

Worcestershire Schools Forum (WSF) Agenda 9 July 2020

2.00pm

Remote Meeting

Held Via Zoom

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Date of Next Programmed WSF Meeting

Tuesday 15 September 2020 **at 12.30pm**, Redditch Room, County Hall or Via Zoom



MEETING OF THE WORCESTERSHIRE SCHOOLS FORUM (WSF)

Thursday 9th July 2020
At 2.00pm
Remote Meeting Held Via Zoom

A G E N D A

1. Apologies
2. Declaration of Interests
3. Declaration of Potential Conflict of Interests
With Items on the Agenda
4. Minutes of the Last Meeting 14th January 2020 (attached)
5. Any Other Business
Learning and Achievement Services (verbal update)
6. Matters Arising
7. Change to the Schools Forums (England)
Regulations 2012 (attached)
8. Covid-19 Issues Update
a) WCC Cabinet Reports 4th June 2020 &
25th June 2020 (for information and
discussion)

Phil Rook

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<https://worcestershire.moderngov.co.uk/ieListDocuments.aspx?CId=131&MId=3167&Ver=4>

<https://worcestershire.moderngov.co.uk/ieListDocuments.aspx?CId=131&MId=3168&Ver=4>

b) School Funding: Exceptional Costs
Associated with Covid-19 (attached)

9. Extension of the DfE Risk Protection
Arrangements (RPA) to LA Maintained Schools (attached)

10. Required Changes to the Scheme for Financing Maintained Schools (attached)

11. School Budget Issues 2020-21
 - a) Letters to Schools (attached)
 - b) Final Authority Proforma Tool (APT) for Mainstream Schools (attached)
 - c) Changes to the Local Formula for Special Schools (link below)

http://www.worcestershire.gov.uk/info/20085/local_democracy/650/cabinet_member_decisions

12. Maintained Schools Balances 2019-20 (attached)
13. DSG Outturn 2019-20 (attached)
14. High Needs Issues 2020-21 and Future Years (attached)
15. WSF Meeting Schedule Academic Year 2020/21 (attached)

Provisional Date of Next Meeting: **Tuesday 15th September 2020 at 12.30pm**
Redditch Room, County Hall or Via Zoom

This is a provisional date depending upon any policy direction notification for 2021-22 from the DfE. Please note the earlier start time of 12.30pm and that it might have to be held remotely via Zoom.

Please pass apologies to Andy McHale who can be contacted on
Tel 01905 846285 or e-mail amchale@worcschildrenfirst.org.uk

MINUTES OF THE MEETING OF THE
WORCESTERSHIRE SCHOOLS FORUM (WSF)

Tuesday 14th January 2020
Worcester Room, County Hall, Worcester

The meeting started at 2.00 pm

IN ATTENDANCE:

WSF Members

Malcolm Richards (Chair)	-	Governor, Bromsgrove
Paul Essenhigh	-	Executive HT Catshill Middle, Catshill First and Nursery Schools
Vivienne Cranton	-	Principal The Black Pear Trust
Adrian Ward	-	HT Trinity High School
Deb Rattley	-	HT Chadsgrove Special School
Bec Garratt	-	HT Wyre Forest School
Lorraine Petersen	-	Governor, Bromsgrove
Jeff Robinson	-	Governor, Malvern Hills
David McIntosh	-	Governor, Wyre Forest
John Bateman	-	Governor, Aspire Alternative Provision (AP) Free School
Tim Reid	-	Church of England Board of Education
Stephen Baker	-	Union Representative
Tricia Wellings	-	PVI Sector

Local Authority (LA)

Sarah Wilkins	-	Director of Education and Early Help Worcestershire Children First
Phil Rook	-	Director of Resources Worcestershire Children First
Andy McHale	-	Service Manager Funding and Policy Worcestershire Children First
Caroline Brand	-	Schools Finance Manager Worcestershire County Council
Rob Phillips	-	Schools Finance Team Worcestershire County Council
Councillor Marcus Hart	-	Cabinet Member with Responsibility for Education and Skills Worcestershire County Council

1. APOLOGIES

Marie Pearse	-	HT Evesham Nursery School (Absent)
Nathan Jones	-	HT Meadow Green Primary
Bryn Thomas	-	HT Wolverley CE Secondary School
Chris King	-	CEO Severn Academies Educational Trust
Greg McClarey	-	Archdiocese of Birmingham

2. DECLARATION OF INTERESTS

None.

3. DECLARATION OF POTENTIAL CONFLICT OF INTERESTS WITH ITEMS ON THE AGENDA

None.

