

Cheshire West & Chester Council

Cheshire West and Chester Schools Forum

Tuesday 20 October 2020
4.30pm – 6.30 pm

Virtual Meeting

Schools Forum Clerk
Children and Families
Cheshire West and Chester Council
Telephone 07584 206913



Notes for members of the public

Cheshire West and Chester Schools Forum

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Agenda for Cheshire West and Chester Schools Forum 20 October 2020

1.	4.30	Introductions and apologies		
2.	4.35	Minutes and matters arising of last meeting 2.1 To agree the minutes held 7 July 2020 2.2 Matters arising		Page 4
3.	4.45	School Funding Arrangements 2021-2022	Natalie Cole	Page 10
4.	5.15	Outcomes of the School Funding Consultation 2021-2022	Natalie Cole	To follow
5.	5.55	Final Allocation of the Dedicated Schools Grant for 2020-2021	Natalie Cole	Page 15
6.	6.10	Dedicated Schools Grant (DSG) 2020-2021 Forecast Outturn at First Review	Natalie Cole	Page 19
7.	6.25	Any Other Business		
8.	6.30 Finish	Next meeting: Tuesday 8 December 2020 Schools Forum and subgroup meeting schedule and forward plan		Page 21

**Cheshire West and Chester
Schools Forum
20 October 2020**

Agenda item 2

Minutes of Cheshire West and Chester Schools Forum, virtual meeting, on 7 July 2020

Members	Representing	Attendance
Schools and Academies		
Alan Brown	Primary headteachers	Attended
Julie Chambers	Primary headteachers	Attended
Sarah Curtis	Primary headteachers	Attended
Ian Devereux Roberts	Primary headteachers	Apologies
Kate Docherty	Primary headteachers	Attended
Duncan Haworth (Chair)	Primary governors	Attended
Helen Hill	Primary governors	Apologies
Paul Healey	Primary governors	Apologies
Kath Lloyd	Primary governors	Attended
David Nield	Primary governors	Attended
David Curry	Secondary headteachers	Attended
Mike Holland	Secondary headteachers	Attended
John Freeman	Secondary governors	Attended
David Rowlands	Secondary governors	Attended
Mike McCann	Special headteachers	Attended
Phil Hopwood	Special governors	Attended
Katie Tyrie	Nursery headteachers	Apologies
Andy Stewart	PRU	Attended
Sarah Connolly	Academies - mainstream	Attended
Darran Jones	Academies - mainstream	Attended
Luci Jones	Academies - mainstream	Apologies
Jason Lowe	Academies - mainstream	Attended
Helen Studley	Academies - mainstream	Apologies
Lyndsay Watterson	Academies - mainstream	Attended
Marie Allen	Academies - special	Attended
Non Schools		
Sue Anderson	PVI early years providers	Attended
Kathryn Magiera	Diocese	Absent
Caroline Vile	Diocese	Attended
Greg Foster	Unions	Absent
Geoff Wright	Unions	Absent
Rob Pullen	CWAPH	Attended
Vacancy	PVI early years providers	Vacancy
Vacancy	16-19 providers	Vacancy
Non-voting Observers		
Councillor Robert Cernick	Cabinet Member for Children and Families	Apologies

Officers in attendance

Mark Parkinson	Director of Education and Inclusion
Natalie Cole	Finance Manager
Charlotte Fenn	Clerk

1. Introductions and apologies

Apologies were noted.

It was noted that Councillor Cernick had a prior meeting so would be late attending Forum.

Duncan Haworth welcomed two new academy representatives to the group: -

Darran Jones Head of Christleton High School part of The Learning Trust
Sarah Connolly CFO Concordia Multi-Academy Trust

Duncan reported that Caroline Vile Head of Ellesmere Port Catholic High had been re-elected as diocese representative; and Paula Adolph, representing PVI early years providers, had resigned and a new representative was being sought.

2. Minutes and matters arising of last meeting

2.1 To agree the minutes from the meeting held 10 February 2020

The minutes of the meeting held on the 10 February 2020 were agreed as a correct record.

