

Swindon Borough Council

Schools Forum

Tuesday, 6 October 2020

In Public Virtual Meeting - LiveStream at 4.00 p.m.

Maintained School Members:

Rhian Cockwell
Lindsey Hull
Kate Highan
Alison Lowe
Ray Williams

Primary Headteacher
Pupil Referral Unit Headteacher
Special Headteacher
Primary Headteacher
Primary Governor

Academy Members:

Bob Buckley
Nick Capstick
Gary Evans
Fiona Godfrey
Sherryl Bareham
Bob Linnegar
James Povoas
Karen Pyman
Jackie Smith
Clive Zimmerman

Mainstream Academy
Special Academy
Mainstream Academy
Mainstream Academy
Mainstream Academy
Mainstream Academy
Mainstream Academy
Mainstream Academy
Special Academy
Mainstream Academy

Non-School Representatives:

Andrew Henstridge
Emma Lindsay
Jo Morris
Peter Smith
Steve Wain

Clifton Diocese
Diocese of Bristol
Early Years
Trade Unions
16-19 Partnership

Observer Status

Education Funding Reform Team

Committee Officer: Rita Glen Gallo, 07980 752051, rglen-gallo@swindon.gov.uk

Swindon Borough Council can be contacted at the Civic Offices, Euclid Street, Swindon, SN1 2JH (Telephone 01793 445500)

AGENDA

Note

The link for the public session of the meeting is here:

[Public Link - Schools Forum](#) - This link will only be active for the duration of the meeting

[Help to view the meeting](#)

1. Apologies for Absence

2. Declaration of Interest

Members are reminded that at the start of the meeting they should declare any known interests in any matter to be considered, and also during the meeting if it becomes apparent that they have an interest in the matters being discussed.

3. Minutes of Previous Meeting (Pages 5 - 18)

To receive the minutes of the meeting held on 7th July 2020.

4. Public Question Time

For this meeting, any questions must be sent in writing to CommitteeServices@swindon.gov.uk by no later than 16:00 time on 2nd October 2020 (two days before the meeting so that questioners can be sent instructions on how to join the meeting for that item. The question(s) and response(s) will be posted on the Council's website as an Annex to the Minutes.

5. DSG Retained Budget Monitoring (Pages 19 - 26)

6. Monitoring of School Balances (Pages 27 - 40)

7. Schools Forum Membership and Update (Pages 41 - 46)

8. Early Years Paper (Pages 47 - 52)

9. Schools Block Update (Pages 53 - 58)

10. 2020-21 DSG High Needs Budget Update (Pages 59 - 66)

11. 2020-21 Covid 19 Finance Update (Pages 67 - 70)

Date of Despatch: 29 September 2020

Public Question Time - Swindon Borough Council remains committed to increasing its accountability to the public and to promoting active citizenship. 15 minutes will be allowed at the start of all Council meetings for questions to the Chair from the public about the work of the Committee (except for confidential matters, and matters relating to planning and licensing applications). We will give priority to those who submit questions in writing at least two days before the meeting. Questions must be relevant, clear, and concise. You may not use Public Question Time as an opportunity to make speeches or statements.

The deadline for public questions is: 16:00, Friday, 2nd October 2020.

Questions in writing should be sent to the Committee Officer whose contact details appear on the agenda above or to the Chief Legal Officer, we will publish it, along with the answer, alongside the Minutes. The process associated with asking a public question is set out in the [Public Question Time at Council Meetings Protocol and Guidance](#), which is available on the Council website or from the Committee Officer named above. A privacy note about how we record Public Questions is available here: [Publication of public questions and questioners](#)

SCHOOLS FORUM

TUESDAY, 7 JULY 2020

Maintained School Members:	Rhian Cockwell, Primary Headteacher Kate Higham, Special Headteacher Lindsey Hull, Pupil Referral Unit Alison Lowe, Primary Headteacher Ray Williams, Primary Governor
Academy Members	Sherryl Bareham, Mainstream Academy Bob Buckley, Mainstream Academy Nick Capstick, Special Academy Gary Evans, Mainstream Academy Fiona Godfrey, Mainstream Academy Bob Linnegar, Mainstream Academy Karen Pyman, Mainstream Academy Jackie Smith, Special Academy Clive Zimmerman, Mainstream Academy
Non-School Representatives	Andrew Henstridge, Clifton Diocese Jo Morris Golds, Early Years Peter Smith, Trade Unions
Officers:	Gareth Cheal, Interim SEND Lead, Education Jo Godwin, Interim SEND Lead, (SEN) Dawn Sexstone, Head of Finance Phil Wirth, Principal Solicitor (Litigation)

Apologies for absence were received from Steve Wain (16-19 Partnership), James Povoas (Mainstream Academy) and Emma Lindsay (Diocese of Bristol).

1. Declaration of Interest

The Chair reminded Members of the need to declare any known interests in any matters to be considered at the meeting. No declarations of interest were made.

2. Minutes of Previous Meeting

Resolved: That the minutes of the meeting held on 15th January 2020 be confirmed and signed as a correct record.

3. Public Question Time

In accordance with Standing Order 28, Mr Alastair Dixon - Patterson of Lydiard Park Academy, Swindon, submitted written questions regarding costs of first tier tribunals for appeals against placements listed in Education and Health Care Plans. He further enquired on the delivery of laptops by the government under the Covid-19 Scheme.

The Chair said that a written response had been provided and circulated to all members. Mr Dixon-Patterson sought clarification on the responses and asked a supplementary question regarding funding for pupils requiring more than their entitlement of 50% special resource provision. The Chair responded at the meeting but due to the nature of the subject, undertook to provide an in-depth written response.

4. Dedicated School Grant Retained Budget Monitoring 19.20

The Head of Finance, Children Services, submitted a report regarding the final position of the 2019/20 retained Dedicated Schools Grant (DSG) budget following closure of the Local Authority's 2019/20 final accounts. The report provided information on the 2019/20 DSG allocation and outturn position. She explained that at end of February 2020, the projection was an overspend of £1.859m and that at the end of the financial year, the outturn position was a £1.988m overspend. She gave an overview on how the DSG was allocated in 2019/20, referring to the delegated, centrally retained and High Needs Special Educational Needs (SEN) budgets.

The Head of Finance referred to the financial movement over the year which included a) a decrease of £3.395m in DSG funding receivable; b) the £0.708m pressure to provide free nursery education; c) the £2.004m pressure for high needs top-ups due to an increase in demand and complexity of needs of children and young people; d) £0.182 pressure for external placements; and e) a High Needs Contingency of £0.150m partially mitigating the pressure in High Needs Top ups, External Placements and Post 16 provision resulting in £0.150m below budget.

Resolved: That it be noted that:

(a) The final outturn position on the 2019-20 retained budget will be £1.988m over budget.

b) After allowing for the outturn position and the current DSG reserves, the DSG balance will be a deficit of £1.679m.

5. 2020_21 Dedicated School Grant High Needs Budget reform

The Interim SEND Lead, Education, submitted a report on the latest and projected position for the Swindon Dedicated Schools Grant (DSG) High Needs block. It also referred to the SEND and Inclusion Strategy, the Written Statement of Action and how the proposals contained a link to the 3-year action plan agreed by the Strategic SEND Board.

The Interim SEND Lead, Education, explained that a partnership approach between parents and carers, leaders in education across all settings in Swindon, political leaders, officers and members of Schools Forum was essential to address the need to achieve a balanced High Needs budget position by 2023. He explained that this approach was necessary to ensure a sustainable, fair and equitable use of the High Needs budget for special educational needs and disability and alternative provision and referred to the strategic direction and clear process for decision making to deliver on these requirements.

The Interim SEND Lead, Education updated members on the DSG High Needs budget and the banding tool which would be reported on at the Schools Forum meeting in January 2021. He elaborated on the merits of transferring £0.454m

from high needs funding that had been allocated for children under statutory needs assessment to the Inclusion Forum, enabling the Forum to deliver new working practices. He explained that children under assessment would still be able to access funding, but this would be undertaken through different processes, enabling early intervention measures to be implemented.

The Head of Finance, Education updated members on the 2020/21 DSG High Needs budget and referred to the funding and expected expenditure pressure for 2020/21, which was £1.469m. She drew attention to the percentage increases in expenditure for the High Needs top-ups, place funding and other High Needs budgets and explained that after the Education and Skills Funding Agency additional place funding allocation, there would still be a High Needs funding pressure gap of £1.470m.

Following the introduction of the report, Interim SEND Lead, Education together with the Chair responded to members' comments and questions in respect of the following matters:

- How the changes proposed in the report would impact schools.
- The correlation between the educational landscape in Swindon and the need to become part of the National Behaviour Hub project led by Tom Bennett DfE Behaviour Adviser.
- The ability for Swindon to prepare an expression of interest enabling 20 Swindon schools to become part of the National Behaviour Hub project.
- The need for clarity on how the Inclusion Forum would operate and how the transference of £0.454m would improve the system.
- How the proposed audit trail to be implemented by the Inclusion Forum differed from the current one.
- The difference in support, processes and time frames between the current funding provision for children and young people pre EHCP assessment and the one to be implemented by the Inclusion Forum.
- The reasons for allocating top-up funding to children and young people undertaking pre EHCP assessments.
- How the Inclusion Forum would be transparent in its work to safeguard children and young people including those already in the system.
- Confirmation that schools would be able to submit a funding request to the Inclusion Forum for children and young people prior to their EHCP assessment.
- How future proposals would include collaborative work between the Inclusion Forum, the Inclusion Team and the Early Years setting.

Resolved: (1) That Schools Forum agreed to:

- a) The High Needs Banding tool, subject to the process set out for testing and fine-tuning of values, which will be reported to Schools Forum in January 2021.
 - b) Option 3 for the future phased implementation and transition arrangements of the new banding tool.
- (2) That the Interim SEND Lead, Education be requested to circulate further information regarding the expression of interest in being part of the National Behaviour Hub project led by Tom Bennett DfE Behaviour Adviser.
- (3) That the Interim SEND Lead, Education be requested to circulate further information on the Inclusion Forum to include working practices, application process and timeframe from request to allocation of funding.
- (4) That further to (3) above, the Interim SEND Lead, Education be requested to

undertake an e-mail vote with Schools Forum members to determine if the transfer of £0.454m would be made to the Inclusion Forum.

(5) That further to (4) above, the Interim SEND Lead, Education be requested to include an update on the decision made by members in his report at the next meeting of the School Forum on the 6th October 2020.

(6) That Schools Forum notes the:

a) Estimated DSG deficit at the end of 2020/21 was £3.148m.

b) DSG High Needs budget allocation for 2020/21.

6. 2020_21 Dedicated School Grant Deficit Recovery Plan

The Interim SEND Lead, Education, submitted a report on the need of a Deficit Recovery Plan within the High Needs Block of the Dedicated Schools Grant and explained that the report supported the SEND and Inclusion Strategy, the Written Statement of Action and the proposals agreed by the Strategic SEND Board. He confirmed that in previous years, a deficit recovery plan was only required to be drawn up when there was a deficit of 1% of the total of DSG and explained that due to changes in regulations by the Department for Education (DfE), a deficit recovery plan was now required if the DSG was in a deficit and that a 3 year recovery plan was to be implemented.

The Interim SEND Lead, Education drew attention to an estimated DSG Deficit of £3.148m by the end of 2020/21 and how Swindon Borough Council's Cabinet requested a three year recovery plan be put in place to ensure a balanced DSG position by the end of the 2022/23 financial year. He advised that the High Needs Block was currently putting pressure on the DSG budget and would be subject to a detailed review. He also drew attention to the challenges, including the increase in demand for EHCP assessments, which was higher in Swindon as compared to the South West and statistical neighbours. The Interim SEND Lead, Education referred to the timeline to review the demand and high level budgets with key stakeholders.