4. MINUTES OF THE LAST MEETING (28th November 2019)

Agreed.

5. MATTERS ARISING

5.1 Under 6.2, Phil confirmed a meeting had taken place with the Head of HR WCC to discuss the issues on the Liberata HR service. The WSF were requested to let Phil know of some detailed concerns that could be forwarded. In response to a query from a member of the WSF Phil confirmed both he and Caroline could be contacted regarding issues. Members of the WSF reported there were specific issues on the support in making appointments, issuing contracts and the requirements of teaching schools.

5.2 Under 9.2, Andy confirmed a meeting had taken place regarding the Early Years consultation and a draft document was close to being issued to the sector. The PVI representative reported on the usefulness of the engagement prior to the formal consultation. The document would be issued shortly with a return date of just after half term. This would allow a report to be prepared for CMR sign off prior to the changes coming into force from 1st April 2020 as required.

6. ANY OTHER BUSINESS

None.

7. CABINET DECISIONS 20th DECEMBER 2019**7.1 Agenda Item 4 – 2020-21 Draft Budget**

(a) Phil reported the draft budget for 2020-21 for WCC had been considered and was now out for formal consultation. It included proposals for growth in both Adult and Children's Social Care and the recommended Council Tax rise. It also included references to the provisional DSG settlement 2020-21 received in October 2019.

(b) Phil advised the Cabinet Budget Report for 30th January 2020 would include information on the School Funding Settlement 2020-21 received in December 2019 and the WSF deliberations on the Local Schools Funding Formula (LSFF) submission due to the Education and Skills Funding Agency (ESFA) by 21st January 2020.

7.2 Agenda Item 6 – Fair Funding Consultation Outcomes 2020-21

(a) Andy reported the full outcomes of the local funding consultation in the Autumn Term 2019 were received by and considered by Cabinet.

(b) The WSF noted the Cabinet decisions made for the LSFF to continue as far as is practicable and affordable on the DfE NFF parameters, no transfer of funding from the Schools Block to support High Needs, de-delegations for maintained schools and centrally retained items for all schools.

8. PROVISIONAL SCHOOL FUNDING SETTLEMENT 2020-21

8.1 Dedicated Schools Grant (DSG)

(a) Andy advised on the DSG settlement as follows: -

- The DSG schools block is allocated based on the new National Funding Formula (NFF) schools block primary and secondary units of funding 2020-21 announced in October 2019.
- The Central Services Schools (CSS) Block is allocated on the DfE national model.
- The High Needs (HN) Block is allocated based on the new National Funding Formula (NFF) announced in September 2017. In addition, the HN DSG has been increased by an additional £780m of funding in 2020-21 announced in October 2019.
- Continuation of the new national Early Years (EY) DSG arrangements introduced in 2017-18.
- The allocations are prior to the recoupment deduction for Academies and non-LA maintained specialist providers.

DSG Allocations	2019-20 Latest November 2019 £'m	2020-21 Provisional December 2019 £'m	Variance £'m
Schools Block	321.578	339.667	+18.089
Pupil Growth Fund	<u>1.736</u>	<u>2.319</u>	<u>+0.583</u>
S-T School Block	323.314	341.986	+18.672
Central School Services Block	3.793	3.515	-0.278
High Needs Block	51.667	60.403	+8.736
Early Years Block	35.239	35.887	+0.648
Total DSG Gross	414.013	441.791	+27.778

(b) For the **Schools Block**: -

- There is an overall increase in pupil numbers of +776 between October 2018 and October 2019, which shows an increase in both the primary (+237.5) and secondary (+538.5).

Phase	2019-20 October 2018 Census	%	2020-21 October 2019 Census	%
Primary	44012.5	60.4	44250	60.1
Secondary	28873	39.6	29411.5	39.9
Total	72885.5	100.0	73661.5	100.0

(c) For the **Central School Services Block (CSSB)** the NFF formulaic allocation for centrally retained statutory services is £2.315m plus historic commitments £1.200m (**reduced by 20% by the DfE from 2019-20 allocation £1.500m as part of their national policy**).

(d) For the **High Needs Block**: -

- The allocation of £60.403m reflects the share of the additional £780m HN DSG allocated in 2020-21 of £8.736m gross.
- The estimated net HN DSG in 2020-21 is £52.491m which is an increase of £8.955m on 2019-20 of £43.536m. This reflects the proposed place deductions from the HN block for SEN units in academies, maintained post 16 and NMSS providers.

