

DERBYSHIRE SCHOOLS FORUM

15th December 2020

6:00pm

Virtual Teams Meeting

AGENDA

1. Apologies for Absence
2. Minutes of the Schools Forum meeting held on 21st October 2020 – p. 2
3. De-delegation of funding 2021-22 – outstanding matters – p.8
4. DSG overview including national funding update – p. 14
5. SEN Strategic update – presentation to be shared at meeting
6. High Needs Block 2021-22 - p. 18
7. Central School Services Block budget proposals 2021-22 – p. 24
8. Dates of future meetings:

28th January 2021 at 6:00 p.m. – Teams Meeting

30th June 2021 at 6:00 p.m. – Teams Meeting

Please remember to send any apologies
to schoolsforum@derbyshire.gov.uk

DERBYSHIRE COUNTY COUNCIL
DERBYSHIRE SCHOOLS FORUM
Minutes of the Meeting Held on 21st October 2020
At 6pm on Microsoft Teams

Present

Members			
George Wolfe	Curbar Primary	Peter Hallsworth	South Normanton Nursery
Siobhan Johnston	The Brigg Infants	Julian Scholefield	Esteem MAT
Dr Alan Thomas	Northfield Junior School	David Baker	The Pingle Academy
Thomas Osborn	Baslow St Anne's Primary	Philip Curtis	Catholic Dioceses
Michelle Jenkins	Etwall Primary	Sarah Lorking	Redhill Academy Trust
Nick Goforth	Belper Secondary	Keith Hirst	Brookfield Community
Jeannie Haigh	Willows Academy	Margaret Mason	Children 1st
Martin Brader	Dronfield Henry Fanshawe	Daniel Neale	NEU
Chris Greenhough	Swanwick School & Sports College		
Substitutes			
Cilla Hollman	Hadfield Infants	Ben Riggott	Parkside Community
Peter Crowe	ASCL		
Observers			
Cllr Jim Coyle	DCC		
DCC Officers/others			
Chris Allcock	Children's Services Finance	Amanda Gordon	Early Years Manager Education & Improvement
Ruth Lane	Children's Services Finance	Phil Burrows	Children's Services Finance
Karen Gurney	Children's Services Finance	Andy Walker	Children's Services Finance
Iain Peel	Service Director - Schools and Learning	Kirstin Bloxam	Process Improvement Manager
Saranjit Shetra	Assistant Director for Education Improvement		

Chris Allcock welcomed members new and old to the Schools Forum. He confirmed that Martin Brader has been elected Chair and Peter Johnston the Vice Chair, and that the meeting was quorate.

Apologies

Cllrs Dale and Patten, Peter Johnston, Jennifer Murphy, Emma Hill, Neil Beeson, Corrine Coward, Chris Wayment and Paula Williams.

20/15 Minutes of the meeting held on 25th June 2020

The minutes were approved for accuracy and there were no matters arising.

20/16 Schools Forum: Roles, responsibilities and Work Programme 2020/21

Chris Allcock presented the paper which summarised the roles and responsibilities of the Schools Forum and included a provisional work programme for 2020/21. The key point to note was that the Schools Forum's statutory role is to consider strategic financial issues affecting schools, rather than individual school matters.

Martin Brader asked what the likely longevity was for the Schools Forum. Chris replied that the DfE have promised a consultation on a hard National Funding Formula (NFF) later this year. There is currently a soft NFF in place which means the LA has some flexibilities. Chris felt that as a consultation was needed a hard formula would not be in place for 2021-22, 2022-23 or 2023-24 was more likely. An ESFA workshop had suggested a timeline of up to 2024-25.

The report was noted.

20/17 National Funding Update – Schools Block 2021–22

Chris Allcock presented the paper to inform the Schools Forum of the provisional indicative Schools Block settlement for 2021-22 and the potential implications for Derbyshire. The figure announced in July 2020 will be updated to reflect the October 2020 pupil census and a final figure will be released in December 2020.

By way of a reminder, details of the process by which the total LA-level Schools Block was calculated was set out in Appendix 1. Given the role of individual schools' budgets in determining the overall LA total, Derbyshire has endeavoured to replicate the National Funding Formula as closely as possible in its formula.

Chris advised that for 2021-22 LAs are able, with Schools Forum approval, to transfer up to 0.5% of the Schools Block to other Dedicated Schools Grant (DSG) blocks. Transfers in excess of this figure, and transfer requests rejected by the Schools Forum, would require Secretary of State's approval. Derbyshire does not anticipate seeking approval to any transfers for 2021-22.

In terms of the overall settlement, the main changes for 2021-22 are an overall increase for Derbyshire of £38m. However around £21.966m of the increase is in respect of funding currently paid as Teachers' Pay and Pension grants being rolled into the Schools Block. Adjusting for this means the like for like increase is around £16m, (3.3%).

Chris briefly went through the changes in the NFF multipliers in Appendix 2. Locally, the LA would wish to mirror the NFF in 2021-22, subject to it being affordable. The LA wrote to schools and academies in September 2020 to seek the views of schools and academies to this approach. The report made clear that there was significant support from respondents to both the implementation of the NFF and for the Minimum Funding Guarantee to be 2% per pupil.

However, if the NFF was unaffordable in full, perhaps because of data changes, there was no consensus about how the shortfall would be met.

The LA has had a first look at affordability for 2021-22, based largely on 2020-21 data, and the modelling suggests affordability is marginal. Key to affordability next year will be the impact of changes in deprivation and low prior attainment data. It should be noted that if the cost of full implementation of the NFF exceeds the Schools Block allocation there are no Dedicated Schools Grant (DSG) reserves to cover the shortfall.

Alan Thomas asked for more information on sparsity. Chris explained how it is calculated and that, although Derbyshire is a largely rural county, it has a lot of schools relative to its population. This feature means that the nearest "alternative school" in the calculation is not far enough away to meet the sparsity criteria. Sparsity funding is currently calculated using distance as measured by how the 'crow flies' basis, although the DfE are looking to move away from this method of calculation in the future.

Michelle Jenkins commented that in the current climate, and as unemployment increases, deprivation counts are likely to increase too. Also, as pupils have missed so much school, the

Low Prior Attainment (LPA) count was also likely to increase. Chris and Andy Walker replied that the FSM count risk was down to timing, specifically, would an increase be reflected in the October 2020 census data. The pupil assessments affecting LPA were being done as an average of previous years for each school and so should have limited overall impact.

Julian Scholefield asked when the DSG reserves disappeared. Chris replied that although he didn't have the exact figures to hand the High Needs Block (HNB) has been a significant drain over recent years and the Early Years Block (EYB) has also been subsidised, though to a lesser extent, for the last two years.

Nick Goforth commented that he used to be on the Leicestershire Schools Forum where sparsity was often discussed, and he approved of the substantial increase in the multiplier.

Martin Brader asked about the 31 schools who qualified for MFG, are they the same as last year and when are they likely to cease qualifying? Chris replied that he could not be entirely sure but that the list of schools for a particular year would have some similarity to the year before. Schools with significant MFG support in one year are likely to receive it in the following year. For those in receipt of the highest levels of MFG protection it could take several years for the support to be phased out. Equally, some schools dip in and out of MFG eligibility due to year on year changes in data.

The Forum agreed the recommendations.

20/18 National Funding Update – High Needs Block 2021–22

Chris Allcock presented the paper to inform the Schools Forum of the provisional indicative High Needs Block settlement for 2021-22.

