



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

Date:

**Committee:
Schools Forum**

Date: Thursday, 28 January 2021
Time: 8.30 am
Venue: Microsoft (MS) Teams

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

Claire Porter
Director of Legal and Democratic Services

Members of Schools Forum

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

Your Committee Officer is:

Philip Wilson Service Manager Business Support People
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AGENDA

- 1 **Apologies**
- 2 **Minutes and Matters Arising - 3 December 2020** (Pages 1 - 4)
- 3 **School Revenue Funding Settlement and School Arrangements 2021-22**
(Jo Jones) (Pages 5 - 8)
- 4 **Shropshire Schools Forum Constitution (Phil Wilson)** (Pages 9 - 12)
- 5 **Dedicated Schools Grants Recovery Plan Update (Julia Dean and Stephen Waters)** (Verbal)
- 6 **Dedicated Schools Grant Monitoring 2020-21 (Stephen Waters and Julia Dean)** (Pages 13 - 20)
- 7 **Schools Forum Work Programme 2021 (Phil Wilson)** (Pages 21 - 22)
- 8 **Communications**
- 9 **Future meeting dates**

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

Thursday 18 March 2021	8.30 am	Microsoft (MS) Teams
Thursday 17 June 2021 (rescheduled due to erroneous booking in half term)	8.30 am	Microsoft (MS) Teams
Thursday 16 September 2021	8.30 am	Microsoft (MS) Teams
Thursday 4 November 2021	8.30 am	Microsoft (MS) Teams
Thursday 2 December 2021	8.30 am	Microsoft (MS) Teams
Thursday 13 January 2022	8.30 am	Microsoft (MS) Teams
Thursday 27 January 2022 (provisional)	8.30 am	Microsoft (MS) Teams
Thursday 17 March 2022	8.30 am	Microsoft (MS) Teams
Thursday 16 June 2022	8.30 am	Microsoft (MS) Teams

Agenda Item 2

	Schools Forum Date: 28 January 2021 Time: 8.30 am Venue: Via MS Teams	<u>Item/Paper</u> A Public
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MINUTES OF SCHOOLS FORUM HELD ON 3 DECEMBER 2020 – HELD VIA MS TEAMS

Present

School Forum Members

Bill Dowell (Chair)
Mark Cooper – Secondary academy headteacher (joined at 9.04)
John Hitchings – Academy governor
Sandra Holloway – Primary governor
Marilyn Hunt – Primary headteacher
Shelly Hurdley – Early years representative
Donna Lewis – Academy representative
Kerry Lynch – Primary academy headteacher
Alan Parkhurst – Primary headteacher
John Parr - Secondary academy headteacher (left at 8.55)
Michael Revell – Primary governor
Mark Rogers – Primary headteacher
Charles Thomas – Professional association representative
Reuben Thorley – Secondary headteacher

Members

Cllr Nick Bardsley

Officers

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

Observers

Roger Evans

Phil Wilson went through the protocols for the meeting.

1. Apologies

Apologies had been received from Julia Dean, Sabrina Hobbs, Stephen Matthews, David O'Toole and Andrew Smith

2. Minutes and Matters Arising

The minutes of the meeting held on 5 November were agreed as a true record.

Matters arising

Item 4, Page 2. It had been planned to bring the DSG recovery plan to this meeting but the work is taking longer than anticipated so will be presented to the meeting on 14 January along with the DSG monitoring referred to on Page 3.

Page 4. Update on FSM initiative. Phil Wilson advised of ongoing work. There has been communication with schools following consultation with CPG. Schools will be arranging vouchers and will receive funding from DWP via the LA. Shropshire will be including provision of FSM in the Easter holidays and

ACTION

SW

extending the offer to pre-school settings.

John Hitchings asked about payments for COVID and advised that his school had received payment in full. Marilyn Hunt advised that her school has received £651 of her £4,000+ claim. Reuben Thorley reported a similar situation. Phil Wilson advised of a more recent announcement of the availability of further funding however conditions are restrictive.

