maintained	103	£80	£8,240	£2,060
123403	893	Shropshire	8932110	Weston Rhyn Primary School	LA Maintained	156	£80	£12,480	£3,120
123405	893	Shropshire	8932113	Woore Primary and Nursery School	LA Maintained	66	£80	£5,280	£1,320
123407	893	Shropshire	8932117	Much Wenlock Primary School	LA Maintained	178	£80	£14,240	£3,560

URN	LA	LA Name	LAESTAB	Establishment Name	Maintained School or Academy	Pupil Numbers	Per Pupil Rate	Provisional Allocation academic year 2020 to 2021	Autumn 2020 Payment
123410	893	Shropshire	8932120	Albrighton Primary School & Nursery	LA Maintained	238	£80	£19,040	£4,760
145788	893	Shropshire	8932122	Market Drayton Junior School	Academies	360	£80	£28,800	£7,200
145789	893	Shropshire	8932139	The Wilfred Owen School	Academies	208	£80	£16,640	£4,160
123424	893	Shropshire	8932146	Shifnal Primary School	LA Maintained	341	£80	£27,280	£6,820
143801	893	Shropshire	8932149	Ludlow Primary School	Academies	398	£80	£31,840	£7,960
145202	893	Shropshire	8932157	Castlefields Primary School	Academies	212	£80	£16,960	£4,240
123434	893	Shropshire	8932159	John Wilkinson Primary School and Nursery	LA Maintained	192	£80	£15,360	£3,840
123437	893	Shropshire	8932164	Belvidere Primary School	LA Maintained	239	£80	£19,120	£4,780
144202	893	Shropshire	8932178	Greenfields Primary School	Academies	365	£80	£29,200	£7,300
123447	893	Shropshire	8932179	The Martin Wilson School	LA Maintained	189	£80	£15,120	£3,780
144203	893	Shropshire	8932180	Radbrook Primary School	Academies	321	£80	£25,680	£6,420
123452	893	Shropshire	8932194	The Meadows Primary School	LA Maintained	284	£80	£22,720	£5,680
145221	893	Shropshire	8932195	St Leonard's CofE Primary School	Academies	292	£80	£23,360	£5,840
123457	893	Shropshire	8933001	Adderley CofE Primary School	LA Maintained	32	£80	£2,560	£640
123458	893	Shropshire	8933003	St Mary's CofE Primary School	LA Maintained	189	£80	£15,120	£3,780
123460	893	Shropshire	8933010	Beckbury CofE Primary School	LA Maintained	45	£80	£3,600	£900
123461	893	Shropshire	8933012	Bicton CofE Primary School and Nursery	LA Maintained	126	£80	£10,080	£2,520
123463	893	Shropshire	8933015	Brockton CofE Primary School	LA Maintained	57	£80	£4,560	£1,140
124201	893	Shropshire	8933018	Burford CofE Primary School	Academies	149	£80	£11,920	£2,980
123467	893	Shropshire	8933022	Chirbury CofE VC Primary School & Busy Bees Nursery	LA Maintained	46	£80	£3,680	£920
123468	893	Shropshire	8933024	St Lawrence CofE Primary School	LA Maintained	226	£80	£18,080	£4,520
123469	893	Shropshire	8933026	Clive CofE Primary School	LA Maintained	77	£80	£6,160	£1,540
123470	893	Shropshire	8933027	Cockshutt CofE Primary School and Nursery	LA Maintained	61	£80	£4,880	£1,220
123471	893	Shropshire	8933030	Christ Church CofE Primary School	LA Maintained	98	£80	£7,840	£1,960
123472	893	Shropshire	8933031	Criftins CofE Primary School	LA Maintained	108	£80	£8,640	£2,160
123475	893	Shropshire	8933041	Farlow CofE Primary School	LA Maintained	39	£80	£3,120	£780
123477	893	Shropshire	8933044	St Andrew's CofE Primary School	LA Maintained	64	£80	£5,120	£1,280
123478	893	Shropshire	8933046	Hadnall CofE Primary and Nursery School	LA Maintained	87	£80	£6,960	£1,740
123480	893	Shropshire	8933057	Kinlet CofE Primary School	LA Maintained	26	£80	£2,080	£520
123481	893	Shropshire	8933058	Kinnerley Church of England Controlled Primary School	LA Maintained	62	£80	£4,960	£1,240
123482	893	Shropshire	8933068	Longnor CofE Primary School	LA Maintained	104	£80	£8,320	£2,080
146897	893	Shropshire	8933070	Lower Heath CofE Primary School	Academies	99	£80	£7,920	£1,980
123484	893	Shropshire	8933074	Morda CofE Primary School	LA Maintained	148	£80	£11,840	£2,960
123485	893	Shropshire	8933077	Moreton Say CofE Primary School	LA Maintained	71	£80	£5,680	£1,420
123487	893	Shropshire	8933079	Myddle CofE Primary School	LA Maintained	107	£80	£8,560	£2,140
123488	893	Shropshire	8933081	Newcastle CofE Primary School	LA Maintained	23	£80	£1,840	£460
123490	893	Shropshire	8933083	Newtown CofE Primary School	LA Maintained	125	£80	£10,000	£2,500
123491	893	Shropshire	8933084	Norton-in-Hales CofE Primary School	LA Maintained	84	£80	£6,720	£1,680
123493	893	Shropshire	8933087	Pontesbury CofE Primary School	LA Maintained	206	£80	£16,480	£4,120