Chris detailed how the High Needs Block (HNB) is calculated and that after making an adjustment for the Teachers Pay and Pension grants which are being rolled into the HNB, the like for like increase is around 10.1% per head of population, which is to be welcomed. More work needs to be done on the HNB budgets for next year and a detailed report will be submitted to the December meeting. High Needs Block budgets are a matter for the LA rather than the Schools Forum.

Julian Scholefield asked if there would be a consultation with providers regarding High Needs Top ups and that he appreciated that the SEND plan, which is still unknown, could have an impact.

Chris replied that traditionally consultation has taken the form of discussion with Schools Forum. He added that the HNB increased by 14% for 2020-21, however a significant part of that increase was needed to meet existing costs which were significantly above the level supported by the budget. He was not sure what a consultation might look like but was happy to consider this with colleagues. Iain Peel added that the SEND transformation team were undertaking a big piece of work looking at demand coming through and the need for places and that the process was very slow.

Martin Brader commented on the increase of approximately one third in FSM eligibility and how would that impact on the Schools Block. Chris confirmed that this would be a cost pressure on the Schools Block which would not attract any more funding in the allocation from the DfE.

The Forum agreed the recommendations.

20/19 National Funding Update – Other DSG funding 2021–22

Chris Allcock presented the paper to inform the Schools Forum of the latest position regarding the other elements of DSG funding for 2021-22. Further background on each block is provided in Appendix 1.

This item was presented for completeness as the amounts involved are far less than the other Blocks discussed. The Central School Services Block (CSSB) funds the LA's ongoing responsibilities for schools and academies and for its historic commitments. Funding for ongoing responsibilities was set to increase by 6.45% per pupil. However, historic commitments funding, used to support the LA's Early Help offer, has fallen by £02.78m (20%).

Determination of CSSB budgets are a matter for Schools Forum and will be the subject of a report to the December meeting.

Indicative Pupil Growth allocations, which are part of the Schools Block, have not been published as they will be based on the October 2020 pupil census. Pupil Growth budgets are a matter for Schools Forum and will be the subject of a report to the December meeting.

Finally, in terms of the Early Years Block, no details have been published, other than confirmation that the Maintained Nursery School Grant will continue for the summer term 2021. Details of the LA's hourly rate – a key determinant of the rate paid to providers – is still awaited.

No comments were raised from the floor.

The Forum agreed the recommendations.

20/20 De-delegation of funding 2021-22 – Responses to Consultation

Chris Allcock presented the paper which asked representatives of LA maintained schools on the Schools Forum to consider the de-delegation (re-pooling) of funds for 2021-22.

Funding regulations allow LAs, with the approval of the sector representatives of LA schools on the Forum, to de-delegate/top-slice funds to support the provision of a range of functions. Academies are not part of the de-delegation framework and therefore keep both the funding and the responsibility for their own costs.

LA schools had been asked to submit their views via a consultation and the results were detailed in Table 1 of the report. A majority of the responses from schools supported the de-delegation of funding for each service.

The Chair put the decisions to a vote and the following was agreed:

The following was agreed

- (i) Schools Forum representatives of LA maintained primary schools voted to approve all the de-delegation/top-slicing of the budgets in Table 1;
- (ii) Schools Forum representatives of LA maintained secondary schools voted to approve all the de-delegation/top-slicing of the budgets in Table 1;
- (iii) The Schools Forum representative of LA maintained special schools voted to approve all the de-delegation/top-slicing of the budgets in Table 1;

In addition, Schools Forum agreed to seek the Council's approval to the arrangements arising from the above decisions.

Unlike previous years, insurance was not included in the recent consultation. This was because the DfE had determined that LA maintained schools could join their national Risk Protection Arrangements (RPA) Scheme from April 2020. This is a discretionary pool which means that any claims submitted are at the discretion of the DfE with no contractual guarantee of payment. The LA wanted to consider the implications of this change before proceeding.

The DfE have now clarified that LA maintained schools can only join the RPA if it wouldn't result in a break in existing contractual arrangements. Given the Council's current insurance contracts extend beyond 2021-22, schools will be asked in November if they wish to see funding for insurance de-delegated next year. A report on the outcome of this further consultation will be brought to the December meeting of the Schools Forum.

Alan Thomas asked if there was any data on RPA take up rates. Chris replied that none of the LA's schools have joined yet as they are covered by a contract with Zurich which expires in April 2022.

Philip Curtis said that his Academy chain are currently processing a claim with the RPA in respect of one of their schools which recently burnt down and he could share experiences in the future. Julian Scholefield said that when the Esteem Academy was formed they stuck with Zurich initially but now the RPA is better and they have swapped.

The Schools Forum noted the position regarding insurance and agreed to receive a further report at its next meeting.

Ben Riggott noted that it was worth exploring why School Improvement had scored the lowest in the consultation. Chris said he would ask School Improvement colleagues to note this.

20/21 DSG Financial Overview and Recovery Planning

Karen Gurney presented the paper to update the Schools Forum of the Department for Education's (DfE) revised processes for managing Local Authority Dedicated Schools Grant (DSG) deficits and to provide details of the position for Derbyshire.

Karen started by saying a change in DfE regulations requires that any LA with an overall deficit on its DSG at the end of the 2019-20 financial year, or whose DSG surplus has substantially reduced during the year, must be able to present a recovery plan to the DfE for managing their future DSG spend. This plan should be regularly shown to Schools Forum and updated throughout the year.

Table 1 detailed the four categories comprising the overall DSG, the combined balance being £0.188m at the start of April 2020 and the forecast being a surplus of £1.118 by 31st March 2021. Of this forecast total £3.708m is committed leaving an effective deficit of £2.590m. The reduction in DSG in recent years has been largely due to overspends against the HNB grant. Recent changes to regulations mean that LAs are no longer able to use their own resources to meet DSG deficits, the DfE expectation is that deficits are recovered from future years' DSG allocations. Given the lack of flexibility in the Schools Block and modest size of the Central School Services and Early Years Blocks, resources to address the deficit are likely to have to come from future Pupil Growth and High Need Block allocations.

Chris Greenhough commented that a couple of times this evening it has been stated that the deficit on the HNB is due to overspends on the top-ups for pupils. He felt that this is what the HNB is for and shouldn't be referred to as an overspend.

The Forum agreed the recommendations.

20/22 Changes to the Derbyshire Scheme for Financing Schools

Andy Walker presented the paper to inform the Schools Forum of directed revisions to local authorities' Schemes for Financing Schools published by the DfE and to seek formal approval to their inclusion in Derbyshire's Scheme.

The revisions were:

- a requirement from next year for schools to submit a 3-year financial plan
- a requirement for schools with a deficit above 5% of their budget to submit a recovery plan. and
- that LA Maintained Schools (LAMS) are now (from April 2020) permitted to access the government's Risk Protection Arrangements (RPA).

The changes in the Scheme were notified to schools in September and no comments regarding them have been received.

Peter Crowe said it is always difficult to plan for years 2 and 3 and schools never know what funding would be and the year 3 figure is often terrifying. How accurate are plans now for year 3? Andy Walker replied that funding estimates are more accurate now and the LA is dependant on schools giving accurate expenditure plans. Around 80% of schools' costs are on staffing so if this is correct plans should be largely accurate.

Philip Curtis added that hopefully Government announcements are better these days in terms of funding. Currently academies must address future deficits with the DfE, not with formal plans but just their thoughts.