3. **School Funding Arrangements**

Jo Jones presented the paper.

Schools Forum unanimously agreed that the lump sum split site factor value of £33,300 for Shrewsbury Academy and £15,000 for Ludlow Primary School continue to be allocated in 2021-22. (12 votes)

Schools Forum unanimously agreed the recommendation to transfer any remaining balance, up to 0.5% of the Schools Block, into the High Needs Block after fully funding individual schools in line with the NFF. (12 votes)

To ensure a proportional impact on all schools, in the event that the Schools Block allocation for 2021-22 is not sufficient to fully fund the local formula in line with the NFF, Schools Forum was asked to agree the recommendation to reduce the MFG as necessary, and within allowable limits, to ensure affordability.

Following this, if also required, to reduce the AWPU factor on a consistent basis across all Shropshire schools.

Reuben Thorley asked about how this could be applied. Jo Jones confirmed that there was flexibility (eg from 0.5%) in regard to this.

Schools Forum unanimously agreed to these recommendations. (12 votes)

4. **Consultation on the Central Retention of Dedicated Schools Grant from April 2021**

Phil Wilson presented the paper. He thanked schools for the excellent response rate to the consultation.

10. Maintained primary school representatives on Schools Forum unanimously agreed to de-delegate funding from maintained primary school budgets for a pupil growth contingency for maintained primary schools in 2021-22. (5 votes)

15. Maintained school representatives on Schools Forum unanimously agreed to de-delegate funding from maintained primary and secondary school budgets for a centrally managed maternity budget in 2021-22. (6 votes).

20. Maintained school representatives on Schools Forum unanimously agreed to de-delegate funding from maintained primary and secondary school budgets for a centrally managed trade union duties budget in 2021-22. (6 votes)

Charles Thomas, on behalf of the Unions, explained that the current level of funding is not sufficient to allow the work that is required. Charles and his

colleague Caroline Clode have two days per week facilities time and would wish to train up some colleagues to support for a further day. Phil Wilson advised that this need to be considered by Schools Forum for 2022-23.

Mark Rogers asked about how much academies pay and it was confirmed that they pay the same amount as maintained schools. Marilyn Hunt checked whether it is compulsory for academies to buy in. Charles Thomas confirmed that it is a legal requirement but an academy can choose to pay local representatives and use regional staff when necessary.

The Chair suggested that this is put on an agenda for consideration in the summer term and Phil Wilson confirmed that at the January meeting, a programme for the year will be confirmed.

PW

26. Maintained primary school representatives on Schools Forum unanimously agreed to de-delegate funding from primary maintained schools, holding the unit values at 2020-21 levels of a fixed element of £572.67 per site and a variable element of £4.11 per pupil. (5 votes)

35. Maintained school representatives on Schools Forum unanimously agreed to top-slice a centrally held redundancy budget from maintained primary and secondary school budgets in 2021-22. (6 votes)

40. Maintained school representatives on Schools Forum unanimously agreed to top-slice a centrally held statutory school finance budget from maintained primary and secondary school budgets in 2021-22. (6 votes)

44. Maintained school representatives on Schools Forum unanimously agreed to top-slice a centrally held statutory HR and health and safety budget from maintained primary and secondary school budgets in 2021-22. (6 votes)

48. Maintained school representatives on Schools Forum unanimously agreed to top-slice a centrally held budget for EAS from maintained primary and secondary school budgets or to fully delegate and offer buy-back arrangements in 2021-22. (6 votes)

5. **Central School Services Block 2021-22**

Stephen Waters presented the paper.