2.2 Matters arising

2.2.1 Item 2.2.1 Early Years Provider Hub

Natalie Cole informed Forum members that a letter had been circulated to early years providers on 3 June regarding the introduction of the new funding system. It was noted that all current data would be merged over from the previous system.

2.2.2 Item 2.2.2 Any Other Business - Funding Gypsy Romany Traveller (GRT) Pupils

Mark Parkinson reported that the letter had been redrafted, following input from Simon Kidwell and Sharon Wyatt, but as current events had taken over the letter had not been sent and would be revisited in due course.

2.2.3 Item 5 Special Educational Needs (SEN) funding for mainstream and special schools - funding from the High Needs block 2020-2021

It was noted that the Schools Forum High Needs subgroup was being reconvened.

3. Updated guidance on the Scheme for Financing Schools for 2020-2021

Natalie Cole introduced the report which updated the Schools Forum on the changes in the latest guidance on Schemes for Financing Schools issued by the Department for Education (DfE) in March 2020 and the amendments to be incorporated in the Cheshire West and Chester Scheme.

Natalie referred Forum to paragraph 5 outlining the change to practice, allowing all primary and secondary maintained schools to join the risk protection arrangement (RPA) collectively through de-delegated funding. It was noted that the outcome of the consultation and publication of the scheme was issued after the de-delegation decision had been submitted for 2020-2021 but would be considered for next financial year.

Resolved that Schools Forum (maintained schools only):

- i. approve the revisions to the scheme to be reflected in the updated Scheme published July 2020 (vote unanimous); and
- ii. note the new arrangements for maintained schools to access the Risk Protection Arrangement and the provision of further information in the autumn term.

4 Dedicated Schools Grant (DSG) 2019-2020 – Final Outturn

Natalie Cole introduced the report on the 2019-2020 final outturn position for the centrally held DSG budget.

Natalie drew Forum members' attention to the change in outturn position from an overspend of £0.658m to an underspend of £0.034m since the last review. It was noted that the change was mainly due to an underspend on the Early Years block due to low take up of three and four-year-old free entitlement hours and grant adjustment based on the January census.

Natalie referred Forum members to paragraph 5 which outlined the significant variances against budgets across the funding blocks; and the table in paragraph 6 which summarised the changes.

Natalie drew Forum members attention to the views of the finance subgroup outlined under paragraphs 9 and 10. It was noted that the subgroup had discussed concerns regarding the additional financial pressures on early years providers and their view was that the underspend on early years funding should be allocated to providers in a phased approach.

Natalie reported that, in view of the overspend, Schools Forum High Needs subgroup would be reconvened with a view to mitigating the ongoing pressures against the High Needs Block.

Sue Anderson sought clarification as to why the £200k transferred to early years in 2019-2020 from the High Needs block (paragraph 10) had not been used. Natalie explained that these funds had not been claimed and were being reinstated to be used to fund high needs pressures.

Sue Anderson raised concerns regarding the new assessment process and her fears that it would prevent settings accessing funds. Natalie advised that this was something that could be picked up through the Early Years reference group.

Sue Anderson thanked Forum for allocating more funds to the Early years sector.

Resolved that the Schools Forum: -

- i. note the final outturn on the 2019-2020 centrally held DSG; and
- ii. endorse the planned allocation of the unspent reserve as recommended by the Schools Forum Finance Subgroup and detailed in paragraphs 8-10 (vote: unanimous).

5 Maintained School Balances Financial Year 2019-2020 and Academy Balances 2018-2019

Natalie Cole introduced the report for the final outturn position of maintained schools in the Borough for the 2019-2020 financial year and the last reported position for academy balances.

Natalie went through the paper and drew Forums attention to paragraphs 6-9 which outlined the movement and range of balances held by each sector and referred members to a separate annex entitled 'Financial Year 2019-2020 Analysis of School Balances' for the individual school balances.

Natalie reminded Forum that the balance control mechanism (BCM), as previously agreed with Forum, was not in operation during 2019-2020. However, it was noted that officers continue to report balances in excess of the BCM thresholds and these had been discussed at the last Finance subgroup meeting.