Schools Forum approved the incorporation of the directed revisions into Derbyshire's Scheme of Financial Management, as set out in the report.

20/23 Dates of future meetings

Martin Brader asked members for general comments regarding how they felt the meeting had gone, especially from new members. He also asked if an induction session was required.

It was agreed that a list of members would be circulated along with a glossary of terms and acronyms and that any ideas regarding an induction session would be e-mailed to schoolsforum@derbyshire.gov.uk within the next week.

The following dates and times were confirmed for future meetings:

15th December 2020 at 6:00 p.m. – Teams Meeting
28th January 2021 at 6:00 p.m. – Teams Meeting
30th June 2021 at 6:00 p.m. – Teams Meeting

The meeting closed at 7.40pm.

SCHOOLS FORUM**15th December 2020****Report of the Executive Director for Children's Services****De-Delegation of funding 2021-22 – outstanding matters****1. Purpose of the Report**

To ask representatives of LA maintained schools on the Schools Forum to consider the de-delegation of funds for schools' insurance for 2021-22.

To invite the Schools Forum to give its views on the LA's proposed de-delegation funding arrangements for 2021-22.

2. Information and Analysis**2.1 Insurance**

As part of the government's funding announcements in July, the DfE published their operational guidance relating to schools' budgets for 2021-22. Included in this guidance were provisions that allow local authorities, with the approval of their Schools Forum, to de-delegate funding for specified services next year.

At the last meeting of the Forum in October 2020, representatives of LA maintained primary, secondary and special schools agreed to de-delegate funding for 2021-22. However, the issue of the arrangements for primary and secondary schools insurance was not included as the Authority was unclear about what impact, if any, the DfE's Risk Protection Arrangements (RPA) for academies might have now that that scheme has been opened to the LA maintained sector. Brief details of the RPA scheme are provided in Appendix 1.

Following discussions, the DfE have confirmed that LA maintained schools can only join the RPA scheme provided that such a move would not involve breaking an existing contractual agreement with another insurer. Derbyshire's schools' insurance is largely with Zurich and the current contracts extend until May 2022. As such no maintained school can join the RPA before that date.

Following this clarification, the Authority wrote to all primary and secondary schools at the start of November to ask if they would wish to see funding for insurance de-delegated in 2021-22. Special schools were not asked as the relevant DfE regulations do not provide for this function to be de-delegated for that sector. A summary of the results is provided in Table 1 overleaf:

Table 1 – Responses to insurance de-delegation consultation

	No. of Responses	Supporting
LA Primary respondents supporting de-delegation (of 259)	134 (51.7%)	120 (89.6%)
LA Secondary respondents supporting de-delegation (of 15)	6 (40.0%)	6 (100.0%)

Approval to de-delegate funding for each sector is a matter for each sector's LA maintained school representatives on the Forum; the consultation with schools is designed to help relevant Forum members reach their decisions on this issue.

In view of the responses from schools, it is recommended that funding for insurance be de-delegated for 2021-22 for LA maintained primary and secondary schools.

The Authority will reconsider its insurance arrangements for beyond May 2022 during 2021. This will include assessing whether or not to use the RPA or procure insurance from the wider marketplace. The Authority will keep schools and the Schools Forum informed of progress.

2.2 De-delegation/top-slicing rates 2021-22

Formal decisions regarding de-delegation of funding are a matter for the sector representatives on the Schools Forum. However, the actual amounts charged have been set by the local authority later in the budgetary process.

The indicative amounts to be charged for 2021-22 are set out in Appendix 2. N.B. the Appendix and subsequent analysis in this report assume the Forum agrees to de-delegate insurance next year as set out in section 1. If this isn't agreed, individual school insurance charges would have to be determined.

The impact of the changes in the per pupil/place charges is shown in Table 2

Table 2 – Gross indicative charges 2021-22

	Primary	Secondary	Special
Actual charge 2020-21	£73.47	£50.94	£49.45
Indicative charge 2021-22	£78.91	£63.71	£58.59
Increase before mitigations (£)	+£5.44	+£12.77	+£9.14
Increase before mitigations (%)	+7.40%	+25.07%	+18.48%

Whilst the indicative rates reflect the sums required to meet the expected costs of the services provided, the Authority is aware that the percentage increases are above what schools will be expecting. Accordingly, and in order to mitigate the increases, the Authority proposes drawing down some of the accumulated de-delegated reserves to limit the aggregate increase for 2021-22 to no more than 1% per pupil/place compared with 2020-21.

The impact of this use of reserves would be as follows:

Table 3 – Impact of use of reserves for 2021-22

	Primary	Secondary	Special
Increase before impact of drawdown – Table 2	+£5.44	+£12.77	+£9.14
Drawdown from reserves	-£4.71	-£12.26	-£8.65
Increase post drawdown	+£0.73	+£0.51	+£0.49
Increase post drawdown (%)	+1.00%	+1.00%	+1.00%
Revised indicative charge 2021-22	£74.20	£51.45	£49.94

At 31st March 2020 the re-pooled reserve stood at £1.013m and this figure is forecast to increase to around £1.381m by the end of the current financial year. The proposed arrangements would utilise around £0.373m of the reserves, the actual figure would be determined by the final pupil count and charges.

If desired, and subject to affordability, a similar arrangement might be applied for 2022-23, but this will depend upon several factors, including: future spending levels and thus the availability of reserves; whether future DfE regulations continue to allow de-delegation to remain an option; and the views of Schools Forum regarding the desirability or otherwise of continuing to de-delegate funds.

The views of the Forum on the proposed charging arrangements are welcomed.

3. **Other Considerations** In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, finance, human resources, legal & human rights, environmental, health, property and transport considerations.
4. **Background Papers** Letter to schools re insurance published 4th November 2020 and the responses from schools held in Children’s Services Finance.
5. **Executive Director’s Recommendations:**
 - (i) Schools Forum representatives of LA maintained primary schools are asked to consider whether or not to de-delegate funding for insurance for 2021-22 for their sector;
 - (ii) Schools Forum representatives of LA maintained secondary schools are asked to consider whether or not to de-delegate funding for insurance for 2021-22 for their sector;
 - (iii) The Schools Forum is asked to note the Authority’s intention to review the insurance arrangements which will apply beyond 2022 and that further reports on this matter will be brought to the Forum during 2021; and
 - (iv) That the Forum note, and give its views on, the proposals in section 2.2 regarding the prospective charges for 2021-22 and proposed use of reserves.

Jane Parfremment
Executive Director for Children’s Services

Brief Summary of the Risk Protection Arrangements (RPA)

Appendix 1

The DfE's position:

The RPA cover comparison document states:

- For converting schools, the joining process is now automatic as part of the conversion process.
- There is no requirement to notify any risk changes to the RPA after joining.
- The cost of membership is fixed at £18 per pupil for current academic year (01 September 2019 to 31 August 2020) regardless of any previous losses incurred, or the school location, size, condition or age.
- Certain risks covered automatically without limit (e.g. terrorism and legal liability arising out of asbestos or abuse).
- Support from industry professionals in relation to claims handling and risk management services.
- Risk management audits, workshops and general guidance provided at no additional cost.
- Wherever possible claims handlers will always look for ways to pay a claim. If a claim is declined, full details of the reasons why will be provided.

RPA does not cover Motor Vehicles and Occasional Business Use, Engineering Damage Insurance & Inspection services and Contracts Works for Building Projects, although this can be provided via Crescent Purchasing Consortium.