URN	LA	LA Name	LAESTAB	Establishment Name	Maintained School or Academy	Pupil Numbers	Per Pupil Rate	Provisional Allocation academic year 2020 to 2021	Autumn 2020 Payment
143323	893	Shropshire	8933089	Prees CofE Primary School	Academies	155	£80	£12,400	£3,100
123495	893	Shropshire	8933090	Bomere Heath CofE Primary School	LA Maintained	130	£80	£10,400	£2,600
123497	893	Shropshire	8933093	Rushbury CofE Primary School	LA Maintained	46	£80	£3,680	£920
123498	893	Shropshire	8933094	St John the Baptist CofE (Controlled) Primary School and Nursery	LA Maintained	85	£80	£6,800	£1,700
123499	893	Shropshire	8933097	Selattyn CofE Primary School	LA Maintained	88	£80	£7,040	£1,760
123500	893	Shropshire	8933100	St Andrew's CofE Primary School	LA Maintained	320	£80	£25,600	£6,400
123502	893	Shropshire	8933103	Oxon CofE Primary School	LA Maintained	424	£80	£33,920	£8,480
123503	893	Shropshire	8933104	St Giles CofE Primary School	LA Maintained	320	£80	£25,600	£6,400
142312	893	Shropshire	8933108	Stottesdon CofE Primary School	Academies	99	£80	£7,920	£1,980
123507	893	Shropshire	8933112	Trefonen CofE Primary School	LA Maintained	144	£80	£11,520	£2,880
123508	893	Shropshire	8933113	St Lucia's CofE Primary School & Nursery	LA Maintained	90	£80	£7,200	£1,800
123510	893	Shropshire	8933115	Welshampton CofE Primary School	LA Maintained	84	£80	£6,720	£1,680
145790	893	Shropshire	8933116	St Peter's CofE Primary School	Academies	388	£80	£31,040	£7,760
123512	893	Shropshire	8933117	West Felton CofE Primary School	LA Maintained	125	£80	£10,000	£2,500
123513	893	Shropshire	8933119	Weston Lullingfields CofE School	LA Maintained	45	£80	£3,600	£900
123426	893	Shropshire	8933121	Whitchurch CofE Infant and Nursery Academy	Academies	241	£80	£19,280	£4,820
123325	893	Shropshire	8933122	Whixall CofE Primary School	Academies	96	£80	£7,680	£1,920
123517	893	Shropshire	8933123	Wistanstow CofE Primary School	LA Maintained	57	£80	£4,560	£1,140
123518	893	Shropshire	8933126	Long Mountain CofE Primary School	LA Maintained	92	£80	£7,360	£1,840
123519	893	Shropshire	8933127	Stiperstones CofE Primary School	LA Maintained	32	£80	£2,560	£640
123523	893	Shropshire	8933133	Broseley CE Primary School	LA Maintained	233	£80	£18,640	£4,660
147568	893	Shropshire	8933134	St Marys CofE Primary School	Academies	227	£80	£18,160	£4,540
123525	893	Shropshire	8933135	St Thomas and St Anne CofE Primary School	LA Maintained	98	£80	£7,840	£1,960
123528	893	Shropshire	8933155	Bryn Offa CofE Primary School	LA Maintained	140	£80	£11,200	£2,800
123529	893	Shropshire	8933156	St Laurence CofE Primary School	LA Maintained	195	£80	£15,600	£3,900
123532	893	Shropshire	8933159	Brown Clee CofE Primary School	LA Maintained	96	£80	£7,680	£1,920
130931	893	Shropshire	8933160	Trinity CofE Primary School	LA Maintained	152	£80	£12,160	£3,040
123534	893	Shropshire	8933301	Baschurch CofE Primary School	LA Maintained	196	£80	£15,680	£3,920
142142	893	Shropshire	8933303	Bitterley CofE Primary School (Aided)	Academies	98	£80	£7,840	£1,960
123536	893	Shropshire	8933305	St Mary's Bluecoat CofE (VA) Primary School	LA Maintained	166	£80	£13,280	£3,320
123537	893	Shropshire	8933307	St Mary's CofE Primary School	LA Maintained	59	£80	£4,720	£1,180
123539	893	Shropshire	8933311	Claverley CofE Primary School	LA Maintained	111	£80	£8,880	£2,220
145673	893	Shropshire	8933312	St George's CofE Academy, Clun	Academies	67	£80	£5,360	£1,340
123541	893	Shropshire	8933313	Clunbury CofE Primary School	LA Maintained	59	£80	£4,720	£1,180
145275	893	Shropshire	8933316	Condover CofE Primary School	Academies	127	£80	£10,160	£2,540
123546	893	Shropshire	8933321	Longden CofE Primary School	LA Maintained	121	£80	£9,680	£2,420
123547	893	Shropshire	8933322	Lydbury North CofE (A) Primary School	LA Maintained	32	£80	£2,560	£640
123549	893	Shropshire	8933329	Whittington CofE (VA) Primary School	LA Maintained	216	£80	£17,280	£4,320
123550	893	Shropshire	8933330	Worfield Endowed CofE Primary School	LA Maintained	154	£80	£12,320	£3,080

URN	LA	LA Name	LAESTAB	Establishment Name	Maintained School or Academy	Pupil Numbers	Per Pupil Rate	Provisional Allocation academic year 2020 to 2021	Autumn 2020 Payment
123551	893	Shropshire	8933350	St John's Catholic Primary School	LA Maintained	202	£80	£16,160	£4,040
123553	893	Shropshire	8933353	Our Lady and St Oswald's Catholic Primary School	LA Maintained	135	£80	£10,800	£2,700
123554	893	Shropshire	8933354	Shrewsbury Cathedral Catholic Primary School and Nursery	LA Maintained	158	£80	£12,640	£3,160
123559	893	Shropshire	8933360	Corvedale CofE Primary School	LA Maintained	86	£80	£6,880	£1,720
123560	893	Shropshire	8933361	Onny CofE (A) Primary School	LA Maintained	74	£80	£5,920	£1,480
144434	893	Shropshire	8933363	Mount Pleasant Primary	Academies	283	£80	£22,640	£5,660
141176	893	Shropshire	8934001	Sir John Talbot's School	Academies	616	£80	£49,280	£12,320
143142	893	Shropshire	8934002	St Martins School (3-16 Learning Community)	Academies	563	£80	£45,040	£11,260
147540	893	Shropshire	8934004	Shrewsbury Academy	Academies	820	£80	£65,600	£16,400
138216	893	Shropshire	8934368	The Priory School	Academies	849	£80	£67,920	£16,980
123564	893	Shropshire	8934376	The Community College, Bishop's Castle	LA Maintained	467	£80	£37,360	£9,340
139455	893	Shropshire	8934385	Church Stretton School	Academies	551	£80	£44,080	£11,020
139102	893	Shropshire	8934387	Lakelands Academy	Academies	532	£80	£42,560	£10,640
139769	893	Shropshire	8934391	William Brookes School	Academies	836	£80	£66,880	£16,720
140922	893	Shropshire	8934394	Idsall School	Academies	1090	£80	£87,200	£21,800
146506	893	Shropshire	8934396	Belvidere School	Academies	846	£80	£67,680	£16,920
146146	893	Shropshire	8934403	Meole Brace School	Academies	1247	£80	£99,760	£24,940
146509	893	Shropshire	8934410	Mary Webb School and Science College	Academies	575	£80	£46,000	£11,500
141451	893	Shropshire	8934412	The Lacon Childe School	Academies	576	£80	£46,040	£11,510
146580	893	Shropshire	8934423	The Grove School	Academies	739	£80	£59,080	£14,770
142153	893	Shropshire	8934427	Oldbury Wells School	Academies	838	£80	£67,000	£16,750
136979	893	Shropshire	8934437	The Marches School	Academies	1289	£80	£103,120	£25,780
139143	893	Shropshire	8934500	Bridgnorth Endowed School	Academies	487	£80	£38,960	£9,740
144435	893	Shropshire	8934501	Ludlow Church of England School	Academies	573	£80	£45,840	£11,460
147508	893	Shropshire	8934503	The Thomas Adams School	Academies	1047	£80	£83,760	£20,940
145793	893	Shropshire	8935202	Greenacres Primary School	Academies	137	£80	£10,960	£2,740
144460	893	Shropshire	8935203	Holy Trinity Church of England Primary Academy and Nursery	Academies	243	£80	£19,440	£4,860
147830	893	Shropshire	8935204	Oakmeadow Church of England Primary and Nursery School	Academies	395	£80	£31,600	£7,900
147106	893	Shropshire	8935205	Mereside Church of England Primary Academy	Academies	340	£80	£27,200	£6,800
135789	893	Shropshire	8935206	Meole Brace Church of England Primary and Nursery	LA Maintained	355	£80	£28,400	£7,100
135790	893	Shropshire	8935207	Bishop Hooper Church of England Primary School	LA Maintained	90	£80	£7,200	£1,800
137336	893	Shropshire	8935401	The Corbet School	Academies	733	£80	£58,640	£14,660
								<b>£2,880,840</b>	<b>£720,210</b>



October 20, 2020

## **Continuing impact of Covid-19 on school and education funding**

Dear Mr Foot/Mr Goldman

I hope you and your colleagues at the Department for Education continue to be well through these difficult times.

Since I last wrote to you in August, the f40 group has been in dialogue with our members, both from local authorities and schools, about the continuing impact of Covid-19.

While f40 would very much welcome an opportunity to meet with you remotely later in autumn, we felt it would be useful to share now some of the feedback we have received.