In response to a question regarding funding out of borough placements, including post 19 placements, the Interim SEND Lead, Education confirmed that this area, along with others, would be included in the review. Members noted that wraparound support would be provided to the benefit of the children and young people and up-skilling of staff would be undertaken as and when needed.

Resolved: (1) That Schools Forum notes:

a) That the DfE requires a DSG Deficit Recovery Plan.

b) It will be required to provide a strategic steer on whether place funding, top up funding, services or a combination of these should be identified to prepare proposals for a Deficit Recovery Plan.

2) That Schools Forum agrees the timeline to draw up a Deficit Recovery Plan.

3) That the Interim SEND Lead, Education be requested to submit a report reflecting proposals for the recovery plan at the Schools Forum meeting on 5th January 2021.

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Submitted for meeting 10th March 2020

In accordance with Standing Order 28, Mr Alastair Dixon-Patterson, Director of Finance and Operations, Lydiard Park Academy, submitted a number of questions for consideration. Mrs Anne Mackay, Finance Manager – Education, responded.

1. Question:

How much actual cash has been paid by Swindon Borough Council directly to schools from the social care budget to support EHCP's since 1st September 2017?

Response:

Swindon Borough Council (SBC) does not make payments to Schools/Academies from Social care budgets. The question refers to EHC plans but for Social care a child or young person (CYP) having an EHCP does not mean they will also be in receipt of social care support. Any eligibility would be based on the CYP assessed needs meeting the social care threshold for statutory intervention following the assessment process. Some pupils in schools may be receiving support from social care but that will be for assessed social care needs and would be provided directly to the child/young person and/or family.

2. Question:

How much actual cash has been paid by NHS directly to Swindon schools to support EHCP's since 1st September 2017?

Response:

If any cash is paid directly to schools by NHS it will not be known to SBC, you would need to ask all schools and academies directly.

3. Question:

How many staff (FTE) does SBC employ directly using DSG and what are their duties and responsibilities. How is this cost tested to demonstrate the statutory obligation to deliver best value when using public funds, when was it last tested and what was the outcome? What benchmarks are used to test?

Response:

No employees are directly employed by SBC using 'DSG' which we have clarified as DSG Schools Block. Schools block is ringfenced and can only be used for (a) Individual mainstream school (and academy) budgets, (b) Pupil Growth funding retained by the council for planned growth and (c) if agreed by Schools Forum or the Secretary of State, the transfer of funding to the DSG High Needs Block or other funding blocks within the DSG.

4. Question:

How many staff (FTE) does SBC employ directly using High Needs Block and what are their duties and responsibilities. How is this cost tested to demonstrate the statutory obligation to deliver best value when using public funds, when was it last tested and what was the outcome? What benchmarks are used to test?

Response:

Further detail will be provided within the four weeks previously stated, please note that the only High Needs retained budgets with direct staff costs are:

- Portage

Comprehensive information provided by the service lead attached.

- Hearing Support Team

There are currently 4.6 FTE teachers of the deaf working for Swindon Borough Council, this will be reviewed in April for September but is likely to remain at about the same level.

There are 342 CYP on active caseload who receive direct teaching, assistive technology as appropriate, training and advice to schools and settings and family support as required.

There are 435 in total on request/information training.

There were 57 new referrals last year including the support for New Born Hearing Screening which requires a response within 48 hours of confirmed diagnosis.

Of these 73 CYP have an EHC plan, 40 of which have Hearing Impairment/Deafness as their primary need.

The teachers of the deaf hold qualifications in order to fulfil the mandatory competencies as outlined by the DfE (formally NCTL) 2015.

The new manager started in early February and reported they are not aware of previous Best Value comparisons at this time

In terms of Finance, when they were working at a previous authority with a commissioned Service across 6 Unitary Authorities, visits (at 1.625 hours) were costed at approximately £100 + VAT per visit which included travel, report writing as well as Quality First Teaching. When Best Value reviews were conducted, some Authorities were paying about £60 per hour for a visit but this did not include report writing, attendance at meetings EHC, FSP Social Care etc or travel and overall costs came out about the same.

Advisory teacher services funding is provided from the High Needs block to some schools and academies to provide services to pupils in the wider school community.

You will need to ask the schools and academies directly if you wish to widen your question to include them as this is not data that we hold centrally.

5. Question:

How many staff (FTE) does SBC employ directly using Central Schools Services Block and what are their duties and responsibilities. How is this cost

tested to demonstrate the statutory obligation to deliver best value when using public funds, when was it last tested and what was the outcome? What benchmarks are used to test?

Response:

Within the Central Schools Services Block there is the Admission team: Admissions 7 employees

In terms of duties and responsibilities, we are a Statutory Service that coordinates all admissions applications in Swindon for all schools. This includes the point of entry for those that are going to Reception, Infant to Junior and Primary to Secondary. We also coordinate In Year Admissions for all schools, therefore we process every application for every child in Swindon, or moving to Swindon. We are the Admitting Authority for Community and Voluntary Controlled Schools which means we are directly responsible for the admissions policy and catchment areas for these schools, and their publish admissions numbers and we have a duty to consult on these. We have a statutory duty to formulate and consult on the admission arrangements scheme for the Point of Entry each year. We also have a duty to ensure that each school is adhering to the School Admissions Code and Appeals Codes, and that admissions are dealt with timely and fairly.

The team structure and budget was last reviewed in April 2019 when it was restructured in reaction to volume of work and changes in processes to move admissions more online. This resulted in a reduction in staffing. In terms of benchmarking we review the per pupil cost for Admissions against our statistical neighbours in the Section 251 budget which is a public document. This lists Swindon as £7 per pupil against its statistical neighbours which ranges from £4 to £10, and is under the average which is £8. This is fantastic value as Swindon Admissions Team fully coordinate in-year admissions, which is something that not all LAs do.

6. Question:

What are the top 3 core factors contributing to the expected DSG deficit outturn of £1.782million for 2019/2020 and how is the LA intending to ensure those same factors do not occur in the coming year?

Response:

The highest reason by far is the level of demand for statutory assessments and plans (3.9% EHCPs compared to 3.1%) . We have established that we were at national average, we would be well within HNB. We continue to increase at above the national level of increase with increased demand also for special school placements which as nationally is identified as the most significant reason for high needs overspend. Initial proposals to address the overspend (transition to non-funding of children without plans and 0.5% transfer were both voted against by Schools Forum. 2,281 EHCPs currently require annual reviews- the work required for compliance and to drive the quality of annual reviews is considerable and capacity is unlikely to be sufficient to do this work even with the increased LA funding for the statutory team (C.£600,000) due to the rate of demand increasing even higher this

academic year compared to last. The authority is aware of the shared responsibility for meeting SEN needs with partners across the education system and is working on initiatives such as the Core standards and the request process for statutory assessment to ensure a clearer record of spend on the graduated and whole school approach (Code of Practice 6.95-6.99, High Needs Operational Guidance paras 82-84). This is to achieve a firmer evidence base for constancy or approach, audit trails for high needs funding decisions and evidence of provision maps that deliver best value.

Presentations to the SEND Local Area Moving Forward event and the Sufficiency round table provided statistical and projection information on the demand for EHC assessments and plans and on the demand management work which has started to capture the potential impact of development such as core standards and the new inclusive banding tool (resource allocation). This is being co-designed to ensure a clear and transparent tool for resource allocation into which at least 95% of EHCP top ups are expected to be included. The budget envelope for top up funding is not expected to be stabilised at current levels for the purposes of phase 2 financial modelling. Financial modelling will be completed once parties approve the tool as the mechanism for the modelling. We have already started moving to a different way of working for the children funded without plans through local inclusion forums, with a model informed by a successful version in South Gloucester. Contact from head teachers in Swindon with head teachers in South Gloucester would be very helpful to develop this initiative. The main direction of travel is invest to save in more effective earlier intervention and a more robust evidence base for any financial decisions. As per the shared responsibility for SEND, all partners will be required to play a lead role in making changes to the 3 core factors contributing to the overspend and in delivering a Deficit Recovery Plan

The response from the local authority is to commence a demand management and sufficiency work streams and to ensure this work is completed in partnership and to propose and support a High Needs Working Group as a sub-group to the schools forum.

As members of schools forum who have attended recent area events will be aware the SEND transformation plan being established to support the implementation of the SEND and Inclusion Strategy. The Local Authority have sought advice from partners on weighting of the [prioritisation matrix and the move from the long list of activities to a shortlist which we can then develop over 3 years. The Local Authority is very aware that this work fits within the arena of the shared duty to co-operate in matters relating to SEND and the High Needs Budget.

High Needs Work programme

- 1) Move towards more preventative work and within this a more consistent application of the graduated response (early help initiatives including pre birth to 5 strategy, core standards, inclusion forum, development of high needs guidance)
- 2) SEND and Inclusion Strategy investing in partnership working to increase capacity and confidence in mainstream sector- sufficiency strategy/ outreach /capital programme

- 3) Key lines of enquiry including deep dives into children funded without plans, high cost out Borough placements, FE outcomes, targeted audits in relation to decision making outlined in paragraphs 6.96-6.99 in the Code of Practice to inform a best value model for use from April 2020
- 4) Commencing work on a deficit recovery plan

The Strategic Commissioner SEND has just attended a regional meeting and in another area of the South West, the Schools' Forum have agreed to fund a monitoring team in the central SEND team and significant impact is being seen through the monitoring of individual commissioning through closer working with individual schools. This team also addresses the issues arising from targeted audits for example the impact of EHCPs through annual reviews, best value reviews of school spend on SEND. We plan to discover more information from Torbay who are particularly leading on this work and for South Glos who are ahead of us with a successful sector led approach to the inclusion forum. These are examples of initiatives which will go forward to the SEND Transformation Plan. Work has occurred at three multiagency to gather views on prioritisation. The High Needs Working Group report to School's Forum is scheduled for the 20th May meeting and will have this focus.

7. Question:

Based upon the figures and documents presented to the January Forum (15th January 2020) plus discussion during the meeting:

- a. Given the forum vote in December 2019 not to agree the disapplication regarding the .5% transfer, why was the disapplication request not withdrawn?
- b. Is the £.352 high needs balance figure used in table 6 (page 16) the same as the £.353 million figure shown in table 12 (page 25)? If it is supposed to be the same, why is it different?
- c. If it is, why has the LA taken DSG funds to balance the high needs budget without Schools Forum agreement when Forum has specifically indicated that it does not support use of the DSG to top up the High Needs Block?

Response:

- a) Schools Forum were asked to agree the transfer of 0.5% of Schools Block to High Needs block following a consultation with all schools and academies, Schools Forum did not approve. Schools Forum were informed of the LA's decision to apply for a disapplication to request that the Secretary of State approve the 0.5% transfer of Schools Block to High Needs Block.
- b) It is the same, one value is rounded but we will ensure consistency in future reports.
- c) If the question refers to DSG Schools Block then the LA has not 'taken' funds but has submitted a disapplication to the Secretary of State for them to review.
If the question refers to DSG reserves then at the 16th January 2019 Schools Forum meeting Schools Forum requested that DSG reserves were used to balance the High Needs budget gap when they did not approve the transfer of 0.5% from Schools Block to High Needs Block. This was ratified by a vote of Schools Forum at the 16th July 2019 meeting as per the section from the DSG Budget report below:

“3.23 During the 16th January 2019 Schools Forum meeting, Schools Forum did not approve the transfer of 0.5% of DSG Schools Block to the High Needs Block. Members will remember they requested that £0.352m of DSG reserves be used to settle the 2019/20 DSG High Needs budget gap. Schools Forum members are now requested to formalise this request by voting to give approval for the use of DSG reserves for this purpose.” This was agreed by all.

8. Question:

Specifically, what services and tasks are delivered for the following High Needs Budget lines and how is the success of that measured?

- i. All DSG Budgets
- ii. Education Support Services Monitoring
- iii. Notional SEN supplements (Mainstream)

Response:

All DSG Budgets

This is the contribution to central support costs, it is shown as one value for the whole DSG high needs block in both Schools Forum and budget monitoring reports for transparency.