Derbyshire - initial thoughts:

The Council's current long term insurance agreement runs until May 2022, which therefore becomes the earliest date that DCC schools could opt out of the insurance scheme, in accordance with DofE guidance.

The RPA Scheme is a discretionary mutual, which means there is no legally enforceable insurance contract in place which requires the DfE to pay out a claim.

If a Derbyshire LA maintained school were to opt into the RPA, the responsibility for ensuring property damage caused by an insured incident is repaired would lie with the school. If the RPA decide not to pay out for a claim, for example from a perceived lack of maintenance or poor risk management, the shortfall would potentially lie with the school.

If a liability claim were refused, for example if the school has not complied with the strict legal compliance standards, the school would have to defend the claim and associated costs/compensation awarded would be borne by the school.

The RPA has comprehensive Risk Management requirements and strict Legal compliance standards that must be complied.

The RPA only give 36 months business interruption cover to rebuild a school in the event of a total loss of a school (as has happened at Harrington). In many cases, 36 months is sufficient, but if the schools are in in a conservation area, or is listed, then 36 months may be too short a period to have plans drawn up; get planning permission and complete the construction. If there are any costs from not being able to be in the school post the 36 months' time limit (i.e. rented modular buildings to continue educating the children on site), again, these would fall to the school to cover until the build is complete.

DCC schools also have the benefit of Risk Management Funding grants that are provided from the Corporate Insurance Team. This would not be available under the RPA.

The Corporate Insurance team have long been a source of guidance and advice to schools, ensuring that they have the correct insurance in place and that they have cover for their activities. The Team provides the necessary support, particularly in a time of crisis, including helping to facilitate repairs with the minimum of delay with other council teams to get our schools back up and running. This support would be lost if a school went to the RPA and the school would have to deal with much of this on their own.

List of de-delegated and top-sliced funds 2020-21

Appendix 2

Item	Basis	2020-21 Actual			2021-22 Indicative			Change			Comments
		Prim	Sec	Spec*	Prim	Sec	Spec*	Prim	Sec	Spec*	
Contingencies	Pupil/place	£8.00	£6.00	N/A	£6.00	£6.00	N/A	-£2.00	£0.00	N/A	Primary underspends
Insurance	Pupil/place	£20.64	£18.20	N/A	£22.56	£22.56	N/A	£1.92	£4.36	N/A	Under recovering and equalise charge across sectors (as per RPA)
Staff Costs: Maternity	Pupil/place	£17.89	N/A	N/A	£15.00	N/A	N/A	-£2.89	N/A	N/A	Primary underspends
Staff Costs: Public Duties	Pupil/place	£0.20	N/A	N/A	£0.20	N/A	N/A	£0.00	N/A	N/A	No change
Staff Costs: Trade Unions	Pupil/place	£4.00	£4.00	N/A	£4.04	£4.04	N/A	£0.04	£0.04	N/A	1% for inflation
School Improvement	Lump sum	£2,850	£2,850	N/A	£2,850	£2,850	N/A	£0.00	£0.00	N/A	No change
Redundancy (top-sliced)	Pupil/place	£8.50	£8.50	£28.90	£7.00	£7.00	£23.80	-£1.50	-£1.50	-£5.10	Both sectors reduced to reflect underspends
Fmr ESG (top-sliced)	Pupil/place	£14.24	£14.24	£20.55	£24.11	£24.11	£34.79	£9.87	£9.87	£14.24	Currently under-recovering true costs
Total per pupil/place (£)	Pupil/place	£73.47	£50.94	£49.45	£78.91	£63.71	£58.59	£5.44	£12.77	£9.14	
Total per school	Lump sum	£2,850	£2,850		£2,850	£2,850		£0	£0		

Schools Forum**15th December 2020****DSG overview including national funding update****1. Purpose of the Report**

To inform Schools Forum of the prospective DSG position for 2021-22 onwards in the context of the national funding settlement and the measures needed to ensure aggregate DSG reserves remain in surplus.

2. Information and Analysis**2.1 2020-21 year end/starting position for 2021-22**

The table below shows the expected year end position at 31st March 2021.

	School Re-pooled Funds	Free Schools Transition	Un committed DSG	Other misc DSG funds*1	Total
	£m	£m	£m	£m	£m
Balance b/f 01/04//2020	1.063	2.102	(3.140)	0.163	0.188
Position in draft Sept 2020 monitoring:					
Forum agreed Pupil Growth contrib'n 2020-21			1.325		1.325
Forecast u/s – re-pooled funds	0.318				0.318
Balance of Sept 2020 f/cast o/spend			(1.027)		(1.027)
Forum agreed Free School contrib'n 2020-21		0.725			0.725
Est'd free school & other payments 2020-21		(0.566)			(0.729)
Forecast balance 31st March 2021	1.381	2.261	(2.842)	0.163	0.963

£0.616m
f'cast u/s

Although forecast balances at 31st March 2021 are expected to show an increased aggregate surplus compared to 31st March 2020, the deficit in the uncommitted DSG reserve is still estimated to be nearly £3m.

The 2020-21 budget strategy was designed with the intention of starting to make significant inroads into the £3.140m deficit in the uncommitted DSG reserve. However, the impact of the £1.325m contribution from the Pupil Growth fund agreed by the Schools Forum has been largely offset by the high needs budget overspend, estimated at £1.212m in September.

The main pressures on the high needs block are the overspends in the primary top ups (£0.757m), special school top ups (£0.834m) and Inclusion Pathways budgets (£0.127m). These are offset by £0.606m underspends against the budgets for post 16 top ups, PRU transport and the places/top up contingency.

Key to resolving the accumulated deficit on the uncommitted DSG reserve – referred to as “the DSG deficit” for the remainder of this report - is keeping future years’ spend within the limits of the annual grant. This will be a key challenge given the pressures in each block, most notably in the high needs block.

2.2 National funding update

At the time of writing the actual settlement for 2021-22 had not been published. If the settlement is announced prior to the Forum meeting an oral update will be provided to update this report.

Central School Services and High Needs Blocks: - the reports later on today's agenda deal with these blocks in more detail. If the reports' recommendations are agreed they would add £0.500m to DSG reserves during 2021-22.

Schools Block (excluding Pupil Growth Fund): - on the basis of the latest available data, this block is unlikely to contribute funds towards the DSG deficit in 2021-22. This is largely due to a significant increase in the free school meals counts during the year.

Schools Block funding is based on per-pupil units of funding for the primary and secondary sectors (known as Primary and Secondary Units of Funding, or PUFs and SUFs)). The PUFs/SUFs are calculated using the national funding formula multipliers for 2021-22 but based on 2020-21 formula data, including the October 2019 school census. Those units of funding are now set for 2021-22 and the final Schools Block quantum will be updated for the October 2020 school census later this month.

One of the factors in the national funding formula is based on the number of children eligible for free school meals (FSM). The issue facing Derbyshire, and many other LAs, is that there has been a considerable increase in the number of eligible FSM children between the October 2019 and 2020 census points. However, the cost implications of the increase will not be reflected in the 2021-22 PUFs and SUFs as they are now fixed.

For Derbyshire there has been a 23.6% increase in FSM counts, which equates to 4,174 pupils. The national funding formula multiplier is £450 which implies an unfunded cost pressure of £1.878m. The DfE are aware of the issue but the advice to date has been that there is no more funding available and that LAs will have to manage the increase by making changes elsewhere in the formula. The options available to LAs include one or more of the following:

- Reduction in MFG protection; and/or
- Placing a cap on schools' gains; and/or
- Reduction in one or more formula multipliers; and/or
- Transferring resources from elsewhere within the DSG.