We appreciate you are under increased pressure, but feel a grassroots perspective is of benefit.

f40 believes the impact on schools should be continually monitored, and the criteria for claiming back extra expenses regularly reviewed.

While we welcomed the additional funding announced for schools last year, much of it is being swallowed up by the increases to teachers' pay and pensions, and now Covid-19.

In real terms, schools are much worse off than they were five years ago and simply cannot meet the additional demands placed on them now due to the pandemic.

### **1. Additional teaching costs**

Since schools returned in September, one of the greatest challenges for headteachers has been ensuring that their schools have sufficient teaching staff in place every day.

As the number of Covid cases rises, more and more teachers are having to isolate if they have possible symptoms, or if they have been in contact with someone who has tested positive.

Some teachers are also having to stay home to look after their own children who are isolating.

The impact on schools is enormous.

The squeeze on education budgets in recent years has led many schools to reduce the number of teaching staff to the bare minimum. That means they now have no spare capacity when teachers are absent.

During the pandemic, schools are having to increasingly rely on supply teachers to provide cover. This is exacerbated when Covid tests are not quickly or locally available.

If teachers could be tested immediately, those that receive a negative result could return to the classroom, rather than having to spend unnecessary time away from school.

Such is the extent of the issue, many schools have already spent their annual supply teaching budget. As time goes on and costs continue to be incurred, schools are having to consider the

trade-off between opening in full and the threat that may pose to the future financial sustainability of the school.

A number of headteachers have considered using their school budgets to buy testing kits themselves – in order to get teachers with a negative result back in the classroom quickly. They were eager to know whether it would be an appropriate use of budget, claiming it was the only way they could keep costs down and schools open during particularly trying times.

We do not believe schools should have to use their teaching budget to pay for Covid tests but agree with them that it would be a better use of their budget if it saved them substantial sums on supply teachers.

**Suggestion:** f40 believes Government should pay the additional staffing costs of schools, where they have arisen due to the pandemic.

**Suggestion:** Priority should be given to schools and teachers during the testing process, similar to that given to health care workers, to ensure teachers can return to the classroom at the earliest opportunity.

**Suggestion:** Additional testing kits should be supplied to schools on a rolling programme.

## **2. Additional teaching resources**

Schools, particularly primary schools, are having to spend more on teaching resources.

Social distancing measures mean children can no longer sit together and share learning resources and equipment, as in the past. This is a direct additional cost to schools caused by the pandemic.

**Suggestion:** Schools be allowed to claim back extra costs for learning resources brought about by Covid-19.

## **3. Extraordinary additional costs**

The current guidelines around reclaiming additional expenses have been in place since the spring, and we believe they are now too narrow for the current situation. The range and breadth of additional costs for schools is constantly expanding as they navigate their way through the pandemic.

Schools need ongoing assistance with generic extra costs, such as deep cleaning and the displaying of information signs, however, a range of additional 'other' costs are also emerging.

While we encourage schools to make savings where they can, we believe no school should be worse off because of Covid-19.

Some schools may also have unique costs to them, which we believe should be included in the criteria for claiming back expenses.

For example, special educational needs schools are spending substantial sums on PPE, such as aprons, masks, and gloves. This is considered essential as some children with additional needs are prone to spitting, biting, and licking, increasing risk of infection, but it is costly.

Examples of emerging additional extra costs include:

- Additional water usage due to extra hand washing
- More frequent emptying of cesspits due to the increase in water usage
- PPE
- Remote learning platforms



- Extra toilet blocks
- Additional lunch/dining room equipment to aid social distancing (trays, cutlery, crockery)

**Suggestion:** f40 believes allowance should be made for schools to recoup 'other' extra expenses that are not already included on the claims form, and which may be specific to their situation. At the end of the financial year(s), it should become clear if they need to pay back funds.

#### **4. Winter costs**

Schools are expecting their heating costs to rise this winter as a direct result of the pandemic.

In order to reduce the risk of Covid infections passing between pupils and teachers, schools have been advised to keep buildings well ventilated by keeping windows open wherever possible.

This hasn't posed a problem during the warmer months, but now autumn is here, schools are having to use their heating systems more frequently, and increase the temperature, to compensate for the open windows.

**Suggestion:** Schools should be allowed to claim for additional heating costs by submitting this year's heating bill along with a comparative bill from the same period last year.

#### **5. Loss of income**

Many schools are facing financial hardship because their income streams continue to be frozen. These could be after school clubs, or the hiring out of sports and community facilities.

In many cases, while the income is no longer coming in, the costs associated with them, such as staff and leasing costs, are continuing.

Some schools have had no choice but to wind up certain activities, which is a loss to their community and has also incurred associated redundancy costs.

**Suggestion:** We believe the DfE should support schools who have lost income by agreeing to subsidise a percentage of it – for example, funding 75% of lost income. This would be in line with the approach taken with local authorities.

#### **6. Extra learning support**

Many local authorities are reporting a sharp spike in EHCP applications since September.

f40 does not believe EHCPs are the right solution for all children and should only be used when long-term special educational needs are identified.

We feel they should not be applied to children who have fallen behind due to coronavirus, or who have anxieties relating to the pandemic.

However, greater funding for early intervention programmes should be available to restore emotional well-being and provide additional support to children who need it due to the impact of Covid.

While the catch-up grant goes somewhere towards this, it will not be sufficient to meet the demand of every school. Also, schools may have to use the catch-up grant to ease wider funding pressures, rather than targeting it at specific pupil need.

By putting additional funding into learning support now, Government will save money in the long-term on EHCPs and special educational needs.

Local authorities can play a key role in bringing together large numbers of schools, along with other key services, such as social care.

**Suggestion:** Additional early intervention funding, over and above the £1bn catch-up grant, should be provided to ensure additional emotional well-being and learning support can be provided – reducing the likelihood of children needing EHCPs and to help children progress.

## 7. School transport

Local authorities and schools welcomed the additional funding to assist with school transport in September and have done incredibly well to ensure children get to and from school according to the new safety measures.

While we welcome the new injection of funds for school transport announced last week, £27m, we fear this will not be enough to meet demand, especially in large rural counties.

For example, in Devon we had a shortfall in extra school transport costs of £100,000 between the start of September and the October half-term. That is additional spending that Devon County Council cannot afford.

We need a commitment to fund the extra school transport required until the Covid restrictions end – whenever that might be.

**Suggestion:** f40 believes Government should make a long-term commitment to fund all additional extra school transport costs brought about by the pandemic until social distancing measures and restrictions are removed.

## 8. School census

The school census is taking place this month and concerns have been raised around the accuracy of the census in relation to the funding requirements of each school next year.

In recent weeks there has been a noticeable rise in Elective Home Education (EHE), with one council claiming a 500% rise in applications, from 70 during this period last year to 350 now.

We believe this is a direct result of the pandemic.

Children who are being educated at home will not be included in the school census, and thus not included in school budget forecasts for next year.

However, a large number of these children may return to the school system later this academic year – creating a funding shortage for their schools.

When these children return, they may also require greater learning support and may qualify for Free School Meals, yet their school will not receive funding to cover either purely because they missed the census.

**Suggestion:** f40 believes the Department for Education should prepare for discrepancies in the census due to the high number of children taken out of schools due to Elective Home Education. We believe schools should be paid an additional sum to cater for the likelihood of children being brought back into the system next year, and to enable them to provide extra learning support where needed.

## 9. SEND

Special Educational Needs continues to be a major concern for f40, with the needs of pupils outstripping available budgets, and EHCP applications continuing to rise.