Recommendation 1 - Maintained and academy school representatives agreed to continue to contribute £112,110 to combined budgets as per the detail of these costs outlined in Appendix C. (10 votes)

Recommendation 2 - Maintained and academy school representatives agreed to contribute £963,663 to fund a portion of these ongoing pension commitments, a reduction of £2,781 compared to 2020-21. (11 votes)

Recommendation 3 - Maintained and academy school representatives agreed to

continue to contribute £295,350 to fund the ongoing revenue costs of funding prudential borrowing for the Monkmoor Campus Project. (11 votes)

Recommendation 4 - Maintained and academy school representatives agreed to the increased charge of £250,120 for the provision of a School Admissions Team. (11 votes).

Recommendation 5 - Maintained and academy school representatives agreed to the budget of £10,000 for the servicing of Schools Forum. (11 votes)

Recommendation 6 - Maintained and academy school representatives agreed to the increased charge of £225,270 for the annual copyright licensing fees. (10 votes)

Recommendation 7 - Maintained and academy school representatives agreed to continue to contribute £660,701 to ongoing responsibilities that the local authority provides for maintained schools and academies as per the detail of these costs outlined in Appendix D. (11 votes)

Mark Rogers explained that the voting process have gone so smoothly as officers have judged the views of Schools Forum accurately and thus enabled the decisions to be taken. The chair concurred and judged that this is the result of having an experienced School Forum which is working as it should.

6. **Communications**

Phil Wilson advised that he and Steve Compton continue to have regular conversations with the DfE and will continue to raise funding issues with them.

7. **Future meeting dates:**

Thursday 14 January 2021 – subsequently cancelled

Thursday 28 January 2021 (if required) – subsequently confirmed

Thursday 18 March 2021

The meeting closed at 9.36



Schools Forum

Date: 28 January 2021

Time: 8:30am – 10:30am

Venue: Microsoft TEAMS meeting

Paper

B

Public

SCHOOLS REVENUE FUNDING SETTLEMENT AND SCHOOL FUNDING ARRANGEMENTS 2021-22

Responsible Officer Jo Jones

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Summary

This report provides information on the schools revenue funding settlement for 2021-22 and the dataset information provided by the Education and Skills Funding Agency (ESFA) based on the schools' October 2020 census.

This report is for information only

Recommendation

That Schools Forum notes Shropshire's school revenue settlement for 2021-22 and the school funding arrangements.

REPORT

Schools Revenue Funding Settlement 2021-22

1. Detailed information on Shropshire's school revenue funding settlement for 2021-22 was announced by the Department for Education (DfE) on 17 December 2020.
2. The total 2021-22 Dedicated Schools Grant (DSG) is allocated under four main blocks: a Schools Block, an Early Years Block, a High Needs Block and a Central School Services Block (CSSB).
3. A summary of the 2021-22 DSG allocation, as announced on 17 December 2020, is shown in the table below alongside the 2020-21 DSG allocation (before recoupment for academies and deductions for direct funding of high needs places by the ESFA).

	2020-21 £m	2021-22 £m	Variation £m
Schools Block	168.480	183.383	14.903
Provisional Early Years Block	16.796	17.028	0.232
Provisional High Needs Block	28.016	31.527	3.511
Central School Services Block	2.791	2.599	-0.192
Total	216.083	234.537	18.454

2021-22 Schools Block key financial headlines

4. Shropshire's school pupil numbers at October 2020 are 36,230. This compares to 36,012 at October 2019 – an increase of 218 funded pupils.
5. Shropshire's 2021-22 Schools Block allocation is based on the national funding formula (NFF) which provides for Shropshire a primary unit of funding of £4,596.95 (2020-21 - £4,252.32), and a secondary unit of funding of £5,537.28 (2020-21 - £5,104.95), along with funding for premises costs based on actual 2020-21 spend levels of £1.555m. The 2021-22 Schools Block funds the budget shares delegated to Shropshire schools and academies through the local funding formula.
6. In addition, the 2021-22 Schools Block includes growth funding which Schools Forum agreed to top-slice and hold centrally to allocate specifically to individual schools and academies meeting the agreed growth funding criteria. Shropshire's 2020-21 growth funding was £977m. The full allocation in 2021-22 is £959.933m.
7. From 2021-22 the teachers pay and pension grants are now included in the Schools Block funding and allocated to schools via the NFF. A total of £8.139m is protected Schools Block funding for the pay and pension grants.