One scenario, which the LA is looking at, would allow the NFF to be implemented in full i.e. no scaling back of individual formula multipliers, but to have a lower Minimum Funding Guarantee (MFG) level (1% instead of 2%) and to cap the gains of those schools with the largest year on year increases – a cap of ~4% seems to be broadly the level required.

The lower rate of MFG would still allow for minimum per pupil increases in line with inflation, particularly given the recent announcement of a public sector pay freeze. Equally, applying a cap on gains, rather than a random reduction in one or more

individual formula multipliers, still allows those schools subject to a cap to receive an above-inflation rise. Based on the current data, a capped increase of 4% per pupil combined with a 1% per pupil MFG would balance the Schools Block. However, the Authority cannot be certain that this will be the final position until the DfE have published all of the 2021-22 formula data later this month.

As an aside, assuming the January 2021 free school meals counts continue to show the same level of eligible pupils, this will attract increased pupil premium funding next year. Assuming the current national rates are maintained (£1,345 per primary-aged pupil and £955 per secondary-aged pupil) an additional £5m would be received by Derbyshire mainstream schools and academies in 2021-22.

Schools Block (Pupil Growth fund): - In 2020-21 this block contributed £1.325m towards the DSG deficit out of a grant of £3.428m. The Authority had been expecting a grant of £3m in 2021-22 from this source. However, local modelling now suggests a lower total of around £2.4m might be received. A potential contribution of around £0.500m towards the deficit might now be a more realistic figure. The allocation of Pupil Growth funds is a matter for the Schools Forum and a full report on this block will be presented to the January 2021 Forum meeting.

Early Years Block: – no detailed information has been received to date. However, the Chancellor's spending review statement reported an extra £44 million for early years education next year, this would equate to an increase in the national quantum of around 1.2%.

The above contributions highlighted above would reduce the DSG deficit by £1m in 2021-22 to £1.842m. Aggregate cash balances would be ~£2m depending on the movements in other reserves (free schools and de-delegated funds).

2.4 DfE Recovery Plan Template

On 16th September 2020 the DfE published a template to help LAs to formulate and present their DSG management recovery. The accompanying DfE guidance document "*Dedicated schools grant (DSG) management plan template Guidance for local authorities*" published in September 2020" states: "*The [DSG: conditions of grant 2020 to 2021](#) paragraph 5.2, requires that any LA with an overall deficit on its DSG account at the end of the 2019 to 2020 financial year, or whose DSG surplus has substantially reduced during the year, must be able to present a plan to the Department for Education (DfE) for managing their future DSG spend.*"

Technically, as reported above, Derbyshire had a small surplus at the end of 2019-20 of £0.188m. However, this represented a significant fall from the balance held at the start of that year (£5.603m). There is therefore a small risk that we may be asked to submit a plan now: more likely is a for a request to come in the summer of 2021 should the 2020-21 position deteriorate, leaving the accounts with an overall deficit.

The DfE's recovery template is a huge Excel file. Rather than try to share Derbyshire's work in progress version, Forum members have received separately a DfE PowerPoint which shows the structure of the template. N.B. The PowerPoint is one used by the DfE in a recent workshop and the figures relate to Barking and Dagenham, **not** Derbyshire.

The DfE template's tabs analyse all expenditure on the basis of the relevant lines of the statutory Section 251 budget statement. Whilst this provides a consistent baseline for inter LA comparisons, it is difficult to use locally as interested parties are likely to prefer expenditure analysed along more traditional and familiar lines e.g. spend on places, top ups & services.

Rather than focus on the template at this stage, the Authority will continue to monitor and forecast the DSG position using its own arrangements. Much of this work will focus on the high needs block and will support the strategic reviews of SEND currently in progress.

In summary, if the financial measures in this paper, supplemented by further reports both tonight and in January, are agreed, and spending is then contained within the implied budgets, the DSG reserves position should improve further by the end of 2021-22. The key risks are around high needs and the Authority is focussed on reviewing its arrangements, an item also covered on tonight's agenda.

Further reports on the DSG position will be presented to the Forum on a regular basis.

3. Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, HR, legal & human rights, environmental, health, property and transport considerations.

4. Background Papers

Held within Finance.

5. Executive Director's Recommendations

That the Forum:

- (i) considers the report and the ongoing work to manage the overall DSG; and
- (ii) offers its views on the issues raised.

**Jane Parfremment
Executive Director for Children's Service**

SCHOOLS FORUM**15th December 2020****Report of the Executive Director for Children's Services****High Needs Block 2021-22****1. Purpose of the Report**

To inform the Schools Forum of the provisional indicative High Needs Block settlement for 2021-22 and the potential spend for next year.

2. Information and Analysis

As previously report to the Forum, in July 2020 the DfE released provisional LA-level High Needs Block allocations for 2021-22, the second year of the 3 year settlement. At the time of writing final allocations for 2021-22 had yet to be published.

2.1 High Needs Block grant increase

The national arrangements include both funding floors and caps on gains to ensure that every LA will receive between 8% (min) and 12% (max) per pupil (pupils aged 2-18). Derbyshire's indicative settlement for 2021-22 and a comparison with 2020-21 is provided in Appendix 1 and shows an overall increase is £8.545m. Our 2021-22 HNB allocation should be confirmed later this month.

2.2 High Needs Block budgets 2021-22

In terms of budgets for next year, a first look at the estimated costs for 2021-22 is summarised in Appendix 2. The forecast budget requirement reflects current and expected patterns of spend. Inflation estimates includes the impact of the decision of the Chancellor of the Exchequer to impose a pay freeze for many public sector workers in 2021. As a result, the following pay inflation indices have been used for next year:

Teachers' pay – 1.146% (5/12^{ths} of September 2020 award (~2.75%) only)
Other groups' pay – 0.000%

The potential budget requirement for 2021-22 is shown in Appendix 2, the total allocated is within £0.044m of the grant settlement, and allows for the following pressures:

- Demographic increase in places, mainly special schools - **£0.571m**
- Demographic increase for primary school top ups - **£1.761m**
- Demographic increase for special school top ups - **£1.023m**
- Demographic increase for OLA and non-maintained school top ups - **£1.229m**
- Increase in top up contingency of **£0.650m** (from £0.300m to £0.950m)
- Increases to reflect loss of Teachers Pay and Pension grants - **£1.357m**
- Services' inflation (full year teachers' pay) - **£0.129m**
- Mainstream schools top up inflation - **£0.000m**

- Special school/ ER and PRU top up inflation (full year teachers' pay) - **£0.288m**
- External placements – 2% prices contingency - **£0.403m**
- Increase in high needs contingency for mainstream schools – **£0.100m**
- Contribution to DSG deficit - **£0.250m**
- Increase in PRU funding to support full time provision wef Sept 2020 - **£0.085m**

The inflation-only increase for institutional allocations will result in the following percentage increases in top-ups:

- Special schools and academies - +1.45%
- PRUs - +2.23%
- ER schools - +1.47%
- Mainstream - 0.00%

Following the pay freeze, no increase in mainstream rates is proposed. There is an increase for special and PRU schools/academies to reflect the full year impact of the 2019 teachers' pay award. The percentage increases have been uplifted to cover the places element of their funding which is fixed by national rates (£10,00 per place).