The situation is only going to get worse unless the High Needs system is overhauled, with less reliance on EHCPs and greater emphasis on school inclusion.

Many councils have growing deficit SEND budgets and these will continue to increase unless action is taken now to deal with the High Needs crisis.

We urge Government to resume its review of SEND as soon as possible, and report back with recommendations at the earliest opportunity.

Schools need support systems, guidance and additional funding to enable them to be flexible in the way they work, which can enable them to be properly inclusive of pupils with SEND.

And local authorities need additional funding to settle the huge deficit budgets they currently have, which is running close to £20m in some councils.

**Suggestion:** The review into SEND be resumed as soon as possible.

**Suggestion:** The SEND system be overhauled, with less reliance on EHCPs and greater emphasis on inclusion at mainstream schools. Schools should be given greater funding, guidance and support in order to provide the right level of care and education to pupils with High Needs.

**Suggestion:** Local authorities should be given additional funding to pay off the deficit SEND budgets they have accrued.

## **Conclusion**

Once again, thank you for taking the time to read some of the feedback we have received from our members.

If you would like to discuss it in more detail, don't hesitate to contact me, or f40 Secretary Karen Westcott, and we will be happy to arrange something.

Kind regards

James McInnes  
Chairman  
f40  
07961 275814

cc. Karen Westcott  
07545 210067

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## Schools Forum

Date: 5 November 2020

Time: 8:30 am

Item

Public

Paper

**C**

## DEDICATED SCHOOLS GRANT RECOVERY PLAN

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

### Summary

This report updates Schools Forum members with the progress made by officers in producing a DSG deficit management or recovery plan.

### Recommendation

This report is for information only.

## REPORT

1. The ESFA published their DSG guidance for 2020-21 in March 2020 and this removes the requirement for those local authorities overspent by more than 1% of their gross DSG budget to formally submit a DSG deficit recovery plan to the Department for Education by 30 June. Instead, the DSG guidance states further conditions relating to DSG deficits for those local authorities that have an overall deficit on their DSG as follows:
  - Provide information as and when requested by the department about its plans for managing its DSG account in the 2020 to 2021 financial year and subsequently.
  - Provide information as and when requested by the department about pressures and potential savings on its high needs budget.
  - Meet with officials of the department as and when they request to discuss the local authority's plans and financial situation.
  - Keep the schools forum regularly updated about the local authority's DSG account and plans for handling it, including high needs pressures and potential savings
2. As is being reported in "Paper E – Dedicated Schools Grant Monitoring 2020-21" this morning, Shropshire Council is forecasting an in year deficit of £0.184m against Central DSG and a £1.893m cumulative deficit at the end of the 2020-21

financial year. This paper seeks to update School Forum members on how the Council proposes to bring its DSG account back into balance while ensuring the best possible outcomes for children and young people with SEND in Shropshire.

### **Context**

3. In September 2014, the Government introduced the Children and Families Act, introducing a major transformation to the way services for children and young people with SEND are delivered. These changes which included replacing SEN Statements with Education, Health, Care Plans (EHCPs), and an extension of the SEN system up to the age of 25 years old have placed greater financial pressures on local authorities.
4. In the years since these SEND reforms, published national data shows that demand for services for children and young people with SEND has increased dramatically. The number of children or young people with a statement of SEND or requiring an Education Health and Care Plan (EHCP) has risen by 35% between 2014 and 2018. The number of children and young people permanently excluded from school has risen by 67% in the same period. This has had a direct impact on high needs spending with an increasing number of local authorities now reporting a deficit on their DSG account.
5. Since the SEND funding reforms of 2014, there have also been significant reforms to the Dedicated Schools Grant including the introduction of a High Needs National Funding Formula from 2018-19. The High Needs National Funding Formula was introduced with the intention of introducing a national funding formula, balancing the principles of fairness and stability. Shropshire Council alongside other F40 local authorities believed the introduction of the new High Needs National funding formula did not strike the correct balance between these principles. This was based on the view at the time that the new formula was not fair on the basis that it locked in historic unfairness through an over-weighting of historic spend, and was too rigid and inflexible in that it limited the transfer of funding between schools block and high needs block to just 0.5%. This aspect limits Shropshire's ability to respond to local pressures without consultation.

### **High Needs DSG Allocation**

6. The summary in the financial appendix shows that Shropshire's High Needs Block DSG allocation has increased from £25.716m in 2018-19 to £28.196m in 2020-21.
7. In each of the financial years from 2018-19 to 2020-21, the Council has been aware of the growing pressures on the High Needs Block DSG and has sought approval from Schools Forum to transfer 0.5% of the Schools Block to the High Needs Block after fully funding schools with the National Funding Formula factors and values. In 2018-19 and 2020-21 this resulted in the full 0.5% being transferred, but in 2019-20 a lower value which approximates to 0.25% of the schools block was transferred to the High Needs Block. It is noteworthy that had Schools Forum not approved these funding transfers, the High Needs Block DSG

financial position would be £2.023m worse off given this is the cumulative value of funds transferred across from the schools block.

### **High Needs Deficit Position**

8. The financial summary appended shows the High Needs Block DSG incurred in-year deficits of £0.618m in 2018-19, £1.127m in 2019-20 and is forecast to outturn a deficit of £0.034m in 2020-21. This indicates a cumulative High Needs Block DSG deficit of £1.779m which is largely responsible for the overall DSG cumulative deficit forecast to be £1.893m at the end of the 2020-21 financial year. To understand what is causing this deficit to increase year on year, it is necessary to look at the trends in terms of historic expenditure over the last 3 financial years and the underlying data that drives demand in these areas.

### **High Needs Trends**

9. The summary in the financial appendix shows the level of expenditure across each of the major headings within the High Needs Block budget over the last 3 financial years; 2018-19 to 2020-21. The tabs to the right of this summary tab give the trend in the numbers of children and young people which reflects the demand in these budget headings. More work is required to be undertaken on average or unit costs in the coming months.

### **Place Funding**

10. Local authorities decide how much funding to set aside out of their High Needs Block DSG allocation for place funding to reflect their commissioning intentions. The figures appended show a 10% increase in place funding over the last 2 financial years with the single largest increase in Post-16 where the number of Post-16 places has increased by 41% over the last 2 years. The underlying data shows that the number of Education Health Care (EHC) plans in post 16 and further education has increased significantly from 189 in January 2018 to 353 in January 2020 (a 66% increase).
11. Place funding at mainstream SEND Hubs has also increased significantly from £0.175m to £0.464m. This is the result of a strategy to build capacity at mainstream settings to establish local, cost effective provision for children and young people who are able to access a mainstream curriculum but find accessing a mainstream classroom challenging. The underlying number of Education Health Care (EHC) plans in Resourced provision or SEN units has increased from 2 in January 2018 to 32 in January 2020 to reflect this strategy.

### **Top Up Funding to Mainstream Schools**

12. Top-up funding to mainstream schools has increased by 5% from £4.191m in 2018-19 to £4.402m in 2020-21. The underlying data shows that the numbers of Education Health Care (EHC) plans in mainstream schools has decreased from 901 in January 2018 to 718 in January 2020 which would seem to contrast with the financial data at face value. The increase in expenditure, however can be explained by the introduction of the Graduated Supported Pathway payments in

2017-18. This mechanism enables schools to request additional funding to supplement their element 2 funding with the aim of providing targeted, early on, efficient and effective intervention for children identified as requiring SEN Support. The local authority anticipates seeing a reduction in top-up funding expenditure longer term as the proportion of Education Health Care (EHC) plans reduces in line with the national average, though it is important to stress that this is determined by the child's need.