It was noted that as a result of discussions with the Finance subgroup a recommendation had been put forward for Heads Association representatives to discuss excessive surplus balances with their colleagues.

David Curry sought clarification as to what was expected from CWASH. Officers responded that there was a need to look at their sector as a whole; establishing the reasons behind ongoing excessive balances, raising any concerns, considering what actions to put in place to tackle schools with long term balances; ask the question are we confident the sector is using their resources responsibly; possibly consider whether the BCM should be reinstated.

Following a request, Natalie agreed to present the data to Heads Associations to enable the associations to have an open discussion.

Lyndsay Watterson, as a member of the Finance subgroup, said that she was happy to speak to CWASH.

Philip Hopwood sought clarification as to which body was responsible for underspends, who was assuring that an underspend was justifiable and were there any criteria to justify an underspend.

Natalie responded that schools had responsibility as did the LA but acknowledged that as there was no longer a BCM there was a gap in the process.

In response to a question as to whether balances had increased or decreased since the BCM had stopped, Natalie responded that there had not been a big impact on submissions. It was noted that some schools had maintained an underspend over many years, part of the issue was that there were no incentives as excessive balances had never been clawed back whilst the BCM had been in operation.

Mike McCann stated there was a need to recognise those schools that were moving in the right direction and the work they had put in and confirmed that this item would be put on the October CWASSH agenda.

Sue Anderson questioned what would happen to the seven schools in deficit if they were unable to set a balanced budget, would they be 'bailed out' as had another school recently.

Officers responded that the school in question had not been 'bailed out', this was not permissible under the regulations; the funding arrangement put in place was as a result of the Academy conversion.

It was noted that some of the schools in deficit were small rural schools in challenging circumstances. Some historic deficits were working their way through the system and processes had been put in place to monitor schools by way of a Notice of Concern.

Resolved that Schools Forum

- i. note the outturn position and movement in balances for both schools and academies and the mechanisms in place to support schools with deficit balances (maintained schools only); and
- ii. task Heads Association representatives to discuss excess surplus balances with colleagues and to report challenges and concerns at the next Schools Forum meeting.

6 Annual review of the Cheshire West and Chester Schools Forum's membership, constitution and terms of reference

Charlotte Fenn introduced the report which reviewed the Schools Forum's membership, constitution and terms of reference to ensure that the composition of the Schools Forum was compliant with the regulation.

Forum members attention was drawn to appendix 4 and the Schools Forum High Needs subgroup. Charlotte reported that, as the group was being reconvened, the current membership would be revised to include Duncan Haworth and Debbie Freeman, Senior SEN Manager as the supporting officer. It was also noted that Clare Morgan, Head Weaverham High School, was to be invited to join the group as an observer as she represented secondary schools on the SEND Strategy Group.

Resolved that Schools Forum note

- i. that Officers have determined that the pupil ration does not warrant a revision in the Schools Forum membership at this time; and
- ii. the changes to the constitution and terms of reference to allow, in light of the coronavirus pandemic, for schools' forums meetings to take place by remote means.

7 Any Other Business

Duncan Haworth informed Forum that Mark Parkinson was retiring at the end of term and, on behalf of Schools Forum, thanked Mark for his contribution to the work of the local authority and support to schools over the years and wished him all the best for the future and retirement.

8 Next meeting

Date to be confirmed.

Agenda item 3

School Funding Arrangements for 2021-2022

Purpose of the Report

1. The purpose of the report is to provide Schools Forum with details on the school funding arrangements for 2021-2022 following the publication by the Department for Education (DfE) in July 2020. The report also details the impact on Cheshire West and Chester (CW&C) and proposals for consulting with schools and Schools Forum on the arrangements for 2021-2022.

Recommendations

2. The Forum is asked to note the report, in particular the proposals that have been put forward by the Finance Sub Group to commence consultation with schools.
3. As outlined in paragraph 17, Forum is required to make a recommendation on the Schools Block funding formula following the consultation outcome which will be available at the meeting on 20 October 2020.