The central support costs include but are not limited to Legal, Committee Services, Business Support, Financial Support, Insurance, Credit Control, Property Services, IT, Print and Post, internal audit, HR and Payroll, Procurement.

The contribution has remained the same value for a number of years and has not increased in line with increases in activity or demand or increases in funding. Another SW LA is collating central support charges for the SW as a percentage of the overall DSG rather than just the DSG High Needs block, we have responded with SBC values so we will soon have the collated information for benchmarking.

In 2018/19 the contribution was 1.897% of the DSG High Needs block and for 2020/21 the contribution will be 1.674% of the DSG High Needs block £34.011m.

Education Support Services Monitoring

The funding has been spent on reviewing the Advisory Teachers' services this year (£6,000 allocation- final invoice awaited

Deployment of senior managers to the advisory teacher review – total of 10 days[(£4,000 notional cost.)

The Local Authority has absorbed the management costs of the hearing support service over this last year and is absorbing the costs of the therapy review

Notional SEN supplements (Mainstream)

This budget is paid in entirety to schools and academies based on a local formula calculation following the receipt of the October census. The formula takes into account funding allocated through the local funding formula for Low Prior Attainment and all deprivation funding, of which for this calculation, 40% is deemed SEN and a small but flexible percentage of AWPU (0.79% in 2018/19 to ensure that the budget is maximised but not overspent). These values are used to calculate a Notional 'Income' value which is then compared to a Notional 'expenditure' value for the number of Low Prior Attainment pupils in the formula and also the number of pupils with an EHCP or in receipt of Funding only. Where a school has a higher Notional income value no action is taken, where a school has a higher Notional expenditure value the school is provided with funding from the Notional SEN budget so that the Notional Income and Notional Expenditure values are the same.

9. Question:

Why is the High Needs Block supporting PFI costs and what PFI costs is it supporting?

Response:

Two special schools on the Learning Campus in North Swindon are PFI schools, funding is delegated to these schools as it is to PFI mainstream academies, the special schools' funding is 100% from the High Needs block and no other DSG funding block, although they are now academies and will receive the majority of their commissioned place funding directly from the ESFA.

10. Question:

SRP Academy places should have increased with the move of two maintained SRPs to Academy SRPs so why is there a reduction in Academy SRP places?

Response:

As mentioned in the Schools Forum report, the draft high needs budget was reviewed again prior to SBC's corporate deadline at the end of January, the revised budget will be presented to the next schools forum meeting. Prior to the review the place funding budget for 19/20 in year converter SRPs was still aligned with maintained SRPs. The net position for all SRP commissioned place funding following a review of vacant places is a pressure of £25k when compared to 2019/20, this is due in the main to the cost of vacant places which are £10k from the High Needs budget rather than £6k plus mainstream funding. There were small in year changes in places budgeted in 2019/20 so the increase in budget does not appear as a linear £4k per place as other minor factors need to be taken into consideration.

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Submitted for meeting 7th July 2020

In accordance with Standing Order 28, Mr Alastair Dixon-Patterson, Director of Finance and Operations, Lydiard Park Academy, submitted a number of questions for consideration. Mr Gareth Cheal - Interim SEND Lead, responded.

a) Question:

How much, on average, does the Local Authority spend defending a case at the first tier tribunal for appeals against placements listed in an Education and Health Care Plan? This should include all direct and indirect costs.

Response:

The length of tribunals does vary a lot dependent on the complexity of the case, for the purpose of this figure we have based the tribunal costs on 40 hours of staff time. SBC do not apportion their overheads to specific service areas which means I am unable to provide you with the indirect costs of a Tribunal. Therefore the direct costs of a tribunal is £1,080.

b) Question:

Which budget within the High Needs allocations funds this work?

Response:

The Special Educational Needs and Disability Assessment and Commissioning team (SENDACT) is not funded by the High Needs block and does not sit within the DSG, it is part of the Education teams Core budgets.

c) Question:

What process is applied to specifically test the value for money decisions (given this is use of public funds) when assessing each case?

Response:

The test is applied by a Judge in their case order in the format of their feedback. We undertake quarterly thematic analysis of Tribunals and feed this back to services to inform decision making and delivery.

d) Question:

On what date did the Local Authority actually receive the laptops allocated to it under the government COVID-19 scheme.

Response:

An answer has already been provided and correspondence outside of Schools Forum. The laptops were received on the 3rd June 2020.

e) Question:

Are schools with Special Resource Provisions (SRP) expected to use their mainstream funding to top up funding shortfalls in the SRP funding?

Response:

An SRP is able to use core funding which includes place and notional funding as well as high needs element 3 funding to support children with an EHC plan. Where provision is specified in an EHC plan, there is no statutory requirement that top-up funding is provided at a particular rate requested by a school or institution.

The guidance enables the local area to set 'banded' funding systems which is the current model used within Swindon. Therefore, individual Annual Reviews of EHC Plans are the appropriate mechanism for reviewing a child's assessment needs, provision and the funding required to meet their needs. An SRP is able to submit a change of funding request as an appendix to an Annual review of an EHC Plan the detail of this is considered by a multi-agency panel with school representation and a decision made on the funding required to deliver the specified provision.

For clarity, high needs funding (inclusive of funding for children in an SRP) should not meet financial costs or overheads attributable to other budgets within the school. It should not meet financial cost that relate to expenses that the school would have to meet even if it had no pupils or students with high needs (for example, the salary of the SENCO required by all mainstream schools).

2020-21 Dedicated Schools Grant Budget Position

Schools Forum

Date: 6th October 2020

Author:	Head of Finance – Children Services
Wards:	All
Locality Affected:	All
Parishes Affected:	All

1. Purpose and Reasons

- 1.1 To advise Schools Forum members of the latest projected 2020-21 Dedicated Schools Grant (“DSG”) retained budget position.
- 1.2 The Local Authority (“LA”) is required to report the position on the DSG budget to the Schools Forum throughout the year and at the financial year end. This report provides Forum Members with the projected year end position against the 2020-21 retained budgets based upon available information at the end of August 2020. In accordance with grant conditions, the year-end DSG balance (whether positive or negative) is ring-fenced and must be carried forward to the following year, and the Schools Forum must be consulted on how the surplus or deficit is managed.
- 1.3 The retained DSG budget is monitored in accordance with standard Swindon Borough Council (“SBC”) budgetary control procedures and a report is submitted to the Inclusion and Achievement Leadership Team each month. Updates are also periodically provided to Corporate Management Team, Cabinet and the People’s Services Leadership Team (“PSLT”).
- 1.4 Utilisation of the DSG contributes towards delivering the Council Vision Priority “Offer education opportunities that lead to the right skills and the right jobs in the right places”.

2. Recommendations

The Schools Forum is recommended to:

- 2.1 Note that the latest projection on the 2020-21 retained budget is an out-turn position that will be **£1.980m** above budget (Para. 3.2)
- 2.2 Note that following the projected out-turn position, the DSG balance will be a deficit to be mitigated of **£3.659m** (Para. 3.5)

3. Detail

Latest 2020-21 Retained Budget Position

- 3.1 As reported to Schools Forum on January 2020 the overall value of the 2020-21 centrally retained DSG budget is £38.62m.

Further information on the subject of this report can be obtained from Dawn Sexstone, Head of Finance – Children Services, dsexstone@swindon.gov.uk.

2020-21 Dedicated Schools Grant Budget Position

Schools Forum

Date: 6th October 2020

- 3.2 The budget monitoring position is based on information at the end of August. This shows that the projected out-turn position is forecast to be **£1.980m** above the overall budget. Attached at Appendix A is the DSG budget monitoring report for August 2020.
- 3.3 The main variances are related to increasing demand for High Needs Top ups, the forecast based on known demand and agreed placements as at the end of August is **£1.691m**.
- 3.4 There is an increase in take up for Disadvantaged 2 year olds and 3 and 4 year old universal and 30 hour provision, additional funding will offset this increase. Due to Covid-19 additional sustainability funding payments have been made to Early years setting, but will not be fully covered by the funding due to the number of places being higher than expected.
- 3.5 Following the projected forecast pressure of **£1.980m** and the 2019/20 brought forward deficit of **£1.679m**, the value of the unallocated DSG balance will be a **deficit of £3.659m**.
- 3.6 The LA is working with Schools forum on the Deficit recovery plan which will look to bring the deficit down over the next few years. In July it was agreed by Schools Forum that the Deficit recovery plan will go back to them in January 2021.

Members of the Schools Forum are now asked to:

- Note that the latest projection on the 2020-21 retained budget is expected to be **£1.980m** above budget (Para. 3.2)
- Note that following the projected out-turn position and settlement of the DSG High Needs budget, the DSG balance will be a deficit to be mitigated of **£3.659m** (Para. 3.5)

4. Alternative Options

- 4.1 There are no proposals included within this report.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 Various financial implications are included in this report relating to management of the retained DSG budget.

Legal and Human Rights Implications

- 5.2 There are no legal or human rights implications arising from this report.
-

Further information on the subject of this report can be obtained from Dawn Sexstone, Head of Finance – Children Services, dsexstone@swindon.gov.uk.

2020-21 Dedicated Schools Grant Budget Position

Schools Forum

Date: 6th October 2020

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 This report does not make any recommendations that affect these areas.

Diversity Impact Assessment

- 5.4 As there are no proposals in this report, a DIA has not been completed.

Risk Management

- 5.5 There are no specific risk management implications not highlighted in the body of the report.

6. Consultees

- 6.1 The Director of Finance (Section 151 Officer) and the Chief Legal Officer (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 Appendix A – DSG Retained Budget Monitoring Report August 2020

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Report to: **Schools Forum**
 From: Dawn Sexstone, Head of Finance, Children Services
 Date: 18th September 2020
 Subject: **Budget Monitoring Report 2020-21 DSG**
 Period: P5 August 2020

1) Background

The Council's corporate budget monitoring timetable requires each Group to report its forecast outturn position each month and this report is based on the information available at the end of the August budget monitoring period.

A summary of how the 2020-21 DSG has been allocated is provided below.

Table 1 – DSG 2020-21 Overview

	<u>£m</u>	<u>£m</u>
<u>Delegated</u>		
Maintained Mainstream schools	35.512	
Maintained Specialist settings (Special Schools and SRP's)	5.7281	
Academy Mainstream Recoupment	112.825	
Academy Specialist settings (Special Schools and SRP's) Recoupment	5.121	
Post 16 Transfer for FE Colleges	1.482	
Advisory Teacher Services (excluding HI Service)	0.717	
		161.384
<u>Centrally retained for provision</u>		
Disadvantaged 2 year old nursery places	1.716	
Free Nursery Entitlement 3 & 4 year olds	13.087	
Advisory Teacher Services (HI Service)	0.317	
In Year Pupil Growth	0.101	15.2211
<u>High Need SEN</u>		
Portage, SEN equipment, Therapeutic services, Notional SEN etc.	1.312	
SBC top ups – mainstream settings	16.195	
HN Contingency	0.000	
Out of Borough placements	3.000	
Post 16 provision (new responsibilities)	1.725	
Exclusions income	-0.116	22.1158
<u>Centrally retained to cover SBC and other costs</u>		
Admissions, Free School Meal eligibility checks, school licences, equal pay etc.		1.025
		38.362
Total DSG Allocation		199.746
Total DSG Funding		198.277
Budgeted deficit position		1.469

2) High Risk Areas and Latest Projections

Commentaries on all the main variances have been identified and are provided below.