### **Top Up Funding to Special Schools**

13. Top-up funding to special schools has increased by 6.7% from £4.772m in 2018-19 to £5.092m in 2020-21. The underlying data shows that the numbers of Education Health Care (EHC) plans in special schools has increased by 6.8% from 574 in January 2018 to 613 in January 2020 which explains the increase in expenditure alongside the increase in banding levels for Shropshire's Special Schools. The increase in numbers of Education Health Care (EHC) plans, is consistent across most of the "primary need headings" but particularly significant for Autism Spectrum Disorder (27%) and Speech, Language and Communication (17%).

### **Post 16 – FE College Placements**

14. The highest percentage increase in expenditure since 2018-19 is against Post-16 – FE College Placements where expenditure has increased by £1.130m (87%). The significant increase in Education Health Care (EHC) plan numbers in Post 16 can be seen in table 6a in the appendix and was described in paragraph 10. It is important to note that the increase in expenditure relates specifically to mainstream colleges, rather than a small number of higher cost, independent specialist providers. The significant increase in expenditure is explained by a large increase in the number of pupils with an Education Health Care (EHC) plan attending these mainstream colleges and is a direct result of changes in legislation which has seen local authorities having significant new statutory duties for students with special educational needs up to the age of 25 years under the Children and Families Act (September 2014). As a result, Shropshire has seen a sharp increase in students with SEN requiring additional support in further education year on year.

### **Independent Providers**

15. The national picture being reported by the f40 group of local authorities during a survey of high needs costs pressures concluded increasing demand for independent special school placements, and higher contributions from education towards joint social care placements. Shropshire has mirrored these trends in recent years but the financial appendix indicates that forecasted spend in this year (£5.282m) has fallen by 9% since the 2018-19 level of £5.821m. The explanation for the fall in expenditure since this year may be the closure of 1 high cost residential special school which accommodated a number of Shropshire pupils before its closure. The underlying data in terms of numbers of Education Health Care (EHC) plans in independent settings has shown an increase from 99



in January 2018 to 110 in January 2020 but the figures were higher in January 2019 than in January 2020 which means it is difficult to forecast a trend.

### **Support for Inclusion – 6<sup>th</sup> Day Provision**

16. Support for Inclusion – 6<sup>th</sup> Day Provision is not an area that jumps out as being a particular financial pressure in the appendix to this paper but that is due to the 2020-21 expenditure being difficult to forecast due to Covid-19, and because the 2018-19 and 2019-20 financial years were similar in expenditure level. However, prior to these dates, the spend on 6<sup>th</sup> Day provision was £0.081m in 2016-17 and £0.188m in 2017-18 so there has been a continued trend of increasing expenditure since 2016-17. The underlying data in table 7 shows that the number of permanent exclusions was 39 in the 2014-15 academic year and had increased to 95 in the 2018-19 academic year. This trend reflects the national picture mentioned in paragraph 4.

### **Financial Plan**

17. Given the budget pressures outlined above a financial plan is coming together to address these budget pressures. The ultimate aim of the plan which is required to be shared with the Department for Education as per their guidance, is to bring Shropshire's DSG account back into balance while ensuring the best possible outcomes for children and young people with SEND in Shropshire.

18. Although no detail has been finalised in terms of timescales or savings targets against particular budget headings as yet there are a number of strategies being proposed which are summarised on the financial summary in the appendix and briefly described below.

### **Place Funding**

19. Place funding is determined by the commissioning needs of the SEND service area in fulfilling their statutory duties. It is not as straightforward as reducing expenditure from the current forecasted level of £7.756m. The key strategies revolve around managing the demand for place funding in the Post-16 FE area, and building capacity of local provision through establishment of mainstream school SEND Hubs as a more cost effective, local provision. This strategy will result in more expenditure on place funding of this type of provision but will save money elsewhere in the High Needs budget as the child may be placed in a more cost effective setting.

### **Top-Up Funding - Mainstream Schools**

20. The primary purpose of the Graduated Supported Pathway is to identify and fund the need for SEN support early on. A financial consequence of this strategy is anticipated to be a reduction in annual expenditure on top-up funding longer term as the proportion of Education Health Care (EHC) plans falls, however it is important to stress that this top-up funding is determined by the child's need. There is a chance that expenditure could continue to increase if demand increases regardless of the Graduated Supported Pathway Strategy.

## **Top-Up Funding - Special Schools**

21. The strategy is to continue to maximise the capacity of our special schools as special schools are a more cost effective option than independent special schools if a child's needs can be met.

## **Post 16 – FE College Placements**

22. The local authority's SEN team are striving to address increase in Post 16 – FE College placement expenditure through close working with local colleges to increase accessibility to education within mainstream colleges rather than more expensive independent specialist providers. Controlling demand and costs in this area is a high priority area due the rate of growth of expenditure. The strategy is to review post 16 expenditure to ensure greater efficiency with mainstream college providers. This can be achieved through close partnership working with colleges to support them to recognise how they can achieve greater efficiency whilst maintaining high standards. There is a plan to review funding and better align post 16 college funding with how schools are funded. This strategy may require some initial investment. Further detail will need to follow.

## **Independent Providers**

23. One strategy is to reduce reliance on Independent Special Schools through a focus on building capacity of maintained school SEND hubs and the development of the new free Special School and associated outreach from September 2022. Further financial modelling is required to determine the level of savings that can be achieved through the new free school.
24. A number of the children in these high cost, independent residential settings are there due to their all-round Education, Social Care and Health needs not just their education needs so education are often contributing significant funding to joint-funded placements for the most complex children. The strategy to reduce costs in this area is a greater emphasis on co-commissioning of provision with partners e.g Health and Social Care to meet the holistic needs of a child. Greater collaboration with Social Care on upcoming projects should allow more influence over school placement for children with complex social care needs.

## **SEN Support Services**

25. The strategy here is continuous review of areas like Sensory Inclusion Service to realise efficiencies while maintaining high standards of provision.

## **Hospital Education**

26. The number of Education Health Care (EHC) plans in hospital schools or Alternative Provision settings has increased since 2018-19 according to table 5 in the appendix. Close partnership working and greater emphasis on co-commissioning of provision with partners e.g Health and Social Care to meet the holistic needs of a child can prevent a child's needs from escalating to a point where a hospital setting is required.

## **Alternative Provision and Support for Inclusion**

27. The High Needs Task and Finish group has been involved in exploring new models of service delivery for TMBSS, which could involve a greater emphasis on outreach. A key priority and strategy is to continue to support schools to be inclusive and manage the year on year increase in permanent exclusions that is resulting in sharp increase in expenditure. This programme of work is being led at strategic level through the SEND Strategic Board.