2021-22 Early Years Block key financial headlines

8. The 2021-22 Early Years Block allocation is provisional at this stage as it is based on January 2020 Early Years census data. This provisional allocation will be updated in July 2021 and July 2022 with the final allocation based on 5/12ths of January 2021 pupil numbers and 7/12ths of January 2022 pupil numbers.
9. The provisional Early Years Block allocation includes funding for the universal 15 hours free entitlement funding for 3- and 4-year olds, the additional 15 hours free entitlement for 3- and 4-year olds of working parents, and the 2-year old free entitlement funding. In addition, the Early Years Block includes funding for the Early Years Pupil Premium (EYPP) and the Disability Access Fund.
10. For 3- and 4-year olds, the amount per part time equivalent (PTE) pupil for the universal 15 hours free entitlement and the additional 15 hours free entitlement for pupils of working parents increases from £4.38 in 2020-21 to £4.44 in 2021-22. The amount per PTE 2-year old from the most disadvantaged backgrounds increases from £5.28 in 2020-21 to £5.36 in 2021-22.

2021-22 High Needs Block key financial headlines

11. The High Needs Block includes funding for local authority high needs pupils/students aged 0-25.
12. For 2021-22 Shropshire's High Needs Block is based on the high needs national funding formula and includes an imports/exports adjustment to reflect place funding of pupils educated in other local authority areas. Shropshire is a net exporter of high needs pupils and the imports/exports adjustment to Shropshire's High Needs Block is a provisional loss of £1.206m in 2021-22.
13. The funding floor factor in the high needs national funding formula for 2021-22 provides for every local authority to receive an increase of at least 8% per head of 2 to 18 population based on local authorities' high needs allocations in 2020-21.
14. For 2021-22, the teachers' pay grant and the teachers' pension employer contribution grant amounts have been incorporated within the formula by increasing the basic entitlement factor value to £4,660 for special schools. Through an additional factor in the formula, the local authority will receive funding equivalent to the teachers' pay and pension grant they they received in 2020-21 for AP settings. The 2021-22 allocation for Shropshire is £0.275m.


2021-22 Central School Services Block (CSSB) key financial headlines

15. The CSSB within the DSG includes funding for local authorities to carry out central functions on behalf of pupils in maintained schools and academies. The CSSB is split into funding for historic commitments and funding for ongoing responsibilities and includes funding previously allocated to the local authority through the retained duties element of the Education Services Grant (ESG). In 2021-22 the Government is reducing local authorities' funding for historic commitments by 20% compared to the 2020-21 baseline, with a protection so that no local authority loses more than the equivalent of 0.5% of its 2020-21 schools block allocation. Shropshire's historic commitments funding has reduced by 20% (£0.343m) compared to 2020-21, resulting in an overall CSSB allocation in 2021-22 of £2.599m.

School Funding Arrangements 2021-22

16. The Schools Block element of the DSG for 2021-22 is based on a primary unit of funding and secondary unit of funding calculated by the DfE from the individual school notional NFF allocations using October 2019 total pupil numbers.
17. Allocating funding to schools in 2021-22 through the NFF using October 2020 pupil data will therefore not be an exact match to the Schools Block funding received by using the pre-calculated primary and secondary units of funding.
18. In 2020-21, after calculating individual school budgets in line with the NFF and retaining sufficient Growth Fund (£0.667m) for 2021-22, it was possible to transfer £0.842m (the full 0.5% allowable) from the Schools Block to the High Needs Block to continue to support the on-going cost pressures in this area.