Whilst the percentage increase in the top up rate appears modest, this should be seen in the wider context. For example, for Derbyshire special schools and academies the proposed budgets include £0.430m extra arising from additional places together with £0.879m from additional top-up payments.

Regionally, anecdotal information received from other LAs across the East Midlands suggests that top up increases, if they are affordable at all, are likely to be very limited.

In terms of the distribution of funding, the end column of Appendix 2 flags each budget line as being for either specialist, mainstream or central services provision (marked as 1,2 & 3 respectively). The budgets and increases in funding based on these markers is as follows:

	Base 2020-21		Indicative 2021-22		Increase	
	£k	%	£k	%	£k	%
Specialist	45,416	56.94%	50,784	57.69%	+5,368	+65.06%
Mainstream	19,564	24.52%	21,597	24.54%	+2,033	+24.64%
Services	14,791	18.54%	15,641	17.77%	+850	+10.30%
Total	79,771	100.00%	88,021*	100.00%	8,250*	100.00%

*excludes £0.250m unallocated funds – effectively a contribution to the DSG deficit.

A sizeable majority of the increase (89.7%) will be allocated to institutional budgets rather than central services. However, this is largely a reflection of increased volumes of demand rather than prices (inflation).

Decisions on the high needs block are a matter for the local authority rather than the Schools Forum. However, the views of the Schools Forum are welcomed and will be considered when the Authority makes its final decisions in March 2021.

3 Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, HR, legal & human rights, environmental, health, property and transport considerations.

4 Background Papers

Held within Finance.

5 Executive Director's Recommendations

That the Schools Forum notes the report and offers its views on the issues raised.

**Jane Parfremment
Executive Director for Children's Services**

High Needs Block allocations 2020-21 & 2021-22

Appendix 1

	2020-21			2021-22			Total	Multiplier	Data
	Count	Multiplier	Total	Count	Multiplier	Total	Change	Impact	Impact
	£	£	£m	£	£	£m	£m	£m	£m
Population aged 2-18	145,998	155.85	22.754	148,497	181.74	26.988	4.234	3.780	0.454
Health/Disab. - Children with bad health	670	4,145.10	2.777	670	4,872.38	3.264	0.487	0.487	0.000
Health/Disab. - Children claiming DLA	5,527	651.95	3.603	5,928	713.24	4.228	0.625	0.339	0.286
Deprivation – Current free meals	16,744	286.30	4.794	21,422	268.27	5.747	0.953	-0.302	1.255
Deprivation – IDACI Band F	15,404	45.20	0.696	11,811	55.03	0.650	-0.046	0.151	-0.198
Deprivation – IDACI Band E	7,618	58.79	0.448	16,028	72.57	1.163	0.715	0.105	0.610
Deprivation – IDACI Band D	8,939	80.24	0.717	5,922	99.13	0.587	-0.130	0.169	-0.299
Deprivation – IDACI Band C	8,430	85.87	0.724	7,363	105.27	0.775	0.051	0.163	-0.112
Deprivation – IDACI Band B	8,182	94.01	0.769	6,940	117.28	0.814	0.045	0.190	-0.146
Deprivation – IDACI Band A	766	126.74	0.097	1,674	155.23	0.260	0.163	0.022	0.141
Low Attainment @ KS2	1,384	2,590.23	3.585	1,323	3,241.14	4.288	0.703	0.901	-0.198
Low Attainment @ KS4	1,842	1,904.34	3.508	1,664	2,380.89	3.962	0.454	0.878	-0.424
Historic spend			33.032			33.032	0.000	0.000	0.000
Sub total			77.504			85.758	+8.254	+6.884	+1.370
Memo item - £ per pop'n (aged 2-18)			£524.70			£577.51	+10.1%		
Hospital Education			0.055			0.254	0.200	0.000	0.000
Basic entitlement	1,084	4,000.00	4.336	1,084	4,660.00	5.051	0.715	0.715	0.000
Total before import/export adjustment			81.895			91.063	9.169	7.600	1.370
Import/export adjustment	-354	6,000.00	-2.124	-458	6,000.00	-2.748	-0.624	0.000	-0.624
Total High Needs Block			79.771			88.315	8.545	7.600	0.746
Increase (£m)			9.799			8.545			
Increase (%)			+14.00%			+10.71%			

MTFP 2021-22 to 2022-23 version 6 Nov 30 2020...xls		Demographics		Inflation							Appendix 2		
					0.00%	0.000%	0.858%	0.858%	0.858%	2.000%		2021-22	Budget Category
Budget head	Adj base	Places	Demo-graphics	Fmr pension grant	Services	M/stream top ups	Special schools	PRUs	ER top ups	Other place-ments	Other	required	
	EK	EK	EK	EK	EK	EK	EK	EK	EK	EK	EK	EK	EK
PRU pre 16 academy places	2,778	7	0	0	0	0	0	0	0	0	0	2,785	1
Special School LA m't'd pre & post 16 places	4,328	-1,178	0	0	0	0	0	0	0	0	0	3,150	1
Special Schl pre 16 academy places	4,155	1,608	0	0	0	0	0	0	0	0	0	5,763	1
Special Schl post 16 academy places	832	98	0	0	0	0	0	0	0	0	0	930	1
LA maintained schools ER places - pre 16	811	-123	0	0	0	0	0	0	0	0	0	688	2
Academy ER places - pre 16	641	109	0	0	0	0	0	0	0	0	0	750	2
Academy ER places - post 16	116	-8	0	0	0	0	0	0	0	0	0	108	2
Post 16 SEN places in LA m't'd schools	162	-46	0	0	0	0	0	0	0	0	0	116	1
Post 16 SEN colleges - Derby/C'field	768	48	0	0	0	0	0	0	0	0	0	816	1
Post 16 SEN places in academies	82	56	0	0	0	0	0	0	0	0	0	138	1
Places - total	14,672	571	0	0	0	0	0	0	0	0	0	15,243	
EY SEN Inclusion	160	0	8	0	0	0	0	0	0	5	0	173	2
nursery Units/Schools SENTA	214	0	13	0	0	0	0	0	0	0	0	227	2
Nursery schools ER SEN	138	0	0	0	0	0	0	0	2	0	0	140	2
DCC Primary Schls/academies	9,040	0	1,696	0	0	0	0	0	15	4	0	10,756	2
Other LA's' primary schools/academies	187	0	65	0	0	0	0	0	0	5	0	257	2
DCC Secondary Schls/academies	6,581	0	14	0	0	0	0	0	17	0	0	6,612	2
Other LA's' secondary schools/academies	366	0	72	0	0	0	0	0	0	9	0	447	2
DCC Special Schls/academies	12,736	0	879	686	0	0	206	0	0	2	-22	14,487	1
Other LA's' special schools/academies	2,134	0	144	0	0	0	0	0	0	46	0	2,323	1
Post 16/FE Coll/Ind spec providers	3,847	0	136	0	0	0	0	0	0	80	0	4,062	1
PRUs	1,740	0	0	193	0	0	0	43	0	39	85	2,100	1
Independent/NMSS	9,300	0	1,229	0	0	0	0	0	0	163	0	10,692	1
SEN Alternative Prov	250	0	175	0	0	0	0	0	0	8	0	433	1
Ind/NMSS - contribution to care placements	1,500	0	0	0	0	0	0	0	0	30	0	1,530	1
Unallocated - contrib'n to DSG deficit	0	0	0	0	0	0	0	0	0	0	250	250	
Prices contingency	300	0	650	0	0	0	0	0	0	0	0	950	1
Sub total - top ups	48,492	0	5,081	879	0	0	206	43	35	390	313	55,439	