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Appendix - Paper C - Dedicated Schools Grant Recovery Plan

	2018/19	2019/20	2020/21 Projection
	£	£	£
High Needs Block DSG Allocation	25,716,088	25,768,458	28,196,184
Transfer from Schools Block	784,019	397,050	842,400
<b>Total High Needs Block DSG Budget</b>	<b>26,500,107</b>	<b>26,165,508</b>	<b>29,038,584</b>

Increase in High Needs Block DSG Allocation		52,370	2,427,726
Increase in High Needs Block DSG Budget		- 334,599	2,873,076

	2018/19	2019/20	2020/21 Projection
<b>Total Expenditure</b>			
Place Funding – Special Academy	4,039,160	4,050,000	4,090,000
Place Funding – PRU	1,460,000	1,460,000	1,560,000
Place Funding – Special Maintained	774,997	820,000	820,000
Place Funding – Post 16 – FE Colleges	546,000	526,000	772,000
Place Funding – Post 16 – Mainstream	48,000	16,000	50,000
Place Funding – Mainstream Specialist	174,664	249,170	223,670
Place Funding - Maintained School SEND Hubs	-	226,156	240,000
<b>Total Place Funding</b>	<b>7,042,821</b>	<b>7,347,326</b>	<b>7,755,670</b>

Top-Up Funding – Mainstream Schools - Primary	2,351,584	2,248,729	2,465,332
Top-Up Funding – Mainstream Schools – Secondary	1,839,819	1,735,651	1,936,355
<b>Top-Up Funding - Mainstream Schools</b>	<b>4,191,404</b>	<b>3,984,380</b>	<b>4,401,687</b>

Top-Up Funding – Special Schools - Academy	2,828,586	3,013,931	3,044,932
Top-Up Funding – Special Schools – PRU	1,040,510	1,050,915	1,122,895
Top-Up Funding – Special Schools – Maintained	903,044	941,140	924,209
<b>Top-Up Funding – Special Schools</b>	<b>4,772,140</b>	<b>5,005,986</b>	<b>5,092,036</b>

<b>Top-Up Funding - Out of County (Net recoupment)</b>	<b>654,440</b>	<b>692,417</b>	<b>984,307</b>
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<b>Post 16 – FE College Placements</b>	<b>1,290,119</b>	<b>1,808,473</b>	<b>2,420,165</b>
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Independent Special Schools	5,432,333	4,712,810	4,824,307
Independent – SEN Nursery	225,091	303,173	299,620
Independent – Non Special Schools	130,479	102,199	128,004
Independent - Other	33,254	29,331	30,000

<b>Independent Providers</b>	<b>5,821,156</b>	<b>5,147,514</b>	<b>5,281,931</b>
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<b>Additional Target High Needs</b>	<b>195,506</b>	<b>268,845</b>	<b>259,450</b>
<b>SEN Support Services</b>	<b>1,744,218</b>	<b>1,585,866</b>	<b>1,438,056</b>
<b>Hospital Education</b>	<b>149,112</b>	<b>165,084</b>	<b>172,420</b>
<b>Other Alternative Provision Services</b>	<b>168,846</b>	<b>134,053</b>	<b>91,501</b>
<b>Support for Inclusion - Other</b>	<b>788,995</b>	<b>862,156</b>	<b>875,471</b>
<b>Support for Inclusion - 6th Day Provision</b>	<b>299,505</b>	<b>290,571</b>	<b>300,000</b>

<b>Total Expenditure</b>	<b>27,118,261</b>	<b>27,292,670</b>	<b>29,072,695</b>
<b>Increase in High Needs Expenditure</b>		<b>174,410</b>	<b>1,780,025</b>

<b>In-Year Deficit</b>	<b>618,154</b>	<b>1,127,162</b>	<b>34,111</b>
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<b>Cumulative DSG Deficit reported to Schools Forum (includes other blocks of DSG)</b>	<b>879,465</b>	<b>1,709,923</b>	<b>1,893,467</b>
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% Increase 2018/19 Outturn to 2020/21 Projection	High Level High Needs Block strategy to manage demand and control costs
1.3%	
6.8%	
5.8%	
41.4%	
4.2%	
28.1%	Build capacity of maintained and academy school SEND Hubs as a more cost effective, local provision
	Build capacity of maintained and academy school SEND Hubs as a more cost effective, local provision
<b>10.1%</b>	

4.8%	
5.2%	
5.0%	Graduated Support Pathway and annual review of EHCP's through focused Annual Review Officers

7.6%	
7.9%	
2.3%	
6.7%	Maximise capacity of Academy and Maintained Special Schools

50.4%	Building parental confidence in local provision
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87.6%	Review post 16 expenditure to ensure greater efficiency with mainstream college providers. Close partnership working with colleges to support them to recognise how they can achieve greater efficiency whilst maintaining high standards and better aligning post 16 college funding with how schools are funded
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-11.2%	
33.1%	
-1.9%	
-9.8%	

-9.3%	- Reduce reliance on Independent Special Schools through focus on building capacity of maintained school SEND hubs and development of new free Special School and associated outreach from September 2022 - Greater co-commissioning of provision with partners e.g Health and Social Care to meet the holistic needs of a child
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32.7%	
-17.6%	Continuous review of areas like Sensory Inclusion Service to realise efficiencies while maintaining high standards of provision
15.6%	Greater co-commissioning of provision with partners e.g Health and Social Care to meet the holistic needs of a child
-45.8%	Continuous review of Alternative Provision
11.0%	Continue to support schools to be inclusive and manage increase in permanent exclusions. A new delivery model for TMBSS. Key priority and led at strategic level through the SEND Strategic Board
0.2%	

7.2%	
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## Schools Forum

Date: 5 November 2020

Time: 8:30 a.m.

Venue: Virtual via MS Teams

Item

Public

Paper

**D**

## CENTRAL RETENTION OF DSG FROM APRIL 2021 CONSULTATION

**Responsible Officer** Phil Wilson

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Tel: 01743 254344

### Summary

This information paper is sharing the consultation documentation that is going out to all maintained mainstream schools on the central retention of Dedicated Schools Grant (DSG) from April 2021. The consultation is being launched on 6 November 2020 and will run until the close of business on Friday 27 November 2020.

The responses to the consultation will be presented to Schools Forum at their meeting on 3 December 2020, with Forum required to make decisions on de-delegation and top-slicing for centrally retained services for the financial year 2021-22.

### Recommendation

This report is for information only.

## REPORT

1. 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
2. From 2017-18, Schools Forums have been able to agree to de-delegate further funding for additional school improvement provision for maintained schools.
3. 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.

4. The consultation documentation, made up of a briefing paper and a response form, are appended to this report for information. The consultation is being launched on 6 November 2020. Response forms are required to be returned by Friday 27 November 2020, to inform a report that will be presented to Schools Forum at their meeting on Thursday 3 December 2020. Forum will be required to make decisions on de-delegation and top-slicing for individual centrally retained services for the financial year 2021-22 at this meeting.



# 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
<b>De-delegation (maintained primary and secondary):</b>			
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
<b>Top-slice (maintained primary and secondary):</b>			
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

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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

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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
<b>Total</b>	<b>39</b>	<b>38</b>	<b>46</b>	<b>60</b>	<b>82</b>	<b>24</b>	<b>17</b>

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.

<b>EAS Trading Services Costs</b>	
<b>Education Welfare Services</b>	<b>Inclusion Services</b>
£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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# Consultation With Shropshire Maintained Schools on Central Retention of Dedicated Schools Grant From April 2021

November 2020

Name of maintained school	
Name of person completing form	
Role in school	
Contact email address	
Date form completed	

Please scan and return the completed form to [schoolfunding@shropshire.gov.uk](mailto:schoolfunding@shropshire.gov.uk) , by no later than **Friday 27 November 2020**.

The full consultation document is available on the Shropshire Learning Gateway at <https://www.shropshirelg.net/> .

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## DE-DELEGATION

### 1. Pupil growth contingency – primary schools only

Options (please tick one preference):

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. An underspend is currently forecast and so the per pupil rate is expected to be lower than the current £8.04	
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.	