19. In 2021-22, after calculating individual school budgets in line with the NFF and retaining sufficient Growth Fund (£0.438m) for expected need in 2021-22, it has been possible to transfer £0.876m (the full 0.5% allowable) from the Schools Block to the High Needs Block to continue to support the on-going cost pressures in this area.

 Shropshire Council	Schools Forum	<u>Item</u>	<u>Paper</u>
	Date: 28 January 2021 Time: 8:30 a.m. Venue: Virtual Microsoft (MS) Teams	Public	C

SHROPSHIRE SCHOOLS FORUM CONSTITUTION

Responsible Officer Phil Wilson

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Tel: 01743 254344 Fax: 01743 254538

Summary

At their meeting on 7 November 2013, Schools Forum approved the constitutional arrangements for the annual re-apportionment of membership to take account of the changing mix between maintained and academy schools. This report details the required re-apportionment from April 2021 based on the academy conversions up to October 2020.

Recommendation

To approve the re-apportionment of Schools Forum membership from April 2021.

REPORT

Membership

1. All local authority School Forums are constituted in accordance with the Schools Forum (England) Regulations 2012. Shropshire Schools Forum approved the current Constitution at their meeting on 13 September 2012, with the new Constitution becoming operational from 1 October 2012.
2. At their meeting on 7 November 2013, Schools Forum received a report on a document from the then Education Funding Agency (EFA) - now Education and Skills Funding Agency (ESFA) - which referenced a requirement for regular reviews of Forum membership to take account of the pace of academy conversions and to ensure that membership remains proportionate (based on pupil numbers).

3. The following membership structure has operated from 1 April 2020: 6 primary (3 headteachers, 3 governors), 1 secondary (1 headteacher), 12 academy, 1 special school place and 1 pupil referral unit place (PRU). The special school and PRU places are not included in the apportionment calculation.
4. In the November 2013 report Schools Forum agreed that a re-apportionment of membership should take place annually, from 1 April, using the pupil numbers from the previous October's school census.
5. In order to model the position from April 2021, the school census information from October 2020, and based on the number of academies as at 1 October 2020, has been used to assess the impact on representation. The table below summarises the revised representation (noting that 19 school places are apportioned by excluding special and PRU members).

	Oct. 2020 NOR*	Apportionment	
Maintained Primary Schools	11,473	30.8%	6
Maintained Secondary Schools	482	1.3%	1
Academies (as at 1 October 2020)	25,344	67.9%	12
	37,299	100.0%	19

** excluding pupils in special schools and PRUs*

6. The analysis indicates that from April 2021, given that there have not been many academy conversions between October 2019 and October 2020, the existing membership does not require any amending. The numbers of pupils in remaining maintained secondary school is now at a very low level (when taken as a percentage of the overall pupil population), however it is proposed that they continue to retain a place in the structure. The membership as at 1 April 2021 is attached.
7. The academy pupil numbers are split, 38% primary and 62% secondary, which breaks down as 5 primary academy representatives and 7 secondary academy representatives. However, it is noted that the majority of academies are in mixed phase multi-academy trusts (MATs) and so the phase representation is not particularly relevant, though consideration might be given to drawing increased membership from MATs operating mainly in the primary phase.
8. The ESFA guidelines stipulate that the academy representation can be drawn from free schools in the local authority area. Equally consideration will need to be given to the balance of headteacher and governor representation in each of the constituent groups. The remodelling of membership indicates there are 5 vacancies for academy representatives from April 2021.
9. This gap in membership, representing over 20% of School Forum's total school representation, is a concern. The views of Schools Forum, in particular of the academy representatives, are sought on how to address this membership issue. While the local authority will support the constituent groups through the facilitation and management of, for example, election processes, the responsibility for determining how nominations will be sought, the mix between headteachers and governors, and the balance of representation between phases and/or size of school, must rest with the constituent groups.