Background

4. In 2021-2022 local authorities will continue to receive Dedicated Schools Grant (DSG) funding through the national funding formulae (NFF) for schools for allocation to primary and secondary schools and academies. It remains the government's intention to move to a hard NFF for schools under which school allocations would be determined nationally without any local authority involvement. However, some elements are still yet to be addressed and consulted on and a 'soft' approach will continue to be in place for the next financial year. Under a soft formula, local authorities will continue to determine, in conjunction with their schools and Schools Forum, the formula which will distribute the total funding to maintained schools and academies.

Schools revenue funding arrangements for 2020-2021

5. In July 2020, the DfE published arrangements for schools revenue funding for 2021-2022 financial year. The operational guidance includes details on the schools block allocation methodology along with indicative funding rates to allow local authorities to start to plan with schools and Schools Forum for next year. In 2021-2022, the NFF will again set notional allocations for each school, which will be aggregated, and used to calculate the total schools block received by each local authority.

6. The NFF announcement in July 2020 confirmed that there would be a higher level of funding in each local authority area in 2021-2022 compared to 2020-2021. This is the second year of the government's Spending Review commitment to a £7.1 billion increase in funding for schools by 2022-2023, compared to 2019-2020 funding levels. For CW&C, the indicative increase in allocation is £21m from £279m in 2020-2021 to £300m in 2021-2022. This includes £10.5m of other grants mainstreamed into the DSG. Therefore, the NFF increase in funding is £10.5m (3.8% overall increase in the DSG allocation). There is currently no announcement on the Early Years Block which is expected in December 2020. The change in allocation announced to date is detailed in **Appendix A**.
7. The structure of the NFF in 2021-2022 is not changing. Formula factor values are being updated and there are some small technical changes being made. In 2021-2022, the government will include the following changes in the Local Authority NFF allocations.

Changes to Schools Block Funding allocation

8. The following areas of the NFF are being updated in 2021-2022:
 - To increase Schools Block funding overall nationally by 4% and ensure that per pupil funding for all schools can increase by 2%.
 - Funding from the teachers' pay grant (TPG) and the teachers' pension employer contribution grant (TPECG) has been added to the NFF from 2021-2022 to streamline the grants into schools' core funding at a rate of £180 for primary and £265 for secondary. This is in addition to increasing basic per pupil funding rates by 3%.
 - The minimum per pupil amounts for 2021-2022 will continue to be mandatory and increase to £4,180 for primary schools and £5,415 for secondary schools to include the grants above in school baselines.
 - Increased support for small and remote schools by increasing the maximum sparsity value from £26,000 to £45,000 for primary schools, and from £67,600 to £70,000 for secondary schools.
 - Allow local authorities the freedom to set the Minimum Funding Guarantee (MFG) in the local formulae between +0.5% and +2% per pupil
 - Enable local authorities to continue to be able to transfer up to 0.5% of their schools block to other blocks of the DSG, with Schools Forum approval. In 2021-2022, the total schools block available for such transfers must exclude the additional funding local authorities have been allocated for the TPG and TPECG, thereby guaranteeing that all of this funding remains with schools.
 - Following the cancellation of assessments in summer 2020 due to COVID-19, local authorities will use 2019 assessment data as a proxy in funding formulae for the 2020 reception and year 6 cohort.
 - The 2019 update to the Income Deprivation Affecting Children Index (IDACI) has been incorporated so that deprivation funding allocated through the formulae is based on the latest data. NFF values have been adjusted to reflect changes in the proportion of pupils in each IDACI band.

9. The impact of the funding announcement for CW&C is that the schools block pupil unit funding will increase by £7.6m (3.6% increase - 3.9% for primary, 3.3% for secondary, 0.4% for premises). Growth funding is to be confirmed in December along with October 2020 pupil numbers and demographics.