Please add any comments in the box below:

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## 2. Maternity cover

Options (please tick one preference):

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.	

Please add any comments in the box below:

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

Options (please tick one preference):

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.	

Please add any comments in the box below:

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#### 4. School improvement

Option (please tick if you support the proposal):

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. De-delegation for secondary maintained schools will be based on a per pupil unit contribution of £0.99.	
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Please add any comments in the box below:

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#### TOP-SLICING

#### 5. Redundancy fund

Options (please tick one preference):

a. Top-slice funding from maintained schools, 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.	

Please add any comments in the box below:

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#### 6. Statutory school finance

Option (please tick if you support the proposal):

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.	
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Please add any comments in the box below:

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## 7. Statutory human resources and health and safety

Option (please tick if you support the proposal):

Top-slice funding of £4.40 per pupil from maintained schools (no increase on 2020-21 per pupil rate).	
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Please add any comments in the box below:

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## 8. Education Access Service

Options (please tick one preference):

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.	

Please add any comments in the box below:

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**Thank you for taking the time to complete this consultation form. The consultation forms received from Shropshire maintained schools by the deadline of Friday 27 November 2020, will be collated and will inform the report going to Schools Forum on Thursday 3 December 2020, at which the de-delegation and top-slicing decisions for April 2021 will be taken. Any queries relating to this consultation can be emailed to [schoolfunding@shropshire.gov.uk](mailto:schoolfunding@shropshire.gov.uk).**



## Schools Forum

Date: 5 November 2020

Time: 8:30 am

Item

Public

Paper

**E**

## DEDICATED SCHOOLS GRANT MONITORING

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

### Summary

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

### Recommendation

This report is for information only.

## REPORT

1. The overall 2020-21 outturn against centrally retained DSG is forecast to be £0.184m in deficit as at the end of October 2020. It should be noted that this figure is the in-year deficit and needs to be added to the £1.710m overspend carried forward from 2019-20 in order to give the overall cumulative deficit position of £1.893m.
2. Please note that the cumulative DSG deficit reported to Schools Forum in June was £2.247m at the time, however there was some good news in July when the final Early Years Block DSG was published at a figure £0.537m higher than the provisional Early Years Block DSG allocation resulting in the cumulative DSG deficit reducing from £2.247m to £1.710m.
3. In December 2019, Schools Forum approved a transfer of 0.5% from the Schools Block to the High Needs Block to support growth pressures on the High Needs Block. Agreement was given to transfer the remaining schools block budget, up to 0.5% after fully funding schools with the National Funding Formula factors and values. In 2020-21, the Council has been able to fully fund schools in this way, while transferring across the full 0.5% of the Schools Block budget to the High Needs Block budget which has increased the High Needs Block budget in year by £0.842m.

### **Centrally Controlled Early Years Budget**

4. The outturn position for the Early Years Block is forecast to be overspent by £0.149m on a provisional budget of £16.796m.
5. There is a £0.150m budget pressure reported against the Early Years Block of DSG as a direct result of the “double funding” of nursery placements due to Covid-19. There will be Early Years children who cannot access the free Early Years entitlement at the setting of their choice, either because it is still closed or because they have had to restrict places in order to operate safely within the current guidelines of Covid-19. In these instances the children will be attending other settings where they can be accommodated.
6. While in practice, Local Authorities have used a variety of different approaches towards this scenario, Shropshire Council has opted to double fund the child’s place. This means funding the place at the setting that is closed or restricted and as well as the place at the new setting. While this approach has given some protection to those early years settings that have reduced capacity or taken on additional children, the Local Authority has not received any additional funding from the Government to adopt this approach of “double funding” so consequently a budget pressure of £0.150m has been estimated.
7. Please note that the position being reported against the Early Years Block has not changed since the last DSG monitoring paper in September. The service area is part-way through making Autumn Term payments to providers so there should be a revised projection in the next DSG monitoring paper in December once these Autumn Term payments have been processed.

### **Centrally Controlled High Needs Budget**

8. The centrally controlled High Needs Block is the largest budget area within central DSG accounting for £21.283m of the £41.215m central DSG budget in 2020-21. The £21.283m budget excludes the place funding element of the High Needs Block totalling £7.756m but does include the transfer of £0.842m funding from the Schools Block to the High Needs Block as approved by Schools Forum.
9. Overall, the forecast outturn position for the High Needs Block is an in-year deficit of £0.034m. Given that £0.842m of high needs funding represents a one-off transfer of funding from the Schools Block, this indicates that the High Needs Block DSG allocation to Shropshire is insufficient to meet expenditure requirements if current spending levels continue.

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

10. On budget lines 1.2.1 and 1.2.2, shown in the Appendix, there is an overspend of £0.446m.



## **Top Up funding - Mainstream Schools**

11. This overspend reflects a forecast pressure of £0.199m on top-up funding paid to mainstream schools with total expenditure on top-ups and graduated support pathway payments to mainstream schools projected at £4.402m. Increase in demand for top-up funding mirrors the national picture. The Local Government Association reports that the number of children and young people with an Education Health Care (EHC) plan increased by 35% between 2013/14 and 2018/19. The forecast expenditure does anticipate some increase in top-up funding throughout the remainder of the Autumn Term and Spring Term, however the scale of increase in demand is difficult to quantify at this stage.
12. The above figures include the Graduation Support Pathway payments as well as top-up funding. The Graduated Supported Pathway aims to provide additional funding to supplement element 2 funding which comes directly through the Schools Block of DSG. Over the longer term, it is anticipated that the local authority will see a reduction in the proportion of Education Health Care (EHC) plans in line with the national average though it is important to stress that this is determined by the child's need. Further work is required to understand the ongoing cost and impact of this strategy on both the number of EHC plans and the level of expenditure on top-ups.

## **Post 16 Further Education Colleges**

13. Within the "1.2.2 - Top Up funding - Academies, Free Schools and Colleges" budget heading there is a budget of £2.189m allocated for Post 16 funding at further education colleges and sixth form colleges. Growth in expenditure on post 16 further education colleges reflects the national picture, however Shropshire is anticipated to experience particularly significant growth in the 2020-21 financial year with the number of post 16 FE college placements up from 90 in the Summer Term to 148 in the Autumn Term. The 2020-21 forecasted expenditure of £2.420m is an increase of £0.612m on the 2019-20 outturn figure and is responsible for a budget pressure of £0.231m.
14. The Council has and will continue to experience significant expenditure growth in this area as a direct result of changes in legislation which has seen local authorities having significant new statutory duties for students with special educational needs up to the age of 25 years under the Children and Families Act (September 2014). As a result, Shropshire has seen a sharp increase in students with SEN requiring additional support in further education year on year. The local authority's SEN team work closely with local colleges to increase accessibility to education within mainstream colleges rather than more expensive independent specialist providers. The overspend is as a result of a large increase in numbers at 2 lower cost, mainstream colleges in particular rather than the independent specialist settings.