SCHOOLS FORUM – PROJECTED MEMBERSHIP – APRIL 2021

Member Category	Name	School	Term to
Schools representation (21 members – 75%)			
Primary Headteachers (3 members)	Mark Rogers Alan Parkhurst Marilyn Hunt	Oxon Crowmoor Kinnerley	31/03/23 31/08/19 31/03/21
Secondary Headteachers (1 member)	Reuben Thorley	Community College	31/12/23
Primary Governors (3 members)	Sandra Holloway Michael Revell Stephen Matthews	Meole Brace Primary Buntingsdale St Laurence	31/08/20 31/12/23 31/03/22
Special Schools (1 member)	Sabrina Hobbs	Severndale	31/03/24
Academies (12 members)	Georgia Moss Kerry Lynch David O’Toole Darren Reynolds John Parr Alan Doust Mark Cooper Vacancy Vacancy Vacancy Vacancy Vacancy	Diocese of Hereford MAT Empower Trust Marches AT Shropshire Gateway ET TrustEd Schools Partnership Central Shropshire AT The 3-18 ET	31/12/23 31/03/22 31/08/22 31/08/22 31/08/22 31/12/21 31/08/22
Pupil Referral Unit (1 member)	Greg Portman	TMBSS	31/02/22
Non-schools representation (8 members – 25%)			
SSGC Early Years & Childcare Diocese	John Hitchings Shelly Hurdley Vacancy Sian Lines Vacancy	Little Explorers Lichfield Hereford Shrewsbury	
Association of Secretaries 14-19 Forum 16-19 Education Sector	Charles Thomas Bill Dowell Andrew Smith	National Education Union Derwen College	

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Schools Forum

Date: 28 January 2021

Time: 8:30 am

Item

Public

Paper

D

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 December 2020.

Recommendation

This report is for information only.

REPORT

1. The overall 2020-21 outturn against centrally retained DSG is forecast to be £0.863m in deficit as at the end of December 2020. It should be noted that this figure is the in-year deficit and needs to be added to the £1.710m overspend carried forward from 2019-20 in order to give the overall cumulative deficit position of £2.573m.
2. Please note that the cumulative DSG deficit reported to Schools Forum in June 2020 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.

4. In November 2020, the Council's High Needs Block DSG allocation has been reduced from £28.196m to £28.016m. This was following a Local Authority review of the number of places accounted for in the Council's High Needs Block Import/Export adjustment. This is a net adjustment to reflect the difference between high needs pupils and students living in one local authority and attending a school or college in another. The review concluded that there were a further net 30 students that were placed in settings outside of the Local Authority area and therefore Shropshire's allocation was reduced by £6,000 per place or £0.180m in total.

Centrally Controlled Early Years Budget

5. The outturn position for the Early Years Block is forecast to be overspent by £0.145m on a provisional budget of £16.796m.
6. 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.
7. 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.
8. Please note that the position being reported against the Early Years Block has not changed since the last DSG monitoring paper in September.

Centrally Controlled High Needs Budget

9. The centrally controlled High Needs Block is the largest budget area within central DSG accounting for £21.103m of the £41.035m central DSG budget in 2020-21. The £21.103m 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.
10. Overall, the forecast outturn position for the High Needs Block is an in-year deficit of £0.765m. 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

11. On budget lines 1.2.1 and 1.2.2, shown in the Appendix, there is an overspend of £0.997m.

Top Up funding - Mainstream Schools

12. This overspend reflects a forecast pressure of £0.282m on top-up funding paid to mainstream schools with total expenditure on top-ups and graduated support pathway payments to mainstream schools projected at £4.516m. 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.

13. 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.

Top Up funding - Special Schools

14. There is a forecast overspend of £0.105m against the budget for the Council's expenditure on top-ups to its maintained special school. This is a result of a one-off backdated payment for £0.116m for top-up funding relating to the 2019-20 financial year.