Table 2 – Monitoring position	Notes	Budget 2020-21 £'000	Forecast Variance Aug 20 £'000	Forecast Variance Jul 20 £'000
<u>High-Risk Areas</u>				
2 year old nursery place funding	2	1,716	185	185
Free nursery education (3&4 year olds)	3	13,188	664	518
High Needs Top ups (Mainstream and High Needs)	4	16,195	221	0
Notional SEN supplements (Mainstream)		326	0	0
External Placement Fees		3,000	0	0
HN Contingency	4	36	1,470	1,470
Post 16 HN Provision - New Responsibilities		1,725	0	0
School Exclusions / Dual registrations	5	(116)	167	157
Advisory Teacher Services - Hearing Support Team		317	0	0
Schools Equal Pay Claims		31	0	0
Subtotal High Risk Areas		36,418	2,707	2,330
Other Low risk retained budgets		1,444	(24)	0
Total Retained Budgets		37,862	2,683	2,330
Maintained School Budgets (Mainstream)		34,913	0	0
Maintained School Budgets (Specialist Settings)		5,641	0	0
Commissioned Services		434	0	0
Total DSG School Budgets		40,988	0	0
Total DSG Expenditure Budgets		78,849	2,683	2,330
Mainstream Academy budgets for recoupment		112,825	0	0
ESFA direct funding of High Need places		5,121	0	0
ESFA direct funding of Post 16 transfer FE Colleges		1,482	0	0
Total DSG Budget		198,277	2,683	2,330
DSG Funding allocation receivable	1	(78,849)	(703)	(703)
DSG Funding recouped by the ESFA for Academies		(112,825)	0	0
DSG Funding recouped by the ESFA for HN places		(5,121)	0	0
ESFA direct funding of Post 16 transfer FE Colleges		(1,482)	0	0
Total DSG Funding Budgets		(198,277)	(703)	(703)
Total DSG		1,980	1,980	1,627

The main reasons for the variances from budget are provided below:

Note 1 - DSG Funding Receivable

£0.703m increase in funding

The variance relates to an increase in Early years funding for both 2 year olds and 3/4 year old free nursery education. This is due to an increase in the Census figures from the spring census.

Note 2 – Disadvantaged 2 year olds:
Pressure

£0.185m

Increased take up for Disadvantaged 2 year olds, the estimated cost for the year is **£0.185m** above the budget of £1.716m.

The increased take up affects the funding as it is based on the actual pupil numbers at the spring census 2020 (5/12ths) and spring census 2021 (7/12ths). The increase pressure is offset by increased funding as per Note 1.

Note 3 – Free nursery education (3 & 4 year olds):

£0.664m Pressure

There has been an increase in the number of places which is being partially offset by an increase in funding (Note 1).

Due to Covid-19 there was a need for Early years settings to be supported in order to maintain settings for when children returns, this was done in the form of Sustainability payments to providers. The expectation was that these costs will be offset by a reduction in payments for places, but the number of places has not reduced in line with those expectations which have resulted in a net pressure of £0.146m.

Note 4 – High Needs Top ups:
Pressure

£1.691m

The 20/21 budget was set with a built in expected deficit of £1.469m against the High Needs block. This was due to a significant increase in both demand and complexity of needs of pupils. Further pressures in year of £0.113m is due to an increase in the number of requests for new EHCPs, for amendments to current plans and requests for funding without an EHCP have been received so far this financial year so there is a risk that the pressure for this demand led budget will increase. There has also been a reallocation of £0.108m costs relating to children with EHCP receiving 30 hours of top up funding in Early Years setting which had previously been applied to the Early years budget.

Note 5 – School Exclusions:

£0.167m Pressure

There is a pressure of £0.167m due to a reduction in the number of children being excluded from school. When a child is excluded the school makes a contribution to our exclusion team to support the young person's education requirements, the contributions have reduced but the fixed costs of running the service still remain

3) DSG Balance

In accordance with DfE grant conditions the DSG must be treated by the LA as being ring fenced for specified educational purposes and, in addition to consulting the Schools Forum on how each year's grant is allocated, the Forum must also be advised on any year end surplus or deficits. The forecast year end position is as follows:

<u>Table 3 – DSG Balance</u>	Latest Position
Opening DSG balance brought forward from 2019-20	£1.679m

Estimated out-turn deficit	£1.980m
DSG balance to be mitigated	£3.659m

Monitoring of School Balances

Schools Forum

Date: 6th October 2020

Author: Finance Manager – Children Services

Wards: All

Locality Affected: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 The Local Authority ('LA') is required to monitor the level of school balances held by maintained schools to provide assurance to the LA's Chief Financial Officer, Director of Children Services and Cabinet Member for Commercialisation, Education and Skills regarding the financial sustainability of individual schools. The LA must work with individual schools where balances are low or where there are strong indications that they will be low in the immediate future.
- 1.2 To advise Schools Forum members of the planned use of surplus balances accumulated between the 1st April 2020 and 31st March 2021 and an estimate of the balance to be held on the 31st March 2022 and 31st March 2023.
- 1.3 These proposals contribute towards delivering the Council Vision Priority "Offer education opportunities that lead to the right skills and right jobs in the right places."

2. Recommendations

2.1 The Schools Forum is recommended to:

- Note the schools' surplus balances brought forward at 1st April 2020 and the schools' committed use of these balances in 2020/21 and 2021/22 (Para. 3.6 and Table 1)
- Note the analysis of schools' planned use of surplus balances brought forward in 2020/21 (Para. 3.9 and Table 2).
- Note the indicative future balances to be held by schools at 31st March 2021, 31st March 2022 and 31st March 2023, taken from the three year budget plans submitted by schools in June 2020 (Para. 3.11 and Table 3)
- Note the number of schools forecasting low balances on 31st March 2020, 31st March 2021 and 31st March 2022 (Para. 3.12 and Table 4)
- Note the school balances claw back mechanism remains in place and the circumstances that need to apply for it to be implemented by the LA (Para. 3.14 to 3.17)

Further information on the subject of this report can be obtained from Richard Sykes, 07795 256546, rsykes@swindon.gov.uk.

Monitoring of School Balances

Schools Forum

Date: 6th October 2020

3. Background

- 3.1 The LA fully supports the principle that schools should hold a reasonable level of balances, which may be built up over a number of years, for strategic purposes as well as providing a degree of contingency funding for unexpected costs or funding reductions. At the same time the Forum has agreed that Schools should be challenged and held accountable for the level of balances they hold.
- 3.2 Schools are encouraged to embed effective financial management procedures so that their forecasting of year-end balances is accurate and they have a clear understanding of the resources available to them. Schools are measured on how effective they are and this report provides a summary of the schools' year end 2020/21 balances compared to the per pupil values agreed by the Forum. It also provides information on the schools' planned use of their balances.

Control of Balances Scheme

- 3.3 The main focus of the LA's control of balances scheme is to improve forecasting and encourage schools with surplus balances to utilise them effectively for the benefit of pupils already in school as is expected by the Department for Education (DfE). It is also very important for schools with relatively low balances to undertake accurate forecasting to avoid them encountering a deficit position.
- 3.4 Further background information and the Control of Balances Scheme can be found at **Appendix A** and the areas to be used for Committed balances at **Appendix B**.

Detail

Analysis of 2020/21 Estimated Year End Balances Returns

- 3.5 The LA is pleased to report that the balance returns continue to be included within the budget workbooks and therefore forms have been received from all maintained schools. A summary of the planned usage of surplus balances from 2019/20, the projected year end position and planned usage of surplus balances for 2020/21 is provided in table 1 below:

Monitoring of School Balances

Schools Forum

Date: 6th October 2020

Table 1 – Summary of balances and value of usage

Total opening balances brought forward 1st April 2020	Value committed for use in 2020/21	Sector	Total estimated 31st March 2021 balances	Value committed for use in 2021/22	Value uncommitted school balances expected at 31st March 2021
£2,666,459	£769,613	Primary	£2,315,814	£314,562	£2,001,252
£1,023,303	£305,000	Special/EOTAS	£882,225	£115,000	£767,225
£3,689,762	£1,074,613	Totals	£3,198,039	£429,562	£2,768,477
100%	29.1%	%	100%	13.4%	86.6%

- 3.6 The above table is based on submissions from schools that have been reviewed by the LA as part of its statutory role. There is a strong indication that overall balances are expected to continue to significantly reduce over the next three years from the value carried forward into 2020/21.
- 3.7 It is relevant to note that the school balances information refer only to maintained schools and exclude Academies.

Members of the Schools Forum are now asked to:

- **Note the schools' surplus balances brought forward at 1st April 2020 and the schools' committed use of these balances in 2020/21 and 2021/22 (Para. 3.6 and Table 1)**

- 3.8 Analysis of the schools' planned use of 2019/20 surplus balances during 2020/21 is shown in table 2 below:

Monitoring of School Balances

Schools Forum

Date: 6th October 2020

Table 2 – Planned use of March 2020 surplus balances during 2020/21

Reason	Number of incidences	2020/21 planned expenditure	2019/20 planned expenditure
Specific Premises Improvement	6	£367,900	£462,842
Provision for unplanned responsive premises maintenance works	2	£5,000	£120,550
ICT Investment	10	£159,700	£82,407
Workforce restructuring one off costs	3	£96,938	£8,000
Commercial / Traded Activities	1	£8,175	£0
Funds on behalf of other clusters	2	£17,421	£57,718
Other specific projects	7	£130,546	£106,943
Staff Absence Reserve	6	£74,880	£32,500
Purchase orders for goods ordered but not received by year end	7	£149,053	£100,204
Setting the new year budget	1	£65,000	£0
Total	18 schools	£1,074,613	£971,164

Members of the Schools Forum are now asked to:

- **Note the analysis of schools' planned use of surplus balances brought forward in 2020/21 (Para. 3.8 and Table 2)**

Indicative school revenue balances from three year budget plans

- 3.9 All maintained schools submitted budget workbooks showing their planned income and expenditure over the three financial years 2020/21, 2021/22 and 2022/23.
- 3.10 Table 3 below shows the actual revenue balances brought forward from 2019/20 and the indicative revenue balances for 2020/21, 2021/22 and 2022/23 and the number of schools predicting a deficit balance in any of the financial years. The deficit calculation includes the balance of the school plus any SRP or Advisory Teacher service but excludes community funds held. It also excludes any school that has converted to academy status by the date this report is published, 28/09/20.

Further information on the subject of this report can be obtained from Richard Sykes, 07795 256546, rsykes@swindon.gov.uk.

Monitoring of School Balances

Schools Forum

Date: 6th October 2020

- 3.11 The table shows that the revenue balances held by schools are expected to fall each year from the balance brought forward into 2020/21 to 2022/23.

Table 3 – Revenue Balances				
Sector	31/03/20 Actual	31/03/21 Indicative	31/03/22 Indicative	31/03/23 Indicative
Primary	£2,666,459	£2,315,814	£1,645,986	£187,401
Special / EOTAS	£1,023,303	£882,225	£85,872	(£329,418)
Total	£3,689,762	£3,198,039	£1,731,858	(£142,017)
Change £		(£491,273)	(£1,466,181)	(£1,873,875)
Change %		(13.3%)	(45.8%)	(108.2%)
<i>Schools predicting a deficit balance</i>	2	0	1	9

- 3.12 Table 4 below shows the number of schools forecasting excess uncommitted balances on 31st March 2021. It also shows the number of schools forecasting low balances on 31st March 2021, 31st March 2022 and 31st March 2023.

Table 4 - Forecast revenue balances 2020/21 to 2022/23						
Sector	Target per pupil values	Forecast excess uncommitted balances at 31st March 2021	Minimum balance expected to be held	Forecasting low/deficit balances at		
				31st March 2021	31st March 2022	31st March 2023
Primary	£120	16	£20,000	4	4	14
Special / EOTAS	£800	1	£40,000	0	0	1
Total	-	17	-	4	4	15

- 3.13 General observations on the budget plans submitted by schools are:

- Two schools carried forward a deficit balance at the end of financial year 2019/20. The schools are being supported by the LA and expect to be in balance by the end of the 2020/21 financial year.
- One school in 2021/22 and nine schools in 2022/23 are forecasting deficit budgets. The LA will need to work closely with the schools over the next two years to help them to reduce their expenditure and ensure they do not go into deficit.