Changes to High Needs Block Funding allocations

10. The basic structure of the high needs national funding formula is not changing in 2021-2022. The allocation will be updated for changes in pupil numbers and their movement between local authorities (captured by the basic entitlement factor update and import/export adjustment). In addition, the funding floor will be set at 8% so each local authority can plan for an increase of at least that percentage, taking into account changes in their 2 to 18 population. The indicative allocation for Cheshire West and Chester is an increase of £3.5m (8.5%).

Changes to Central School Services Block (CSSB) allocations

11. This block allocation comprises of formula funding for ongoing central local authority commitments and protected funding for historic commitments. The government has confirmed the total national funding for the ongoing responsibilities will increase by 3.8% to fund all local authorities for the functions they have a statutory duty to deliver for all pupils in maintained schools and academies. However, as Cheshire West and Chester are currently protected above the NFF, funding for ongoing responsibilities in 2020-2021 will reduce by 2.5% due to the unwinding of protection, despite the increase to the NFF of 3.8%.
12. As in 2020-2021, the government will continue to reduce the element of funding that some local authorities receive for historic commitments made prior to 2013-2014. In 2021-2022, historic commitments funding will be reduced by 20% as anticipated. The total indicative central school services block for the authority will reduce by £0.25m (9%).

Approach to setting the Schools Block funding formula

13. In light of the need to focus efforts on meeting the challenges of Coronavirus (COVID-19), the move to a hard NFF has been delayed. The Government will later this year, put forward its proposals to move to a 'hard' NFF in future, which will determine schools' budgets directly rather than through local formulae set independently by each local authority. Local authorities must do their best, within the circumstances, to engage in open and transparent consultation with all maintained schools and academies in their area, as well as with their Schools Forums, about any proposed changes to the local funding formula, including the principles adopted and any movement of funds between blocks.
14. In October 2017, a consultation was held with CW&C schools on the proposal to move the local funding formula in line with the NFF to be consistent with the direction of travel of central government. This has continued to be the main

principle of decisions taken each year since 2017. There are no proposals to reverse this decision and therefore the consultation with schools and Schools Forum for the next financial year will be limited to consulting on the changes and recurring annual decisions only.

15. Local authorities will have the freedom to set the Minimum Funding Guarantee (MFG) in local formulae between +0.5% and +2% per pupil, as well as to use a gains cap. This ensures that every school will gain on a per pupil basis but it does not protect schools from a loss in funding from a fall in pupil numbers.
16. Local authorities will continue to be able to transfer up to 0.5% of their schools block to other blocks of the DSG, with Schools Forum approval. A disapplication will be required for transfers above 0.5%, or any amount without Schools Forum approval.

Meeting of the Schools Forum Finance Sub Group

17. The funding announcement was discussed with the Finance Sub Group of the Schools Forum on 30 September. Following consideration by the Schools Forum Finance Sub Group, the format of the consultation was agreed to cover only the following aspects of the formula:
 - Setting MFG protection for 2021-2022 at between 0.5% and 2%
 - Transfer of up to 0.5% of schools block funding to the high needs block
 - Agreement of de-delegation arrangements (including opt into the Risk Protection Arrangement)
18. The consultation document covering these aspects was issued on 2 October 2020 and will be open to noon on 16 October 2020. In order to meet the timeframes for November Cabinet, a recommendation by Schools Forum will need to be made at the meeting of 20 October following the conclusion of the consultation.

Next steps

19. The outcome of the consultation with all schools on the proposals for 2021-2022 will be tabled at the meeting on 20 October so that recommendations can be made to Cabinet in November. Final allocations for the 2021-2022 will be received in December 2020 with the final funding formula to be agreed and submitted to the ESFA in January 2021. Schools Forum will be consulted on the other DSG blocks of funding in December.