Post 16 Further Education Colleges

15. 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 has anticipated particularly significant growth in the 2020-21 financial year in terms of the number of post 16 FE college placements. The 2020-21 forecasted expenditure of £2.771m is an increase of £0.963m on the 2019-20 outturn figure and is responsible for a budget pressure of £0.582m.

16. The overspend is as a result of a large increase in numbers at 2 lower cost, mainstream colleges in particular. A trend analysis has determined that while numbers in these mainstream college placements have increased significantly, average costs per placement have remained stable since the 2018-19 financial year. Conversely, the number of students placed in expensive, independent specialist provider placements has decreased since 2018-19 but the average

cost of these placements has increased from approx £15,000 per annum to approx £27,000.

17. 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 Childrens 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. A detailed review of the Post 16 FE college placements expenditure has commenced to understand the drivers for the increase in the number of EHCPs and the scope for reducing expenditure in this area as part of the strategy to reduce the cumulative DSG deficit.

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

18. A forecast underspend of £0.303m is reported in this budget area.

Independent Special Schools

19. The budget for Independent Special School placement costs is one of the largest in the High Needs Block at £5.058m. In recent years this budget heading has been one of the highest overspending areas. To address this, the budget was significantly increased by £0.520m 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.
20. As at the end of December 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.
21. 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.
22. 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.
23. 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. While a projected underspend against budget is reported, it is important to note that national benchmarking data indicates that Shropshire has 0.49% of its pupils in Independent Special School placements in 2019-20 compared with the national average of 0.22%. This suggests there is still some scope to further reduce expenditure in this budget area.

Accounting for the DSG Deficit

24. 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
25. 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 will be given verbally at this meeting.

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APPENDIX

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

	2020-21 Budget £	2020-21 Spend £	2020-21 Variance £	
DEDELEGATED ITEMS				
1.1.1	Contingencies	94,800	50,000	-44,800
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	14,804	-8,596
	DEDELEGATED ITEMS SUB TOTAL	345,900	292,504	-53,396
CENTRALLY CONTROLLED EARLY YEARS BUDGET				
1.3.1	Central Expenditure on Children under 5	343,480	338,122	-5,358
1.0.1	Individual Schools Budget - Early Years PVI's and Maintained Nursery Provision	16,452,220	16,602,220	150,000
	CENTRALLY CONTROLLED EARLY YEARS SUB TOTAL	16,795,700	16,940,342	144,642
CENTRALLY CONTROLLED HIGH NEEDS BUDGET				
1.2.1	Top Up funding - Maintained Providers	4,409,760	4,705,057	295,297
1.2.2	Top Up funding - Academies, Free Schools and Colleges	8,042,420	8,743,894	701,474
1.2.3	Top Up funding - Non-Maintained and Independent Providers	5,510,210	5,207,380	-302,830
1.2.4	Additional High Needs Targeted Funding for Maintained Schools and Academies	259,450	251,565	-7,885
1.2.5	SEN Support Services	1,440,580	1,487,743	47,163
1.2.6	Hospital Education Services	170,190	199,819	29,629
1.2.7	Other Alternative Provision Services	99,050	94,276	-4,774
1.2.8	Support for Inclusion	1,171,250	1,177,945	6,695
1.2.9	Special Schools and PRUs in Financial Difficulty	0		0
1.2.10	PFI / BSF Costs at Special Schools and AP / PRUs	0		0
1.2.11	Direct Payments (SEN and Disability)	0		0
1.2.12	Carbon Reduction Commitment Allowances (PRUs)	0		0
	CENTRALLY CONTROLLED HIGH NEEDS BUDGET SUB TOTAL	21,102,910	21,867,679	764,769
CENTRAL SCHOOL SERVICES BLOCK				
1.4.1	Contribution to combined budgets	452,110	454,303	2,193
1.4.2	Schools Admissions	243,040	247,904	4,864
1.4.3	Servicing of Schools Forums	10,000	10,000	0
1.4.4	Termination of employment costs	966,440	966,440	0
1.4.5	Falling Rolls Fund	0		0
1.4.6	Capital Expenditure from Revenue (CERA)	0		0
1.4.7	Prudential Borrowing Costs	295,350	295,350	0
1.4.8	Fees to independent schools without SEN	0		0
1.4.9	Equal Pay - Back Pay	0		0
1.4.10	Pupil growth / Infant Class sizes	0		0
1.4.11	SEN Transport	0		0
1.4.12	Exceptions agreed by Secretary of State (Deficit)	0		0
1.4.13	Other Items (Copyright Licensing Agency fee)	220,910	220,910	0
	Ongoing duties	603,130	603,130	0
	CENTRAL PROVISION WITHIN SCHOOLS BUDGET SUB TOTAL	2,790,980	2,798,037	7,057
	TOTAL CENTRAL DSG	41,035,490	41,898,562	863,072