Further information on the subject of this report can be obtained from Richard Sykes, 07795 256546, rsykes@swindon.gov.uk.

Monitoring of School Balances

Schools Forum

Date: 6th October 2020

- A large proportion of School's have submitted budget templates showing in year structural deficits that are unsustainable as they lead to low or very low balances at the end of 2022/23.

Members of the Schools Forum are now asked to:

- **Note the indicative future balances to be held by schools at 31st March 2021, 31st March 2022 and 31st March 2023, taken from the three year budget plans submitted by schools in June 2020 (Para. 3.11)**
- **Note the number of schools forecasting low balances on 31st March 2021, 31st March 2022 and 31st March 2023 (Para. 3.12)**

School balances claw back mechanism

- 3.14 The focus of the LA balances control scheme is to encourage effective financial planning so that all schools have an accurate understanding of the levels of balances they hold. In line with DfE expectations the local scheme has scope for the LA to claw back excessive balances which would then be made available for distribution across other schools in the following years funding allocations.
- 3.15 The LA therefore retains the right to implement claw backs but only in circumstances where a school
- Is consistently inaccurate (RAG rated Red) in forecasting their year end balances for 2 consecutive years and does not provide adequate explanations
- and
- Holds relatively high balances .i.e. above 8%, 5% or 2% of ISB depending on the size of the school budget.
- 3.16 Where the LA believes that clawbacks may be applicable schools will be given an opportunity to defend their position prior to any claw back being proposed to the Schools Forum. Forum Members are advised that proposing claw backs is not the LAs preferred course of action but it would be inappropriate and unfair if any school had high balances that were not being adequately managed when funds could be used to raise standards in that school or be re-distributed to other schools where they could be spent on pupils.
- 3.17 It is important to acknowledge that forecasting is only one indication of how well schools are managing their balances and further information on school balances will be provided throughout the year to the Schools Forum.
-

Further information on the subject of this report can be obtained from Richard Sykes, 07795 256546, rsykes@swindon.gov.uk.

Monitoring of School Balances

Schools Forum

Date: 6th October 2020

Members of the Schools Forum are now asked to:

- **Note the school balances claw back mechanism remains in place and the circumstances that need to apply for it to be implemented by the LA (Para. 3.14 to 3.17)**

4. Alternative Options

- 4.1 There are no alternative options presented in this report.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 LA's and their Schools Forums are required to monitor the level of balances held by schools and to ensure local arrangements are in place which ensure excessive balances are not held

Legal and Human Rights Implications

- 5.2 There are no legal or human rights implications arising from this report.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 No additional implications were raised in the preparation of this report Diversity Impact Assessment

- 5.4 There are no proposals within this report and no recommendations that affect services.

Risk Management

- 5.5 The key risks arising from this report are that ineffective monitoring by schools could lead to them encountering financial difficulties. Conversely the LA would not wish to see any individual school accruing excessive surplus balances which could have been used to improve standards and attainment for pupils currently in school.

Monitoring of School Balances

Schools Forum

Date: 6th October 2020

6. Consultees

- 6.1 The Board Director Resources (Section 151 Officer), Chief Legal Officer (Monitoring Officer) and Board Director Children Services are consulted in respect of all reports.

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 Control of Balances Scheme – Appendix A
- 8.2 Areas of permitted expenditure for committed school balances – Appendix B

Monitoring of School Balances 2020/21 Appendix A

Background information and the control of balances scheme detail

Background information

- 1.1. As part of the Local Authority's ('LA') control of balances scheme, schools are encouraged to embed effective financial management procedures so that their forecasting of year end balances is accurate and they have a clear understanding of the resources available to them. Schools are measured on how effective they are and this report provides a summary of the differences between the estimates provided in December and final year-end reported figures.
- 1.2. The January 2012 Schools Forum agreed the criteria for a revised scheme to monitor and manage Swindon schools balances. The main focus of the revised scheme is to improve forecasting and encourage schools with surplus balances to utilise them effectively for the benefit of pupils already in school as is expected by the Department for Education ('DfE') and the Education, Skills and Funding Agency ('ESFA'). It is also very important for schools with relatively low balances to undertake accurate forecasting to avoid them encountering a deficit position.
- 1.3. The LA fully supports the principle that schools should hold a reasonable level of balances, which may be built up over a number of years for strategic purposes as well as providing a degree of contingency funding for unexpected costs or funding reductions. At the same time the Forum has agreed that Schools should be challenged and held accountable for the level of balances they hold.

The control of balances scheme

Further information on the subject of this report can be obtained from Richard Sykes, 07795 256546, rsykes@swindon.gov.uk.

Monitoring of School Balances 2020/21 Appendix A

Background information and the control of balances scheme detail

1.4. The main focus of the LA's control of balances scheme is to improve forecasting and encourage schools with surplus balances to utilise them effectively for the benefit of pupils already in school as is expected by Department for Education (DfE). It is also very important for schools with relatively low balances to undertake accurate forecasting to avoid them encountering a deficit position.

1.5. The balances control scheme is made up as follows.

1.5.1. Schools are asked to project their closing year-end balance in December – these estimates are compared to the initial estimates submitted when annual budgets were set in June. (This information is usually reported to Schools Forum in March).

1.5.2. After the year end when final school balances are quantified these values are compared to schools December estimates (Usually presented to Schools Forum in July). Explanation are sought from those schools whose estimates proved to be inaccurate as measured against the parameters agreed by the Forum which are proportionate to school budgets, as per the table below.

<u>Key</u>	R = Red	A = Amber	G = Green
SMP- Small / medium primary *ISB up to £1.2m	> £50k	< £50k	< £25k
LP - Large primary *ISB above £1.2m	> £80k	< £80k	< £40k
SEC - Secondary	> £100k	< £100k	< £50k
SPE - Special	> £80k	< £80k	< £40k
PRU – Pupil Referral Unit	> £80k	< £80k	< £40k

*ISB Individual School Budget

1.5.3. When setting their budget each June schools are asked to provide a summary of how and when they are planning to utilise their brought forward balances via a balances return. The LA reviews these plans to ensure funds are being committed against the areas which were approved by the Schools Forum and whether resulting uncommitted balances are in line with agreed target levels per pupil. (This information will be reported to Schools Forum in October and is the subject of today's report).

1.5.4. The LA finance and internal audit teams also assess whether committed balances are actually being spent in accordance with school plans on an on-going basis, targeting specific schools which are exhibiting signs of poor financial health and/or are being audited and/or are of concern to the schools improvement team.

Further information on the subject of this report can be obtained from Richard Sykes, 07795 256546, rsykes@swindon.gov.uk.

Monitoring of School Balances 2020/21 Appendix A

Background information and the control of balances scheme detail

1.5.5. Given the uncertainty of medium term school funding and the need to implement substantial changes arising from the DfE National Funding Formula reform programme, the LA has not been overly concerned with the level of school balances over the last year. The focus of the LA balances control scheme is still essentially to encourage effective financial planning so that all schools have an accurate understanding of whatever levels of balances they hold. In line with DfE expectations the local scheme has scope for the LA to claw back excessive balances which would then be made available for distribution across other schools in the following years funding allocations.

1.5.6. The target per pupil values previously agreed by the Forum are:

- Primary settings **£120 per pupil** (minimum of £20,000)
- Secondary settings **£100 per pupil** (minimum of £60,000)
- Special/PRU **£800 per pupil** (minimum of £40,000)

1.6. The LA therefore retains the right to implement claw backs but only in circumstances where a school

1.6.1. Is consistently inaccurate (Red rated) in forecasting their year end balances for 2 consecutive years and does not provide adequate explanations

And

1.6.2. Holds relatively high balances .i.e. above 8%, 5% or 2% of ISB depending on the size of the school budget.

1.7. Where the LA believes that clawbacks may be applicable schools will be given an opportunity to defend their positions prior to any claw backs being proposed to the Schools Forum.

1.8. Forum Members are advised that proposing claw backs is not the LAs preferred course of action but it would be inappropriate and unfair if any school had high balances which were not being adequately managed when funds could be used to raise standards in that school or re-distributed to other schools where they could be spent on current pupils.

Further information on the subject of this report can be obtained from Richard Sykes, 07795 256546, rsykes@swindon.gov.uk.

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Areas of permitted expenditure for committed school balances

Refer to these areas when completing the annual balance returns

Area		Maximum Value	Maximum timescale	Expected Evidence Required & Other controls – <i>the following text provides schools with the sort of controls that should be in place and although compliance will not be monitored as a matter of course by the LA, the Internal Audit team will expect to see a clear audit trail during their visits and the Finance team will undertake random checks on those schools which carry relatively high or low balances to ensure financial management arrangements are robust.</i>
1a	Specific Premises Improvements	No	3 years	<i>The LA will expect all expenditure in this category to be directly linked to the school's Asset Management Plan and that details of all schemes above £50k will be included in school improvement plans. Schemes may include works to the school or Nursery and should be specified.</i>
1b	<i>Provision for unplanned premises maintenance works</i>	No	On-going	<i>Schools which earmark funds against this must operate from premises which are acknowledged by the LA Property services team as being inherently problematic due to age, complexity, layout, design or construction. The LA would support loan applications from these schools to allow proactive planned works to be undertaken to reduce the risk of breakdown or urgent repairs being needed in future years. The level of funds held for this purpose will be reviewed and the LA will expect schools in this category to maintain robust Asset Management Plans</i>
2	ICT Investment	No	3 years	Any investment must already be shown in school improvement plans
3	<i>Workforce restructuring – one off costs</i>	No	1 year 3 years	Any spending attached to this (<i>redundancy and/or early retirement costs</i>) must already be shown in school improvement plans Where restructurings result in salary protection arrangements, schools may earmark balances to fund such costs over three years
4	<i>Commercial / Traded activities</i>	No	1 year	<i>In setting funds aside in this category schools should provide an overview on how these funds have accumulated and how they are to be reinvested</i>
5	<i>Advisory Teacher Services</i>	No	1 year	<i>In setting funds aside in this category schools should provide an overview on what service they have been commissioned to undertake on behalf of other schools, explain why funding received in the year was not fully spent, and set out how and when funds are to be spent. – this category only appears on the Advisory Teacher Services balances return</i>
5	<i>Funds held on behalf of clusters</i>	No	1 year	<i>In setting funds aside in this category schools should provide an overview on what cluster funding they hold, explain why funding received in the year was not fully spent, and set out how and when funds are to be spent. – this category only appears on the Mainstream balances return</i>
6	Other specific projects	No	3 years	Details of all proposed projects must be included in school improvement plans so that they can be reviewed by the Schools Forum. Please provide the project name on the balances return
7	Maintenance of staff absence reserve	% of employee budget	Annual contribution review	Value of earmarked balances plus any insurance premium must not exceed 5% of the employees budget <i>for a primary or special school</i>
8	Purchase orders raised in the old year but goods delivered in the new year	No	3 months – unless exceptional circumstances	Evidence that orders were placed prior to 1 st April. Budgets submitted by schools must clearly show the funding allocated to pay for these goods and services
9	Setting the new year budget	No	1 year	Funds allocated for this purpose strongly indicate that the schools cost base needs to be reduced to match annual resources – this will prompt contact from the LA Finance Team to ensure the school is taking action to remain financially sustainable.

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Schools Forum Membership Update

Schools Forum

Date 6th October 2020

Author: Director of Children's Services

Wards: All

Locality Affected: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1. The Local Authority has conducted a short review of Schools Forum to ensure that the current membership is appropriate in the light of the evolving balance of schools in Swindon and with regards to the 2002 Education Act, Schools Forum (England) regulations 2012 and Schools Forum Operational and Good Practice Guide 2015.
- 1.2. The review also considered actual membership and steps being taken to fill vacancies.