Appendix A CW&C Final DSG 2020-2021 and Indicative 2021-2022 allocation

DSG Allocation Block	Final 2020-2021			Indicative 2021-2022			Change to 2020-2021 £000	Mainstreaming of TPG/TPECG £000	Change to NFF £000
	Pupil Numbers	Amount per pupil £	Allocation £000	Pupil Numbers	Amount per pupil £	Allocation £000			
Schools Block									
Primary unit of funding	27,325	4,149	113,382	27,325	4,492	122,751	9,369	-4,919	4,450
Secondary unit of funding	18,271	5,223	95,424	18,271	5,659	103,389	7,965	-4,842	3,123
Funding of growth			1,408			1,408	0		0
Funding of premises			2,910			2,921	11		11
	45,596		213,124	45,596		230,469	17,345	-9,760	7,585
High Needs Block									
NFF			37,445			41,017	3,572	-53	3,519
Basic Entitlement factor	1,023	4,022	4,115	1,023	4,686	4,794	679	-679	0
Import/export			-282			-282	0		
			41,278			45,528	4,250	-732	3,519
Early Years Block									
3 and 4 year old free entitlement	5,083	2,497	12,690	5,083	2,497	12,690			
Maintained nursery supplementary	0	0	80	0	0	80			
Disability Access Funding	0	615	69	0	615	69			
Extended hours	2,313	2,497	5,775	2,313	2,497	5,775			
2 Year Olds	825	3,055	2,522	825	3,055	2,522			
Early Years Pupil Premium	0	0	131	0	0	131			
			21,266			21,266	0		0
Central School Services Block									
Ongoing responsibilities	45,596	38	1,733	45,596	37	1,690	-43		-43
Historic commitments			1,012			810	-202		-202
			2,745			2,500	-246		-246
Total DSG Allocation			278,737			299,763	21,026	-10,492	10,534

Agenda Item 5

Final Allocation of the Dedicated Schools Grant for 2020-2021

Purpose of the report

1. To report to the Forum the final allocation of the Dedicated Schools Grant (DSG) for 2020-2021 as published by the Education and Skills Funding Agency in July 2020, highlighting the changes from the draft allocation used in budget setting for this financial year.

Recommendations

2. The Schools Forum is asked to note the amendments to the DSG allocation for the high needs and early years funding blocks and the adjustments to centrally held budgets for 2020-2021.

Background

3. In December 2019, the Education and Skills Funding Agency (ESFA) announced the details of the DSG funding settlement for the 2020-2021 financial year. This was the basis for setting the schools budget share and centrally held budgets for 2020-2021 and were agreed at the January 2020 Forum.
4. In July 2020, the ESFA published revised DSG allocations for all local authorities to reflect changes in high needs commissioned places, early years census data and academy recoupment. It is a requirement for local authorities to discuss the published DSG allocation with the Schools Forum in confirming that the grant has been used in support of schools.

Changes to the Allocation

5. The indicative DSG allocation available in January 2020 for the local authority was £278.737m. A table detailing this calculation which was presented to the Schools Forum in January 2020 is included in Appendix A.
6. Table 1 below shows in summary the changes to the Local Authority's allocation since January 2020. The net change to the allocation is a decrease of £0.141m giving a revised allocation of £278.596m. There has been academy recoupment of £0.574m for conversions since January 2020 and a further £0.049m recouped for additional high needs places funded directly by the ESFA. The overall reduction to funding held by the Local Authority is £0.764m. Details of individual amendments are included in Table 2 in paragraph 7.

Table 1 Summary of change to the final DSG allocation

	Indicative January 2020 £m	Final July 2020 £m	Change £m
DSG Allocation	278.737	278.596	-0.141
Less deductions for high needs places	(1.948)	(1.997)	-0.049
Less academy recoupment	(67.198)	(67.772)	-0.574
Net DSG allocation	209.592	208.828	-0.764

7. In order to maintain the integrity of the budgets set on the indicative allocations, adjustments have been made to budgets in accordance with the reason for the change in the allocation. For example, the increase in funding due to higher pupil numbers on the early years census has been adjusted with a budget increase to the early years budget for place funding. The actions that have been taken for each adjustment are shown in Table 2 below.