	£
DEFICIT CARRIED FORWARD FROM PREVIOUS YEARS	2,247,368
2019-20 EARLY YEARS DSG ADJUSTMENT	-537,445
REVISED DSG DEFICIT CARRIED FORWARD FROM PREVIOUS YEARS	1,709,923
PROJECTED 2020-21 IN YEAR DEFICIT	863,072
CUMULATIVE CENTRAL DSG DEFICIT	2,572,994

Breakdown of total DSG:

TOTAL CENTRAL DSG	41,035,490
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High Needs Budget - Place Funding	
Post 16 FE Colleges	772,000
Pre and Post 16 SEN Places - Special Academies	4,090,000
Pre and Post 16 SEN Places - Resourced Provisions	223,670
Post 16 Mainstream Provision	50,000
Total deduction to 2019-20 High Needs Block for direct funding of places by ESFA	5,135,670
TMBSS	1,560,000
Woodlands School	820,000
Maintained School SEND Hubs	240,000
Total deduction to 2019-20 High Needs Block for central funding of places	2,620,000
HIGH NEEDS BUDGET - Place Funding	7,755,670

INDIVIDUAL SCHOOLS BUDGET SHARES (Excluding De-delegated Items)	167,292,110
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TOTAL DSG Allocation (Updated Dec 2020)	216,083,270
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Schools Forum

Date: 28 January 2021
Time: 8.30 am to 10.30 am

Venue: Virtual via Microsoft (MS) Teams

Item

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Public

Schools Forum Work Programme 2021-22

Indicative programme. Other reports will be added on topical issues and/or commissioned by Schools Forum.

Meeting	Report
18 March 2021	<ul style="list-style-type: none"> Dedicated Schools Grant Monitoring 2020-21
17 June 2021	<ul style="list-style-type: none"> Updated Dedicated Schools Grant 2021-22 School Balances as at March 2021 Growth Fund Allocations 2020-21 and 2021-22 Early Years Block Allocation 2021-22 Dedicated Schools Grant Monitoring 2021-22
16 September 2021	<ul style="list-style-type: none"> Final Dedicated Schools Grant 2020-21 Updated Dedicated Schools Grant 2021-22 School Revenue Funding Update 2022-23 Dedicated Schools Grant Monitoring 2021-22
4 November 2021	<ul style="list-style-type: none"> Central Retention of Dedicated Schools Grant from April 2022 Dedicated Schools Grant Monitoring 2021-22
2 December 2021	<ul style="list-style-type: none"> School Funding Arrangements 2022-23 Consultation on the Central Retention of Dedicated Schools Grant from April 2022 Central School Services Block 2022-23
13 January 2022	<ul style="list-style-type: none"> School Revenue Funding Settlement and School Arrangements 2022-23 Shropshire Schools Forum Constitution
27 January 2022 (provisional)	Holding date if required
17 March 2022	<ul style="list-style-type: none"> Dedicated Schools Grant Monitoring 2021-22

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