2. Recommendations

The Schools Forum is asked to:

- 2.1. Agree that Schools Forum establishes a task group to undertake a review of the membership of schools forum.

3. Detail

- 3.1. Section 43 of the 2002 Education Act required Local Authorities to establish a Schools Forum to represent its schools. Schools Forum were put in place to support local authorities on matters relating to school budgets and therefore play an important part in the local decision-making process.
- 3.2. Each local authority must ensure that the Schools Forum for its area is constituted in accordance with regulations from the Education Funding Agency.
- 3.3. The existing representation of the Forum was last considered at the Schools Forum meeting held in October 2019 following a short review of the Schools Forum membership structure. There was an increase in the numbers of academies in the borough, so it is recommended that there were changes this year in terms of representation to balance the representation. A list of current members is attached at Appendix 1.
- 3.4. At present, the balance is established through maintained and academy schools based on the proportion of pupils attending the schools. However, as part of the task group the following could be explored:

Schools Forum Membership Update

Schools Forum

Date 6th October 2020

- 3.4.1. If the proportionate split of pupils is the best way to assign membership
- 3.4.2. If there is a balanced representation across phases
- 3.4.3. A long term approach to reviewing membership as more schools could convert to academy status.

Members of the Schools Forum are now asked to:

Agree to establish a task group to undertake a review of the membership of schools forum.

4. Alternative Options

- 4.1. An alternative could be to retain the existing representation of the Schools Forum.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1. There are no specific implications relating to this report.

Legal and Human Rights Implications

- 5.2. There are no specific implications relating to this report.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3. There are no such direct implications.

Diversity Impact Assessment (DIA)

- 5.4. The report reflects changes in the diversity of schools in Swindon.

- 5.5. Risk Assessment

There are no specific risk implications.

6. Consultees

- 6.1. The Board Director, Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted on all reports.

7. Background Papers

- 7.1. Schools Forum: A Guide for Schools and Academies:
<https://www.gov.uk/guidance/schools-forum-a-guide-for-schools-and-academies>

Schools Forum Membership Update

Schools Forum

Date 6th October 2020

7.2. Schools Forums Operations and Good Practice Guide 2018.

<https://www.gov.uk/government/publications/schools-forums-operational-and-good-practice-guide-2015>

8. Appendices

8.1. Appendix 1 – Proposed School Forum Membership

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Current Schools Forum Representation

Maintained School Representation	Current Member	Term of office (4 years - HT/SLT 3 years - Governor)
Pupil Referral Unit Headteacher	Lindsay Hull	Jan 2019 – Dec 2022
Special School Headteacher	Kate Higham	Sept 2019 – Aug 2023
Primary Headteacher	Alison Lowe	Sept 2018 – Aug 2022
Primary Headteacher	Rhian Cockwell	Sept 2018 – Aug 2022
Primary Governor	Ray Williams	Jan 2017 – Dec 2019

Academy Representation	Current Member	Term of office (4 years)
Mainstream Academy (Secondary)	James Povoas	July 2016 - July 2020
Mainstream Academy (Secondary)	Clive Zimmerman	July 2016 - July 2020
Mainstream Academy (Secondary)	Bob Linnegar	Oct 2017 – Sept 2021
Mainstream Academy (Secondary)	Sherryl Bareham	
Mainstream Academy (Primary)	Karen Pyman – Vice Chair	Oct 2017 – Sept 2021
Mainstream Academy (Primary)	Fiona Godfrey	Oct 2017 – Sept 2021
Mainstream Academy (Primary)	Gary Evans	Dec 2018 – Dec 2022
Mainstream Academy (Primary)	Bob Buckley	
Special Academy	Nick Capstick	Sept 2017 – Aug 2021
Special Academy	Jackie Smith – Chair	Sept 2018 – Aug 2022

Non-School Representation	Current Member	Term of office (3 years)
Diocesan – Clifton Diocese	Andrew Henstridge	Sept 2018 – Aug 2021
Diocesan – Diocese of Bristol	Emma Lindsay	Sept 2017 – Aug 2020
Early Years Private, Voluntary and Independent Provider	Jo Morris Golds	Sept 2017 – Aug 2020
16 – 19 Partnership	Steve Wain	

Black and Minority Ethnic (BME)	Vacant	
Trade Union	Peter Smith	Sept 2017 – Aug 2020

Observer Education and Skills Funding Agency (ESFA)	Named ESFA LA representative	N/A
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Early Years Budget Update

Schools Forum

Date: 6th October 2020

Author:	Strategic Commissioner – Early Years and Childcare
Wards:	All
Locality Affected:	All
Parishes Affected:	All

1. Purpose and Reasons

- 1.1 To update the current budget position of the early years DSG.
- 1.2 These proposals contribute towards delivering the Council Vision Priority “Offer education opportunities that lead to the right skills and right jobs in the right places.”

2. Recommendations

The Schools Forum is recommended to:

- 2.1 Note the current budget position relating to the early years block of the DSG. the rates to be paid to providers for 2, 3 and 4 year old funding during 20/21 financial year, as voted for by providers;

3. Detail

Early Years Funding

- 3.1 All early years and childcare providers were given the opportunity to vote for their preferred option in relation to the rate of 2, 3 and 4 year old funding for 20/21 financial year
- 3.2 As a result of Covid, all early years and childcare providers were instructed to close to children except for keyworker and vulnerable children until 1st June 2020. From 1st June all early years age children were able to return to setting, with priority given towards keyworker and vulnerable children, 3 and 4 year olds, and then 2 year old children before under 2's.
- 3.3 The Department for Education had instructed all local authorities to continue to fund settings for the places as per their headcount submissions. Headcounts were submitted prior to lockdown, and all providers were paid on this basis.
- 3.4 In addition to this, sustainability funding was paid to settings to support those who were required to ensure sufficient provision for keyworker and vulnerable children, but were not able to access any of the government support available at the start of the lockdown period e.g. business rates relief, furlough and/or early years place funding (e.g. holiday clubs).

Further information on the subject of this report can be obtained from Danielle Maundrell on 07769 281726 or DMAundrell@swindon.gov.uk

Early Years Budget Update

Schools Forum

Date: 6th October 2020

- 3.5 This funding was used to support settings to open overnight and weekends for keyworker children, particularly NHS staff, and to provide funded places for keyworker children through the holiday periods so parents could continue to carry out vital roles.
- 3.6 The total funding paid out and the places funded through this scheme is attached as Appendix A.

2 year old funding

- 3.7 It was agreed that 100% of 2 year old funding received into the local authority will be passed onto providers. This meant a rate increase from £5.32p/h to £5.40p/h for all providers for 20/21 financial year.
- 3.8 95% of responding providers stated that they agree with this proposal during the previous consultation and this rate was implemented as agreed from 1st April 2020.
- 3.9 As per 3.3, all settings were paid based on their headcount submissions submitted prior to lockdown. The funding paid is attached as Appendix B.

3 and 4 year old funding

- 3.10 Local authorities are required to plan to pass-through 95% of their 3 and 4 year old funding from the government to early years providers. This pass through requirement ensures that the vast majority of government funding reaches providers so that they can deliver the government's funded entitlements.
- 3.11 This means that local authorities, in planning their budget allocations for the forthcoming financial year, need to allocate at least 95% of their Early Years National Funding Formula (EYNFF) hourly rate to providers.
- 3.12 The 95% includes the following budget lines;
- Base rate funding for all providers
 - Supplements for all providers
 - Top up grant element of inclusion funding
 - Contingency funding
- 3.13 85% of this funding must be passed onto providers as a base rate, with the remaining 10% available to be allocated as supplements.
- 3.14 Swindon Borough Council pays providers a base rate, plus two supplements; deprivation (which is a mandatory supplement) and flexibility.

Further information on the subject of this report can be obtained from Danielle Maundrell on 07769 281726 or DMAundrell@swindon.gov.uk

Early Years Budget Update

Schools Forum

Date: 6th October 2020

- 3.15 Three options were consulted on with providers previously, as agreed with the Early Years Strategic Group;
- Option 1 – continue to apply flexibility supplement to pay same rate currently paid (across three different options) and fund an enhanced offer for children with SEN, including increased rate for inclusion funding
 - Option 2 – remove separate deprivation supplement and increase all rates by £0.03 to £4.03, £4.38 and £4.73
 - Option 3 – remove flexibility supplement and apply one flat rate to all provision. Fund an enhanced offer for children with SEN, including increased rate for inclusion funding.
- 3.16 The preferred option as voted for by providers was Option 1;
- 3.17 Providers were also asked to agree the proposed funding dates for 20/21 financial year, following feedback from providers that the existing dates weren't working for many providers. Full details of the proposed dates are available as Appendix B.
- 3.18 96% of providers agreed with the proposed dates as set out in the consultation.
- 3.19 Option 1 was implemented from start of April 2020, however the funding retained initially to support an enhancement to the inclusion funding budget was redistributed to support sustainability of provision during the lockdown period, as outlined in 3.4.
- 3.20 The Department for Education had made it clear that local authorities should redistribute their summer term early years funding to ensure sufficient provision for keyworker and vulnerable children. However, Swindon had already made a commitment to fund providers based on their summer term headcount submissions.
- 3.21 The early years strategic reference group agreed that the funding should be paid to settings as already agreed, to avoid any further sustainability challenges at settings who were already facing huge financial pressures as a result of the impact of lockdown on their businesses.
- 3.22 Therefore, the funding initially intended to support inclusion was redistributed to support sustainability funding, as outlined in Appendix A.
- 3.23 A full review of inclusion funding is underway as promised, following the appointment of the Inclusion Officer post which started 1st September 2020.
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Further information on the subject of this report can be obtained from Danielle Maundrell on 07769 281726 or DMAundrell@swindon.gov.uk

Early Years Budget Update

Schools Forum

Date: 6th October 2020

Members of Schools Forum are now asked to:

- **Note the early years block budget position for Autumn 2020**

4. Alternative Options

- 4.1 Members of the Forum may provide alternatives via electronic communication.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 Various financial implications are included in this report relating to management of the pass through DSG budget.

Legal and Human Rights Implications

- 5.2 Legal and Human rights implications have been taken into account in preparing this report. It is considered that the recommendations are compatible with Convention Rights.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 No additional implications were raised in the preparation of this report.

Diversity Impact Assessment

- 5.4 The proposals within this report are designed to allocate funding intended to pass through to settings to deliver early education and childcare entitlements including for disadvantaged children in order to narrow the attainment gap between these and other pupils.

Risk Management

- 5.5 Any specific risk management implications are highlighted in the body of the report.

6. Consultees

- 6.1 Director of Finance (Section 151 Officer) and Chief Legal Officer (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None.

Further information on the subject of this report can be obtained from Danielle Maundrell on 07769 281726 or DMAundrell@swindon.gov.uk

Early Years Budget Update

Schools Forum

Date: 6th October 2020

8. Appendices

- 8.1 A – Early Years Funding – Sustainability Funding
- 8.2 B – Early Years Funding – Budget Position

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Schools Block updates

Schools Forum
Date: 6th October 2020

Author: Head of Finance – Children Services

Wards: All

Locality Affected: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 To remind Schools Forum members of the 2020/21 Local agreed formula values compared to the National Funding Formula (NFF) values.
- 1.2 To advise Schools Forum members of the planned changes to the National Funding Formula for financial year 2021/22.
- 1.3 To discuss with Schools Forum the timeframes for the 2021/22 Budget Consultation.