Table 2 Adjustments to DSG allocation January 2020 to July 2020

Funding Block	Description of Adjustment	Adjustment £m	Budget adjustment actioned
Early Years block	Universal 3 and 4 year old funding - decrease to 2020-2021 baseline funding due to pupil numbers decreasing from January 2019 to January 2020 census.	-0.059	Decrease in centrally held Early Years budget for place funding
Early Years block	Extended 3 and 4 year old funding - increase to 2020-2021 baseline funding due to pupil numbers increasing from January 2019 to January 2020 census.	0.386	Increase in centrally held Early Years budget for place funding
Other – 2 year old funding	Decrease in 2 year old funding from actual participation recorded in January 2020 census	-0.168	Decrease in centrally held budget for 2 year old place funding
Other – Early Years Pupil Premium	Increase to reflect actual take up from previous estimate	0.037	Increase in centrally held budget for early years pupil premium claims
Other – Supplementary nursery school funding	Decrease to reflect calculation in January 2020 census	-0.013	Decrease in centrally held Early Years budget for place funding
High Needs Block	Import/export adjustment for high needs places in other authorities	-0.324	This was not included in budget setting and has been reflected as a decrease in the high needs budgets for 16-25 top up and placement funding resulting in an overspend position being reported.

Funding Block	Description of Adjustment	Adjustment £m	Budget adjustment actioned
High Needs Block	Recoupment of increased place funding for special academies and resource provisions	-0.049	Included at budget setting and reflected in budgets for place funding. No impact on the financial position.
Schools Block	Academy recoupment for conversions post January 2020	-0.574	Reflected in schools block budget and in the closure position of the school accounts. No impact on the financial position.
Total		-0.764	

Next Steps

8. The revised allocations and adjusted budgets will form the basis of reporting for the remainder of 2020-2021.

Appendix A Extract from report to Schools Forum January 2020

Final DSG 2019-2020 and Indicative 2020-2021 allocation

DSG Allocation Block	Final 2019-2020			Indicative 2020-2021			Change to 2020-2021 £000
	Pupil Numbers	Amount per pupil £	Allocation £000	Pupil Numbers	Amount per pupil £	Allocation £000	
Schools Block							
Primary unit of funding	27,379	4,009	109,774	27,325	4,149	113,382	3,608
Secondary unit of funding	17,839	5,034	89,803	18,271	5,223	95,424	5,621
Funding of growth			1,591			1,408	-183
Funding of premises			2,905			2,910	5
	45,218		204,072	45,596		213,124	9,052
High Needs Block							
NFF			33,775			37,445	3,670
Basic Entitlement factor	997	4,022	4,010	1,023	4,022	4,115	105
Import/export			42			42	0
Additional high needs funding			703			0	-703
			38,530			41,602	3,072
Early Years Block							
3 and 4 year old entitlement	5,083	2,451	12,459	5,083	2,497	12,690	
Maintained nursery school supplementary funding	0	0	80	0	0	80	
Disability Access Funding	0	615	63	0	615	69	
3 and 4 year old extended hours	2,313	2,451	5,669	2,313	2,497	5,775	
2 Year Olds	825	3,010	2,484	825	3,055	2,522	
Early Years Pupil Premium	0	0	131	0	0	131	
			20,886			21,266	380
Central School Services Block							
Ongoing responsibilities	45,218	39	1,763	45,596	38	1,733	-29
Historic commitments			1,265			1,012	-253
			3,028			2,745	-283
Total DSG Allocation			266,516			278,737	12,221

Agenda item 6

Dedicated Schools Grant (DSG) 2020-2021 Forecast Outturn at First Review

Purpose of the Report

1. The purpose of the report is to provide an update on the financial forecast outturn position for 2020-2021 for centrally held DSG as reported at the First Review. This is based on the position at July 2020.