MTFP 2021-22 to 2022-23 version 6 Nov 30 2020...xls	Demographics			Inflation							Appendix 2		
					0.00%	0.000%	0.858%	0.858%	0.858%	2.000%		2021-22	
Budget head	Adj base	Places	Demo-graphics	Frmr pension grant	Services	M/stream top ups	Special schools	PRUs	ER top ups	Other place-ments	Other	Budget required	Cate gory
	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k
Access and Inclusion	125	0	-10	0	0	0	0	0	0	0	0	115	3
Support for inclusion	519	0	0	0	0	0	0	0	0	0	0	519	3
Hospital tuition	55	0	27	0	0	0	0	0	0	2	0	84	2
Virtual School	1,029	0	-27	15	39	0	0	0	0	0	0	1,055	3
PRU to provision transport	505	0	0	0	0	0	0	4	0	0	0	510	1
Contribution to Education Psychology Service	400	0	0	0	0	0	0	0	0	0	0	400	3
Visually Impaired Support Service	728	0	-11	26	40	0	0	0	0	0	0	783	3
Physical Impaired Support Service	552	0	42	22	9	0	0	0	0	0	0	626	3
Hearing Impaired Support Service	660	0	-50	22	22	0	0	0	0	0	0	655	3
SEN Equipment fund	250	0	0	0	0	0	0	0	0	0	0	250	2
Specialist Services overheads	0	0	0	0	0	0	0	0	0	0	0	0	3
Support Service for SEN (SSEN)	4,736	0	24	211	232	0	0	0	0	0	0	5,204	3
Early Years SEN service (contribution to)	593	0	0	0	10	0	0	0	0	0	0	603	3
Behaviour Support Service	1,124	0	-64	57	39	0	0	0	0	5	126	1,288	3
Behaviour Support/IPT overheads	0	0	0	0	0	0	0	0	0	0	0	0	3
Behaviour Support TAs in mainstream schools	319	0	0	0	0	0	0	0	0	6	0	325	3
Positive Play	209	0	-3	0	8	0	0	0	0	0	0	213	3
Derbyshire Nurture	310	0	1	10	12	0	0	0	0	0	0	333	3
Integration Pathways Team	3,810	0	114	114	106	0	0	0	0	0	0	4,144	3
Excluded pupils income	-436	0	0	0	0	0	0	0	0	0	0	-436	3
Contribution to SEN transport	80	0	0	0	0	0	0	0	0	0	0	80	2
School Improvement	114	0	0	0	0	0	0	0	0	0	0	114	3
Vulnerable Children's fund	200	0	0	0	0	0	0	0	0	0	0	200	2
High Needs Block Contingency fund	500	0	0	0	0	0	0	0	0	0	100	600	2
Direct Payments	225	0	0	0	0	0	0	0	0	0	0	225	2
Correction to services inflation	0	0	0	0	-388	0	0	0	0	0	0	-388	3
Community Care posts	0	0	0	0	0	0	0	0	0	0	88	88	3
Sub total - services	16,606	0	45	478	129	0	0	4	0	13	313	17,589	
Total spend	79,771	571	5,126	1,357	129	0	206	47	35	403	626	88,271	

SCHOOLS FORUM**15th December 2020****Report of the Executive Director for Children's Services****Central School Services Block (CSSB) budget proposals 2021-22**1. Purpose of the Report

To seek Schools Forum approval to the 2021-22 Central School Services Block budgets.

2. Information and Analysis

This block of the Dedicated Schools Grant was introduced in 2018-19 to fund local authorities for the statutory duties that they hold for both maintained schools and academies. The Central School Services Block (CSSB) brings together:

Item	Basis for funding
Ongoing responsibilities - previously funded from the Retained Duties element of the former Education Services Grant – see Appendix 1	Rate per primary/secondary pupil
Ongoing responsibilities - central functions previously funded from the Schools Block (Admissions, Schools Forum, defined Copyright Licences)	
Historic commitments previously held within the Schools Block	LA-specific cash sum based on previous spend

Where local authorities hold duties in relation to all schools (as set out in Schedule 2, Parts 1 to 3 of the School and Early Years Finance Regulations 2018 (No 2)), all schools must be treated on an equivalent basis.

Decisions on budgets funded by the CSSB are a matter for the Schools Forum rather than the local authority.

Details of the 2021-22 CSSB funding details were announced in July 2020. Derbyshire's rate for its ongoing responsibilities increased by 6.45% from £29.80 to £31.72 per pupil. The Authority is a gainer under the CSSB national funding formula.

The historic commitments element – which in Derbyshire's case, contributes to our Early Help offer - has been reduced by 20%, from £1.390m to £1.112m. This reduction was expected and broadly in line with previous assumptions. The figure is unlikely to change in the final settlement.

At the time of writing the final CSSB allocation for 2021-22 had yet to be confirmed. However, the only variable now is the number of children in mainstream schools and

academies for October 2020, for which the Authority has its own robust estimate. The expected allocation is summarised in Table 1 below.

Table 1 – Estimated CSSB Allocation 2021-22

	2021-22
NFF multiplier	£31.72
Estimated October 2020 pupil census count	98,609
Total ongoing responsibilities	£3,127,877
Historic commitments	£1,112,000
Total Central School Services Block	£4,239,877

Given that the impact of any changes in pupil numbers will be marginal, the Authority considers it has enough information to make recommendations to the Schools Forum. The proposed allocation of CSSB funding for 2021-22 is set out in Table 2 below.

Table 2 – Proposed Central Schools Block spend

	2021-22	2020-21	
<u>Item</u>	£m	£m	Note
<u>Ongoing responsibilities</u>			
Admissions Service	0.559	0.559	No change
Schools Forum	0.041	0.042	Marginal reduction
Former ESG Retained duties (App 1)	1.680	1.652	See Appendix 1
Licences – estimate, TBC by DfE	0.639	0.620	DfE pay & recharge LAs. Forum approval not req'd.
Ongoing responsibilities sub total	2.919	2.873	
<u>Historic commitments</u>			
Contribution to combined budgets	1.112	1.390	20% reduction
Historic commitments sub total	1.112	1.390	
Total Central Services Schools Block	4.031	4.263	
Balance – (towards DSG deficit)	0.209	0.056	

3. Ongoing responsibilities

No changes are planned to the budgets for the Admissions Service and Schools Forum. The existing Admissions Service budget will absorb the impact of any inflationary pressures. The Schools Forum budget reflects the costs of officer time in researching, producing and presenting reports. The marginal reduction reflects the saving arising from the move from physical to virtual meetings.

The cost of the services previously funded by the Education Services Grant (ESG) has been estimated in Appendix 1. When this grant was subsumed into the CSSB element of the DSG in 2018-19, it was added to LAs' allocations at the rate of £15 per pupil. Since that time Derbyshire's CSSB per pupil has increased from £27.92 (including the £15 for these functions) to £31.72, an increase of 13.6%. Applying this increase to the

£15 baseline indicates a notional rate for these services in 2021-22 of £17.04, equivalent to £1.680m. This is broadly in line with the estimated cost of the services in Appendix 1 and this is the sum requested by the LA for 2021-22.