2. Recommendations

The Schools Forum is recommended to:

- 2.1 To note the comparison data between the NFF and the Local agreed formula values for 2020/21. (para. 3.1-3.3)
- 2.2 To note the changes to the 2021/22 National Funding Formula. (para.3.4-3.7))
- 2.3 To agree the 2021/22 Budget consultation timeframes. (para. 3.8-3.11)

3. 2020/21 Funding formula

- 3.1 The 2020/21 Schools Block allocations were based on the National Funding formula with the following exceptions which were agreed by Schools Forum in November 2019:

3.1.1 No split site funding

3.1.2 No Sparsity funding

- 3.2 The table below gives a comparison between the NFF and the Local agreed funding formula for the current financial year 2020/21:

		101.368%	100.000%	+ = Additional funding	
		Local	NFF	Primary Variance	Secondary Variance
AWPU	Primary	£ 2,896.07	£ 2,857.00	£ 39.07	
	KS3	£ 4,072.95	£ 4,018.00		£ 54.95
	KS4	£ 4,623.37	£ 4,561.00		£ 62.37
FSM	Primary	£ 456.15	£ 450.00	£ 6.15	

Further information on the subject of this report can be obtained from Dawn Sexstone, Head of Finance – Children Services, dsexstone@swindon.gov.uk.

Schools Block updates

Schools Forum

Date: 6th October 2020

	Secondary	£ 456.15	£ 450.00		£ 6.15
FSM Ever6	Primary	£ 567.66	£ 560.00	£ 7.66	
	Secondary	£ 826.15	£ 815.00		£ 11.15
IDACI	F Primary	£ 212.87	£ 210.00	£ 2.87	
	F Secondary	£ 304.10	£ 300.00		£ 4.10
	E Primary	£ 253.42	£ 250.00	£ 3.42	
	E Secondary	£ 410.54	£ 405.00		£ 5.54
	D Primary	£ 380.13	£ 375.00	£ 5.13	
	D Secondary	£ 542.32	£ 535.00		£ 7.32
	C Primary	£ 410.54	£ 405.00	£ 5.54	
	C Secondary	£ 587.93	£ 580.00		£ 7.93
	B Primary	£ 440.95	£ 435.00	£ 5.95	
	B Secondary	£ 633.55	£ 625.00		£ 8.55
	A Primary	£ 608.21	£ 600.00	£ 8.21	
	A Secondary	£ 851.49	£ 840.00		£ 11.49
LPA	A Primary	£ 1,079.56	£ 1,065.00	£ 14.56	
	A Secondary	£ 1,632.02	£ 1,610.00		£ 22.02
EAL3	A Primary	£ 542.32	£ 535.00	£ 7.32	
	A Secondary	£ 1,459.69	£ 1,440.00		£ 19.69
Lump Sum	A Primary	£114,400.00	£114,400.00	£ -	
	A Secondary	£114,400.00	£114,400.00		£ -

- 3.3 The above table shows that in 2020/21 there was additional funding allocated above the NFF value. The increase in funding was mainly due to changes to the Lower Prior Attainment (LPA) values for primary schools between the October 2018 and October 2019 census. A decision was made by Schools Forum in December 2019 to support Option 1 when setting the local Mainstream Funding Formula as circulated to schools on Wednesday, 28th November 2019. The illustrative option 1 was calculated using funding formula factors as close as possible to National Funding Formula 2020/21 values. The allocations do not take into account 0.5% transfer to High Needs and there is no split site allowance.

Members of the Schools Forum are now asked to:

- Note the comparison data between the NFF and the Local agreed rates for 2020/21.

Changes to the 2021/22 National Funding Formula

- 3.4 Teachers pay and pension grants

Further information on the subject of this report can be obtained from Dawn Sexstone, Head of Finance – Children Services, dsexstone@swindon.gov.uk.

Schools Block updates

Schools Forum

Date: 6th October 2020

- 3.4.1 In 2021/22 there will no longer be separate grants for the payment of Teachers' Pay Grant (TPG) and the Teachers' Pension Employers Contribution Grant (TPECG)
- 3.4.2 The Education and Skills Funding Agency (ESFA) will be adding a per pupil amount onto the age-weighted pupil (AWPU).
- 3.4.3 4.1.3 The ESFAy will be adding the same per pupil amounts to the Minimum Per Pupil Levels ('MPPL')

	TPG	TPECG	Total grants
Primary	£47	£133	£180
Secondary	£69	£196	£265

3.5 Income Deprivation Affecting Children Index (IDACI) factor

- 3.5.1 IDACI funding in the 2021-22 NFF is based on the updated 2019 dataset.
- 3.5.2 Banding was previously based on an IDACI score which were linked to a band, see below:

NFF IDACI bands	
IDACI score	Band
Between 0.5 and 1	A
Between 0.4 and 0.5	B
Between 0.35 and 0.4	C
Between 0.3 and 0.35	D
Between 0.25 and 0.3	E
Between 0.2 and 0.25	F

- 3.5.3 For 2021/22 the ESFA have changed this to a new system where the IDACI band will be linked to the Lower Layer Super Output Area (LSOA) rank, see table below. This change has been introduced due to deprivation values decreasing across the country, the new model will ensure that funding goes to schools in the most deprived areas.

Further information on the subject of this report can be obtained from Dawn Sexstone, Head of Finance – Children Services, dsexstone@swindon.gov.uk.

Schools Block updates

Schools Forum

Date: 6th October 2020

Factor	Ranks	Band
Pupils in the most deprived 2.5% of LSOAs	1 to 821	A
Pupils in the next 5% most deprived LSOAs	822 to 2463	B
Pupils in the next 5% most deprived LSOAs	2464 to 4105	C
Pupils in the next 5% most deprived LSOAs	4106 to 5747	D
Pupils in the next 10% most deprived LSOAs	5748 to 9032	E
Pupils in the next 10% most deprived LSOAs	9033 to 12316	F

3.6 Lower Prior Attainment Factor (LPA)

3.6.1 For 2021/22 the rates in the NFF will be:

Primary £1,095

Secondary £1,660

3.6.2 As a result of more challenging KS2 tests being introduced in 2015/16, the NFF have introduced weightings for 2021/22, see below:

For pupils in year 7 in October 2019: 0.64527

For pupils in year 8 in October 2019: 0.63586

For pupils in year 9 in October 2019: 0.58045

For pupils in year 10 in October 2019: 0.48019

For pupils in year 11 in October 2019: 1

3.7 Minimum per pupil limit (MPPL)

3.7.1 We have been advised of the following statutory MPPL values for 2021/22 within the NFF:

Primary £4,180

KS3 £5,215

Further information on the subject of this report can be obtained from Dawn Sexstone, Head of Finance – Children Services, dsexstone@swindon.gov.uk.

Schools Block updates

Schools Forum

Date: 6th October 2020

KS4 £5,715

Please note the above MPPL values include the TPG and TPECG allocations as advised in 4.1.3.

Members of the Schools Forum are now asked to:

- **Note the changes that have been made to the National Funding formula for 2021/22.**

Consultation on 2021/22 Local Funding Formula for Schools and Academies

- 3.8 In setting the 2021/22 individual school budgets (ISB) the LA has the option to either use the National Funding Formula ('NFF') allocations or to agree a local formula with Schools Forum to enable the LA to deal with local issues including Pupil Growth, subject to consultation with schools and academies.
- 3.9 The LA will arrange a funding consultation event for all stakeholders to be held near the end of November 2020.
- 3.10 The LA anticipates that it will need an extraordinary Schools Forum meeting in December to agree the formula and principles that will be applied to the funding allocated to Swindon for 2021/22. This will enable the decision on the final formula for 2021/22 to be made at the January Schools Forum meeting.
- 3.11 The Finance Manager – Children Services will write to all mainstream schools and academies in early October to request the indicative autumn census numbers as this helps with 2021/22 budget setting and planning.

Members of the Schools Forum are now asked to:

- **Agree the proposed timeframes as follows:**
 - **2021/22 Funding formula consultation end of November 20.**
 - **Extraordinary Schools Forum meeting in December 20.**
 - **The collection of indicative autumn census data in October 20.**

4. Alternative Options

- 4.1 There are no proposals included within this report.

Further information on the subject of this report can be obtained from Dawn Sexstone, Head of Finance – Children Services, dsexstone@swindon.gov.uk.

Schools Block updates

Schools Forum

Date: 6th October 2020

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

5.1 Financial implications are included in this report.

Legal and Human Rights Implications

5.2 There are no legal or human rights implications arising from this report.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

5.3 This report does not make any recommendations that affect these areas.

Diversity Impact Assessment

5.4 As there are no proposals in this report, a DIA has not been completed.

Risk Management

5.5 There are no specific risk management implications not highlighted in the body of the report.

6. Consultees

6.1 The Director of Finance (Section 151 Officer) and the Chief Legal Officer (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

7.1 None

2020-21 Dedicated Schools Grant

High Needs Budget Update

Schools Forum

Date: 6th October 2020

Author: Corporate Director of Children Services

Wards: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 To update Schools Forum on the current and projected position for the Swindon Dedicated Schools Grant (DSG) High Needs block and update on progress made with the reforms following the July 2020 meeting.
- 1.2 This report supports the SEND and Inclusion Strategy, the Written Statement of Action and the proposals contained link to the 3-year action plan agreed by the Strategic SEND Board.
- 1.3 A partnership approach between parents and carers, leaders in education across all settings in Swindon, political leaders, officers and members of Schools Forum is recognised as essential to address systematically the need to achieve a balanced High Needs budget position by 2023. This approach is necessary to ensure a sustainable, fair and equitable use of the High Needs budget for special educational needs and disability and alternative provision.

2. Recommendations

The Schools Forum is recommended to

- 2.1 Note the progress of testing the High Needs Banding tool (**Paragraphs 3.4 to 3.8**).
- 2.2 Consider and comment on changes to the recommendation to cease high needs funding for children under statutory needs assessment (£0.454m) to redirect the allocation to the Proposed Inclusion Forum with operational delivery of new inclusion working practices linked to Team around the School (**Paragraph 3.14**)
- 2.3 To identify representatives to support a series of short term task and finish groups to be established and undertaken within October, which will clarify detailed spending across the DSG. and assist in the preparation for a draft deficit recovery plan to be presented to Schools forum in the January 2021 meeting, prior to submission to the DfE (**Paragraph 3.14**)
- 2.4 Note the agreement to transfer of funding from early years budgets to high needs budget to support fully the use of Early Years Inclusion budget for its intended purpose , and further note a pressure to be picked up as a part of the wider budget deficit recovery plan work (**Paragraph 3.21**)

Further information on the subject of this report can be obtained from Gareth Cheal, gcheal@swindon.gov.uk

2020-21 Dedicated Schools Grant

High Needs Budget Update

Schools Forum

Date: 6th October 2020

- 2.5 Note the DSG HN budget forecast and pressures for 2020/21 (**Paragraph 3.22**)

3. Detail

SEND and Inclusion Strategy and Principles

- 3.1 As reported to the July 2020 Schools Forum this work is informed by the strategic direction and relationship between the Written Statement of Action and the SEND and Inclusion Strategy 2020-23.
- 3.2 For each strategic priority, there are a set of impact measures for the 3-year delivery plan. The impact measures for priority 6 are as follows:
- 3.3.1 Clear and transparent High Needs funding allocation system
- 3.3.2 Fair allocation of funding so that all partners trust the decision-making process and understand strategic implications for the sustainability of the High Needs budget.
- 3.3.3 Decrease in the HN block deficit, achieve balanced budget by 2023.
- 3.3 Therefore, these measures will set the guiding principles for the activities and the decisions required for the future of the High Needs Block.

Resource Allocation Tool and banding descriptors testing

- 3.4 The High Needs Working Group recommended use of descriptors based on the child's needs. This national approach is recommended as the most fair and transparent approach for the purpose and is an approach which will utilise multi-agency assessment evidence provided for the EHCP. Therefore, a revised set of draft descriptors was agreed at School Forum in July 2020 and the testing and the following implementation method were approved.
- 3.5.1 All pupils with new EHCP to receive top up allocation using the new tool from March 2021. All pupils with existing top ups to convert to new banding model from September 2021.
- 3.5.2 Schools will be informed in March 2021, which will give an opportunity to 'appeal' during May/June 2021. An appeal would be heard if additional information were provided.
- 3.5 The tool will provide more clarity about how children are funded based on their individual needs, make clearer how funding is allocated and removes the complicated supplementary allocations.