Recommendations

2. The Forum is asked to note the First Review position on the DSG.

Forecast Outturn

3. The forecast outturn position for the centrally held DSG is a net overspend of £0.712m. This net forecast position includes the following key variances:-
 - There is a forecast overspend of £1.202m for high needs provision. Of this:
 - There is a forecast overspend of £0.591m on post 16 high needs places. Forecast spend is in line with 2019-2020 outturn however there was an increase in costs agreed with FE colleges following budget setting in February 2020 which meant that the opening budget was not sufficient for ongoing commitments, Furthermore there has been an unbudgeted recoupment of funding of £0.3m for import/export adjustments to high needs relating to increased post 16 pupil numbers in the previous year.
 - Mainstream top up payments are forecast to overspend by £0.527m
 - The number of high needs placements in other local authorities have increased and are forecast to overspend by £0.366m
 - Placements in independent and non maintained special schools are currently forecast to underspend by £0.095m and budgets for workforce development, inclusion projects and the SALT contract are partially offsetting the costs above by £0.183m.
 - An underspend of £0.252m is currently forecast against staffing costs across the Children and Families directorate due to unfilled vacancies.
 - There is a forecast underspend of £0.2m against the early years block due to lower than budgeted claims for Disability Access Funding and Inclusion Funding.
 - An overspend of £0.05m is forecast on rates charges following revaluations for expanding schools.

- There is currently a forecast underspend of £0.089m against de-delegated funding for primary maternity costs. Any underspend arising will be ringfenced for de-delegated budgets in 2021-2022.

DSG Reserve

4. The table below summarises the position on the DSG reserve as at First Review.

	£000
DSG reserve brought forward	1,018
In year allocation of reserves	
Ring-fenced De-delegation allocated to 2020-2021	-66
CWEIB allocation - Carry forward for CWEIB to carry out planned work on transitions (agreed 2018-19)	-104
Funding to support the work of the Averting Exclusions Task Group in developing strategies to reduce the number of exclusions in the Borough.	-177
Early years hub implementation (approved October 2019)	-45
Early years temporary increase to base rate for Autumn term (approved (July 2020)	-200
Balance remaining (unspent early years block 2019-2020)	426

Next Steps

5. Other areas of DSG will be reviewed as commitments for the new academic year are confirmed in the autumn term. Officers will continue to monitor the financial position and seek ways to mitigate the impact across all areas of the DSG. The forecast DSG outturn position will next be reviewed and reported as part of the Second Review of Financial Performance (end of September).

**Cheshire West and Chester
Schools Forum
20 October 2020**

Agenda item 8

Schedule of meetings 2020-2021

Schools Forum – all meetings 4.30pm – 6.30pm

Date	Venue	Proposed agenda
Tuesday 8 December 2020	MS Teams	<ul style="list-style-type: none"> • DSG 2020-2021 Forecast Outturn at Mid-Year Review • Initial Planning for DSG Allocations for 2021-2022 and Budget Setting • Basic needs capital programme
Tuesday 12 January 2021	MS Teams (subject to change)	<ul style="list-style-type: none"> • Combined Budgets and Miscellaneous Expenditure • DSG Allocations for 2021-2022 and Budget Setting • Draft of 2021-2022 School Funding Formula for January submission • De-delegation – Proposals for 2021-2022 • DSG 2020-2021 Forecast Outturn at Third Review
Monday 8 February 2021 to avoid clash with CWAPH conference	MS Teams (subject to change)	<ul style="list-style-type: none"> • Early Years funding formula for February submission • Special Educational Needs (SEN) Funding for Mainstream and Special Schools – Funding from the High Needs Block 2021-2022 • Central Spend budgets 2021-2022
Tuesday 6 July 2021	MS Teams (subject to change)	<ul style="list-style-type: none"> • School funding arrangements –national data comparison 2021-2022 • School funding arrangements for 2022-2023 • Directed revisions to schemes for financing schools • DSG 2020-2021 outturn • Financial year 2020-2021 analysis of schools' balances (including Academies) • Annual review of Schools Forum membership, constitution and terms of reference

Schools Forum High Needs subgroup

Date	Time	Venue
tbc	3.00 – 5.00 pm	MS Teams

Schools Forum Finance subgroup

Date	Time	Venue
Tuesday 17 November 2020	10.00 pm – 12 .00 noon	MS Teams
Tuesday 15 December 2020 Provisional	11.00 am -1.00 pm	MS Teams
Tuesday 19 January 2021	2.00 – 4.00 pm	MS Teams (subject to change)
Tuesday 15 June 2021	2.00 – 4.00 pm	MS Teams (subject to change)