The final ongoing responsibility is for copyright licences. The DfE determine the amounts to be paid to the various copyright organisations at a national level and the cost is then recharged to LAs based on the number of pupils in schools and academies. The Schools Forum has no discretion in funding the amount recharged.

The licences covered by this arrangement are as follows:

- Copyright Licensing Agency: - copying text and still images from most books, journals and magazines plus a range of digital publications.
- Printed Music Licencing Ltd: - copying and arranging from printed music publications. The Copyright Licensing Agency administers this licence.
- NLA Media Access: - copying from newspapers and magazines. The Copyright Licensing Agency administers this licence and has information on copying from print and digital newspapers
- Educational Recording Agency: - recording and use of radio and television programmes and clips, including catch-up services like BBC iPlayer, for educational use. The Centre for Education & Finance Management administers this licence and operates a helpdesk for schools providing information about the licence
- Performing Right Society Ltd: - for musical performances. The Centre for Education and Finance Management administers this licence
- Phonographic Performance Ltd: - for playing recorded music. The Centre for Education and Finance Management administers this licence.
- The Mechanical Copyright Protection Society: - for making CDs and DVDs containing copyright music. The Centre for Education and Finance Management administers this licence
- Filmbankmedia and Motion Picture Licensing Company: - for showing films
- Christian Copyright Licensing International: - copying and projecting hymns and other Christian music

4. Historic Commitments

Derbyshire's £1.112m historic commitments allocation is a 20% reduction on the 2020-21 figure. This replicates the pattern of previous years (2020-21 was 20% lower than 2019-20). If a similar size reduction were applied in future years, as seems likely, then LAs' CSSB historic commitments allocations would cease by 2023-24.

The Authority is seeking permission to retain the full £1.112m in 2021-22. If the Schools Forum were to agree, the proposed budget for 2021-22 would continue to fund the contribution to the Authority's early help offer. The Council believes that this contribution from the DSG, alongside the funds the Council continues to allocate from its own resources and the financial investment made by individual schools and other partner agencies, will help to ensure that the most vulnerable children and their families

continue to receive the support they require. Further details on the early help offer itself are set out in Appendix 2.

From a purely practical perspective, it continues to be in the Authority's, schools and academies' collective best interests to commit the resources for early help once again as any reduction in reported planned spend is likely to reduce future years' CSSB grant allocations. As the name suggests, allocations of grant from the DfE are based on historic spend, if Derbyshire were to report a lower planned spend in 2021-22 our allocation for 2022-23 would be reduced accordingly, before any further national reduction was applied.

Final decisions on the level of CSSB spend are a matter for the Schools Forum. The LA is now seeking formal approval to be allowed to retain the amounts set out in Table 2 for 2021-22. If Schools Forum approval were not granted the Authority would have to make an application to the Secretary of State for Education for permission to retain the funding. The unallocated grant, £0.209m, is sufficient to cover the impact of any pupil data changes and/or variation in the DfE licencing costs recharge. Any unused CSSB funds would remain unallocated and thus help repay the accumulated DSG deficit.

5. Other Considerations

In preparing this report the relevance of the following factors have been considered: prevention of crime & disorder, equality of opportunity, finance, human resources, legal & human rights, environmental, health, property and transport considerations.

6. Background Papers

Held in Children's Services Finance.

7. Executive Director's Recommendation

That the Schools Forum

- (i) consider the report; and
- (ii) agree to the 2021-22 CSSB budgets requested by the Authority, as set out in Table 2 above.

JANE PARFREMENT

Executive Director for Children's Services

Item	Estimated Cost (£K)
Statutory and Regulatory Duties	
Director of children's services and personal staff for director (Sch 2, 15a)	118
Planning for the education service as a whole (Sch 2, 15b)	517
Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)	25
Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c)	231
Formulation and review of local authority schools funding formula (Sch 2, 15d)	78
Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e)	60
Consultation costs relating to non-staffing issues (Sch 2, 19)	-
Plans involving collaboration with other LA services or public/voluntary bodies (Sch 2, 15f)	-
Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)	11
Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)	-
Education Welfare	
Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)	-
School attendance (Sch 2, 16)	117
Responsibilities regarding the employment of children (Sch 2, 18)	35
Asset Management	
Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)	500
General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)	
TOTAL ESTIMATED COST	1,692

The Early Help service continues to offer provision across all localities through its Early Help Teams and the Parenting Assessment and Family Time teams. Since the review of the service in October 2019 early help has had just under 1,800 referrals. The top presenting issues for early help intervention have been:

- Mental health – 680 – 26% of total referrals
- Neglect/abuse – 363 – 14% total referrals
- Behaviour – 244 – 9.5% total referrals

In this period 1,300 Early Help intervention decisions have been made with the majority of these undertaking an early help assessment. Current involvement by early help teams includes a range of approaches including case work with individual families, parenting courses and specific work with families/children etc.

As with most services early help has been affected by Covid 19 in delivering its offer to families. However, the service has adapted to work creatively to manage this impact. The teams, where appropriate and necessary, have continued to provide face to face work including risk assessed visits to homes to ensure some families receive the right service including assessment work.

The service has also used information technology to communicate and offer work to parents and children where visits are not possible or essential. Family time for families in legal proceedings has been maintained through a blending of a face to face and virtual offer and this has worked well. The provision of group work including parenting courses has been more challenging due to social distancing, but creative use of technology has allowed this to be an ongoing offer to families.

Early help teams continue to work closely with schools and other agencies. The Vulnerable Children's Meetings held in each locality are ensuring cases are receiving the appropriate response with families being offered services across a wider range of agencies. Going forward the intention will be to build on this, growing an integrated early help approach across agencies.

The Transition Team was established in September 2019 following the Early Help Review. The focus of this service was to support the partnership, predominantly schools, to develop and deliver their own early help interventions with families. To date the Team have supported with around 400 cases – around 85% of these with schools. This has resulted in improved quality of assessments when there has been an Early Help Advisor involved. Anecdotal feedback from school forums is that this has also led to improved relationships between the department and schools.

Early Help Advisors within the Transition Team are supporting partners with training and briefing sessions so that pastoral workers and DSLs in schools are confident and competent in undertaking Early Help Assessments. Support is also provided around reducing parental Conflict, Voice of the Child, Graded Care Profile, Chronologies, genograms, CRE, LGBT+ awareness and Stronger Families Safer Children (Derbyshire's operating model).

The Early Help Development Officers and Early Help Advisors work alongside colleagues from Early Help to provide advice and guidance to schools regularly through the locality Practitioner Forums. The early help practitioner network meetings will continue to offer support to staff across a range of agencies to ensure consistency of practice and integrated working going forward.

The team have supported community youth groups across the County with applying for the Youth Action Grants leading to strengthened and more sustainable provision and help partners to understand that parents hold the keys to improving outcomes. The Youth and Community Engagement Workers (YCEWs) have focussed on strengthening capacity within communities to

become more resilient. They have developed the Community Directory - which lists a wide range of support available for families to access – and has been incredibly well received by colleagues in schools.

The Employment and Education Team are in place to support 16-18 year olds who are either NEET or whose educational placement is unknown.

The team have worked really hard with schools around intended destinations, September Guarantee and progression reports. Each secondary school has a linked Employment and Education Officer who has a focus on partnership working. Over the last year the performance of the team has been in the first quintile nationally. We are working closely with colleagues in Elective Home Education (EHE) to strengthen our offer to EHE young people in year 11, and we are also working closely with Youth Offending Service.