Further information on the subject of this report can be obtained from Gareth Cheal, gcheal@swindon.gov.uk

2020-21 Dedicated Schools Grant

High Needs Budget Update

Schools Forum

Date: 6th October 2020

-
- 3.6 As reported, testing of the use of the tool by the SEND service took place at the end of August 2020 against existing EHCP's across the range of primary needs and existing bands.
- 3.7 The testing has identified two main concerns with the banding descriptors and the use of the tool. This feedback is under evaluation to assess the following concerns:
- 3.6.1 The time taken to use the tool varied from 10 minutes to 2 hours reviewing the EHC plan. The feedback needs to be further investigated to determine if the allocation tool or the quality of existing EHCP's chosen to test accounted for the time pressures.
- 3.6.2 The variation in some bands still needs to be quality assured to determine whether that is down to interpretation of the banding descriptors.
- 3.8 These concerns will be addressed by a deep dive into the testing to ensure there is a level of certainty about the outcome of the allocation tool process before values can be assigned to the new banding levels.
- High needs funding without EHC plans transferred to support inclusion
- 3.9 At the July 2020 meeting, the Schools Forum conditionally approved the transfer of funding without EHC plans to support the development of an Inclusion Forum subject to further detail on the access to the funding.
- 3.10 The current system is reactive and provides support at a crisis point rather than early intervention. The existing practice does not meet the principles set out in the SEND and Inclusion Strategy to intervene early and adopt new working inclusive practices for children.
- 3.11 The Local Authority wish to reposition the Inclusion Forum to support the strategic development of inclusion at a strategic setting level rather than focus on individual cases. This aligns with Schools Forum view in July to ensure that children can have their needs met early without requiring an application for a statutory assessment
- 3.12 Therefore, to meet this aim and to align this funding with the principles of the SEND and Inclusion Strategy it is proposed to alter the original recommendation of establishing a new young people panel process and instead to allocate this funding to the developing Teams around the School meetings, where a young person's need can be identified holistically.
- 3.13 This proposal would remove the requirement for schools to apply for funding and would enable teams and schools working closely together to identify
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Further information on the subject of this report can be obtained from Gareth Cheal, gcheal@swindon.gov.uk

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interventions earlier providing a proactive response to concerns that arise from individuals in each school.

- 3.14 The precise delivery mechanism requires further work and can be developed further through partnership working. To support this approach a series of short-term task and finish groups can be established and undertaken within October 2020, which will clarify detailed spending across the DSG. These will specifically focus on the High Needs block to assist in the preparation for a draft deficit recovery plan to be presented to Schools forum in the January 2021 meeting, prior to submission to the DfE

Members of Schools Forum are now asked to: this needs to be the same as above recommendations

- **Agree the recommendation to cease high needs funding for children under statutory needs assessment (£0.454m) and redirect the allocation to the Team around the School to support the delivery of new working practices**
- **To identify representatives to support a series of Short term task and finish groups to be established and undertaken within October.**

Early Years Funding to High Needs Budget

- 3.15 The Early Years and Childcare Team currently process all High Needs payments relating to early years children, as agreed through SEN panel.
- 3.16 Prior to 2017, and the introduction of 30 hours free childcare policy, all high needs payments were paid for from the High Needs budget for all hours an early years aged child was entitled to i.e. if a child was accessing 15 hours of early education, high needs funding was paid for 15 hours.
- 3.17 In 2017, the decision was made by the Head of SEND that high needs payments would only be paid for the first 15 hours of a child's entitlement, despite the entitlement being extended to 30 hours for some children.
- 3.18 To avoid children being excluded from accessing additional hours, due to providers not being able to meet need through lack of funding support, it was agreed any hours over and above the first 15 hours would be paid for from the early years inclusion budget.

Further information on the subject of this report can be obtained from Gareth Cheal, gcheal@swindon.gov.uk

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- 3.19 This process has continued since 2017, however this is having a knock on effect to being able to effectively utilise the early years inclusion budget to support low level, emerging SEN through early intervention strategies in settings. Instead, 20/21 financial year there is a £108,000 pressure on the inclusion budget due to the high needs payments paid for from this budget.
- 3.20 The proposal is that all early years high needs payments should be funded from the high needs budget, regardless of the number of hours a child is entitled to. This will allow the early years team to effectively utilise the inclusion budget to provide targeted support in early years settings, with a view to reducing the claims for high needs funding later in a child's life by having an impact on outcomes from an earlier age.
- 3.21 This transfer of funding will create a pressure in the high needs block, but this will be picked up as part of the wider budget deficit recovery plan work.

Members of Schools Forum are now asked to: this needs to be the same as above recommendations

- Note the transfer of funding from early years budgets to high needs budget which will create a pressure to be picked up as a part of the wider budget deficit recovery plan work**

2020/21 DSG High Needs Budget

- 3.22 The 2020-21 Dedicated Schools Grant Settlement and Budget went to Schools Forum in January 2020.
- 3.23 The table below is a summary of the 2020/21 funding and expected expenditure by block. The table shows that the pressure within the DSG relates to spend within the High Needs Block.

	2020-21		2020-21 Forecast		Variance
High Needs (HN) Top Ups	£m		£m		£m
HN Top ups (Special)	9.493		8.611		
HN Top ups (SRP)	2.319		2.215		
HN Top ups (Mainstream)	3.300		4.338		
HN Top ups (Early Years)	0.238		0.458		
HN Top ups (AP)	0.845		0.794		
Subtotal HN Top Ups		16.195		16.416	0.221

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Place Funding					
Maintained and Retained Special School Place Funding	2.28		2.28		
Alternative Provision Place Funding	2.061		2.061		
ESFA direct funding of High Need places (Academy SRP & Special)	5.121		5.121		
Maintained Special School PFI funding	0.37		0.37		
Maintained and Retained School Budgets (SRP)	0.274		0.274		
Pressure – additional place	0.583		0.583		
Primary AP place funding	0.16		0.16		
Subtotal Place Funding		10.849		10.849	0.000

Other HN Budgets					
External Placement Fees	3.000		3.000		
Post 16 HN Provision – New Responsibilities	1.725		1.725		
ESFA direct funding of Post 16 transfer FE Colleges	1.482		1.482		
Advisory Teachers	1.034		1.034		
All DSG budgets	0.57		0.57		
Notional SEN supplements (Mainstream)	0.326		0.326		
Portage	0.152		0.152		
Oakfield Project	0		0		
HN Contingency	0		0		
Equipment					
Statemented Pupils	0.130		0.130		
Therapy	0.125		0.125		
Primary SRP Supplement					
Monitoring					
Education Support Services	0.01		0.01		
School Exclusions	-0.117		-0.117		
Subtotal All other HN		8.437		8.437	0.000

Further information on the subject of this report can be obtained from Gareth Cheal, gcheal@swindon.gov.uk

2020-21 Dedicated Schools Grant

High Needs Budget Update

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Budgets					
Total High Needs Budget	35.481		35.702		
High Needs Funding Available 2020-21	34.011		34.011		
High Needs Funding Pressure (gap)	1.470		1.691		

Members of Schools Forum are now asked to:

Note the DSG HN budget forecast and pressures for 2020/21

4. Alternative Options

- 4.1 Members of the Forum may provide alternatives in the course of the meeting.
- 4.2 The alternative to not supporting the recommendations of the High Needs Review and the plan to introduce the banding tool will significantly reduce top up values across all settings under the existing arrangements. Without a new way of working and allocation of funding there will be a negative impact on the outcomes and experiences of children with SEN and will likely affect the financial viability of the specialist provision within the borough and current level of provision.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 Various financial implications are fully detailed within the body of this report relating to management of the retained DSG budget

Legal and Human Rights Implications

- 5.2 The proposals and options presented are all permissible under High Needs funding national regulation. Legal and Human rights implications have been taken into account in preparing this report. It is considered that the recommendations are compatible with Convention Rights.

Further information on the subject of this report can be obtained from Gareth Cheal, gcheal@swindon.gov.uk

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All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 No additional implications were raised in the preparation of this report.

Diversity Impact Assessment

- 5.4 The proposals within this report are designed to allocate funding targeted at disadvantaged pupils and at pupils with low prior attainment and / or special education needs in order to narrow the attainment gap between these and other pupils.
- 5.5 The launch of core standards provides for consistency in early identification and response across Swindon which supports equality of opportunity.

Risk Management

- 5.6 Any specific risk management implications are highlighted in the body of the report

6. Consultees

- 6.1 The Corporate Director of Finance and Assets (Section 151 Officer) and Chief Legal Officer (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 High Needs Funding Review 2017

8. Appendices

- 8.1 None

2020-21 Covid-19 Finance update

Schools Forum

Date: 6th October 2020

Author:	Head of Finance – Children Services
Wards:	All
Locality Affected:	All
Parishes Affected:	All

1. Purpose and Reasons

- 1.1 To advise Schools Forum members of the current financial position of the Local Authority due to the impact of Covid-19.
- 1.2 The information below comes from the Budget Management 2020/21 report that went to Cabinet on the 9th September 2020. Full details of that report are available on the SBC website.

2. Recommendations

The Schools Forum is recommended to:

- 2.1 Note the 2020/21 revenue budget forecast out-turn for each service area set out in Table 1 is a pressure of £5.686m.

3. COVID-19 Funding Support

- 3.1 The Government has announced three tranches of COVID-19 emergency funding (£1.6bn, £1.6bn and £500m) which have each been allocated using different methodologies. Swindon's allocation of the funding is £13m
- 3.2 On 2nd July 2020 the Government announced two other elements of financial support for the Council:
 - 3.2.1 A new scheme to reimburse councils for lost income from sales, fees, and charges
 - 3.2.2 Changes so that local authorities spread their tax deficits over three years rather than the usual one
- 3.3 The year-end projection, based on the position at the end of June is that the pressures on the General Fund total £18.7m. This is prior to the application of the emergency COVID-19 emergency funding and reflects the impact of the exceptional circumstances arising from the COVID-19 pandemic.
- 3.4 The budget and out-turn by Department is set out in Table 1 below.
- 3.5 Whilst it is expected that the current forecast overspend will be partly mitigated through the government's income support scheme, Corporate Management

Further information on the subject of this report can be obtained from Dawn Sexstone, Head of Finance – Children Services, dsexstone@swindon.gov.uk.

2020-21 Covid-19 Finance update

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Team are working with senior management teams to identify options to mitigate the overall overspend.

Table 1 – General Fund Out-turn By Department

Department	Budget 2020/21	Forecast	Variance
	£'000	£'000	£'000
Adult Services	66,957	70,860	3,903
Children Services	46,808	50,793	3,985
Communities and Housing *	24,527	33,278	8,751
Resources & Economy	10,782	12,834	2,052
Sub-Total	149,074	167,765	18,691
COVID-19 Grant Funding		(13,005)	(13,005)
Total General Fund	149,074	154,760	5,686

Members of the Schools Forum are now asked to:

- **Note that the pressure on the Local Authority General Fund budget is a pressure of £5.686m, due to the impact of Covid-19.**

4. Alternative Options

4.1 There are no proposals included within this report.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

5.1 Financial implications are included in this report.

Legal and Human Rights Implications

5.2 There are no legal or human rights implications arising from this report.

Further information on the subject of this report can be obtained from Dawn Sexstone, Head of Finance – Children Services, dsexstone@swindon.gov.uk.

2020-21 Covid-19 Finance update

Schools Forum

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All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 This report does not make any recommendations that affect these areas.

Diversity Impact Assessment

- 5.4 As there are no proposals in this report, a DIA has not been completed.

Risk Management

- 5.5 There are no specific risk management implications not highlighted in the body of the report.

6. Consultees

- 6.1 The Director of Finance (Section 151 Officer) and the Chief Legal Officer (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None

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