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

15. A forecast underspend of £0.408m is reported in this budget area.

## **Independent Special Schools**

16. The budget for Independent Special School placement costs is one of the largest in the High Needs Block at £5.238m. In recent years this budget heading has been one of the highest overspending areas. To address this, the budget was significantly increased by £0.700m in 2020-21 as part of the budget setting process. This was achieved using some of the overall increase in High Needs Block DSG allocation.
17. As at the end of October 2020, the Council has not experienced the increase in expenditure anticipated at the start of the financial year. Consequently, a significant forecast underspend is being reported. It is important to note that for this reason the forecast underspend does not reflect a large decrease in expenditure, only that it is lower than the anticipated budget level.
18. It is important to stress that the Council anticipates an increase in demand for this type of placement on a longer term basis due to Covid-19.
19. One explanation for not seeing a large increase in expenditure again is that Shropshire Council has invested in supporting children to access mainstream provision in specialist hubs within mainstream schools. This has reduced the number of children placed at high cost, specialist Independent schools. The development of the SEND free school, anticipated to open in September 2022 will further reduce the number of children requiring access to independent, high cost placements and support us to meet their need locally.
20. The national picture being reported by the f40 group of local authorities during a survey of high needs costs pressures concluded increasing demand for independent special school placements, and higher contributions from education towards joint social care placements. Shropshire has mirrored these trends in recent years but as stated above there are signs that the growth in this budget area is being managed by the strategies in place.

## **Accounting for the DSG Deficit**

21. The ESFA published their DSG guidance for 2020-21 in March 2020 and this removes the requirement for those local authorities overspent by more than 1% of their gross DSG budget to formally submit a DSG deficit recovery plan to the Department for Education by 30 June. Instead, the DSG guidance states further conditions relating to DSG deficits for those local authorities that have an overall deficit on their DSG as follows:
  - Provide information as and when requested by the department about its plans for managing its DSG account in the 2020 to 2021 financial year and subsequently.
  - Provide information as and when requested by the department about pressures and potential savings on its high needs budget.
  - Meet with officials of the department as and when they request to discuss the local authority's plans and financial situation.

- Keep the schools forum regularly updated about the local authority's DSG account and plans for handling it, including high needs pressures and potential savings
22. Given the large cumulative deficit being reported it is likely that Department for Education officials will be in contact with Shropshire Council officers to request details of the deficit and plans being progressed to remove the deficit, and the timescale for those plans. As such, it is important that officers continue to work on these plans in collaboration with Schools Forum and report back to Schools Forum through the 2020-21 financial year. An update on the progress with Shropshire's DSG deficit management plan can be found in "Paper C - Dedicated Schools Grant Recovery Plan".

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## APPENDIX

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

	2020-21 Budget £	2020-21 Spend £	2020-21 Variance £	
<b>DEDELEGATED ITEMS</b>				
1.1.1	Contingencies	94,800	94,800	0
1.1.2	Behaviour Support Services	0		0
1.1.3	Support to UPEG and bilingual learners	0		0
1.1.4	Free school meals eligibility	0		0
1.1.5	Insurance	0		0
1.1.6	Museum and Library Services	0		0
1.1.7	Licences/subscriptions	0		0
1.1.8	Staff costs Maternity supply cover	227,700	227,700	0
1.1.9	Staff costs Trade Union Duties	23,400	15,703	-7,697
	<b>DEDELEGATED ITEMS SUB TOTAL</b>	<b>345,900</b>	<b>345,900</b>	<b>-7,697</b>
<b>CENTRALLY CONTROLLED EARLY YEARS BUDGET</b>				
1.3.1	Central Expenditure on Children under 5	343,480	342,276	-1,204
1.0.1	Individual Schools Budget - Early Years PVI's and Maintained Nursery Provision	16,452,220	16,602,220	150,000
	<b>CENTRALLY CONTROLLED EARLY YEARS SUB TOTAL</b>	<b>16,795,700</b>	<b>16,944,496</b>	<b>148,796</b>
<b>CENTRALLY CONTROLLED HIGH NEEDS BUDGET</b>				
1.2.1	Top Up funding - Maintained Providers	4,409,760	4,551,342	141,582
1.2.2	Top Up funding - Academies, Free Schools and Colleges	8,042,420	8,346,853	304,433
1.2.3	Top Up funding - Non-Maintained and Independent Providers	5,690,210	5,281,931	-408,279
1.2.4	Additional High Needs Targeted Funding for Maintained Schools and Academies	259,450	259,450	0
1.2.5	SEN Support Services	1,440,580	1,438,056	-2,524
1.2.6	Hospital Education Services	170,190	172,420	2,230
1.2.7	Other Alternative Provision Services	99,050	91,501	-7,549
1.2.8	Support for Inclusion	1,171,250	1,175,471	4,221
1.2.9	Special Schools and PRUs in Financial Difficulty	0		0
1.2.10	PFI / BSF Costs at Special Schools and AP / PRUs	0		0
1.2.11	Direct Payments (SEN and Disability)	0		0
1.2.12	Carbon Reduction Commitment Allowances (PRUs)	0		0
	<b>CENTRALLY CONTROLLED HIGH NEEDS BUDGET SUB TOTAL</b>	<b>21,282,910</b>	<b>21,317,025</b>	<b>34,115</b>
<b>CENTRAL SCHOOL SERVICES BLOCK</b>				
1.4.1	Contribution to combined budgets	452,110	455,465	3,355
1.4.2	Schools Admissions	243,040	248,016	4,976
1.4.3	Servicing of Schools Forums	10,000	10,000	0
1.4.4	Termination of employment costs	966,440	966,440	0
1.4.5	Falling Rolls Fund	0		0
1.4.6	Capital Expenditure from Revenue (CERA)	0		0
1.4.7	Prudential Borrowing Costs	295,350	295,350	0
1.4.8	Fees to independent schools without SEN	0		0
1.4.9	Equal Pay - Back Pay	0		0
1.4.10	Pupil growth / Infant Class sizes	0		0
1.4.11	SEN Transport	0		0
1.4.12	Exceptions agreed by Secretary of State (Deficit)	0		0
1.4.13	Other Items (Copyright Licensing Agency fee)	220,910	220,910	0
	Ongoing duties	603,130	603,130	0
	<b>CENTRAL PROVISION WITHIN SCHOOLS BUDGET SUB TOTAL</b>	<b>2,790,980</b>	<b>2,799,311</b>	<b>8,331</b>
	<b>TOTAL CENTRAL DSG</b>	<b>41,215,490</b>	<b>41,406,732</b>	<b>183,545</b>

	£
DEFICIT CARRIED FORWARD FROM PREVIOUS YEARS	2,247,368
2019-20 EARLY YEARS DSG ADJUSTMENT	-537,445
<b>REVISED DSG DEFICIT CARRIED FORWARD FROM PREVIOUS YEARS</b>	<b>1,709,923</b>
PROJECTED 2020-21 IN YEAR DEFICIT	183,545
<b>CUMULATIVE CENTRAL DSG DEFICIT</b>	<b>1,893,467</b>

**Breakdown of total DSG:**

<b>TOTAL CENTRAL DSG</b>	<b>41,215,490</b>
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<b>High Needs Budget - Place Funding</b>	
Post 16 FE Colleges	772,000
Pre and Post 16 SEN Places - Special Academies	4,090,000
Pre and Post 16 SEN Places - Resourced Provisions	223,670
Post 16 Mainstream Provision	50,000
<b>Total deduction to 2019-20 High Needs Block for direct funding of places by ESFA</b>	<b>5,135,670</b>
TMBSS	1,560,000
Woodlands School	820,000
Maintained School SEND Hubs	240,000
<b>Total deduction to 2019-20 High Needs Block for central funding of places</b>	<b>2,620,000</b>
<b>HIGH NEEDS BUDGET - Place Funding</b>	<b>7,755,670</b>

<b>INDIVIDUAL SCHOOLS BUDGET SHARES (Excluding De-delegated Items)</b>	<b>167,292,110</b>
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<b>TOTAL DSG Allocation (Updated July 2020)</b>	<b>216,263,270</b>
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