DETAIL	2019-20 Current November 2019 £'m	2020-21 Provisional December 2019 £'m	Variance £'m
HN DSG Gross	51.667	60.403	+8.736
Place Deductions			
SEN Units Academies	(0.807)	(0.808)	-0.001
Special Academies Pre and Post 16	(4.940)	(4.940)	0.000
Alternative Provision	(0.860)	(0.910)	-0.050
Special Maintained Post 16	(0.270)	(0.000)	+0.270
Academies Post 16	(0.060)	(0.060)	0.000
FE Providers	(1.194)	(1.194)	0.000
S-T Deductions	(8.131)	(7.912)	+0.219
= HN DSG Net	43.536	52.491	+8.955

(e) For the **Early Years Block** the provisional is based upon Schools, Early Years and Alternative Provision census data for 2, 3 & 4-year olds from January 2019. This reflects the additional £0.08p, announced in November 2019, on the 2,3 and 4-year old hourly rates. The final allocations will be updated based on January 2019 and January 2020 census data.

(f) The WSF noted the details comparing 2019-20 and 2020-21 in **Appendices A and B** to the report. This showed for the Schools Block the effect of the increase in the PUF and SUF for the Year 3 NFF and the increased numbers in the October 2019 pupil census.

(g) Andy advised the Schools Block and the CSSB were fixed and the increase in the former was expected due to the NFF.

(h) Andy further advised the High Needs Block might change because of any further academy conversions. The WSF welcomed the increase but contended it will not cover the significant existing cost pressures. They concluded what is required is further lobbying through the f40 Group and politically on ensuring the provisional settlement announced for 2021-22 and 2022-23 in October 2019 includes similar allocations to High Needs as in 2020-21. In response to a question from a member of the WSF Andy advised the national place funding rate of £10,000 has not been changed. The Cabinet Member commented that there is a misunderstanding by some in that the HN NFF only applies to the total quantum and that there is no national system for a local formula for HN providers.

(i) The WSF noted the Pupil Premium Grant (PPG) and other grants were still to be announced.

8.2 Some members of the WSF raised concerns on the ESFA requirements for 5-year financial forecasts when there was only a one-year detailed settlement.

8.3 The WSF noted the provisional school funding settlement for 2020-21.

9. SCHOOL BLOCK ALLOCATIONS 2020-21 AUTHORITY PROFORMA TOOL (APT)

9.1 Initial APT Issues

(a) Andy introduced the report which detailed the early January 2020 position on the APT.

(b) Andy provided an analysis of the Schools Block funding, prior to de-delegation for mainstream schools and after adjusting for centrally retained services detailing the estimated amount to be included in the Local Schools Funding Formula (LSFF) as follows: -

DETAIL	£'000	£'000
Schools Block Allocation		
Primary Unit of Resource £4,065.10 x Pupil Numbers 44250	179,881	
Secondary Unit of Resource £5,179.87 x Pupil Numbers 29411.50	152,348	
	7,438	
+ Premises Costs Historic Costs Allocation		
= Total LSFF Quantum 2020-21		339,667
+ Pupil Growth Fund DfE Formula Allocation		2,319
= Total Schools Block DSG		341,986

(c) Andy advised the LSFF net amount allocated in 2019-20 was £322.039m and a comparison of the position compared to 2020-21 as follows: -

DETAIL	£'000
LSFF 2019-20	322,039
<u>Adjustments</u>	
Overallocation 2019-20 funded from the Pupil Growth Fund	(461)
Additional DSG for NFF Year 3 for Schools Block October 2019	14,383
Additional DSG for Increase in Pupil Numbers October 2019	3,755
Change in Historic Premises – rates and PFI	(49)
= Estimated Amount for LSFF 2019-20	339,667

(d) Andy further advised although this seems a significant increase, the additional NFF DSG allocation notified in October 2019 was expected. Also, the increase in pupil numbers of 776 (Primary 237.5; Secondary 538.5) will require funding in the LSFF 2020-

21 together with the requirements of LSFF to be based as far as is practicable and affordable upon the National Funding Formula (NFF) parameters for Year 3.

(e) The WSF were reminded that the budgetary impact for each individual school will depend upon: -

- How their individual pupil numbers and all other data varies between October 2018 and October 2019.
- The Schools Block DSG increase between 2019-20 and 2020-21.
- The impact across all schools.
- The impact of the LSFF for the NFF parameters i.e. the MFG requirement and any associated capping level for affordability, together with the mandatory sector Minimum Funding Levels (MFLs).
- The impact and affordability of the Minimum Funding Levels (MFL) per pupil for the total budget: –
 - Primary increasing from £3,500 2019-20 to £3,750 in 2020-21.
 - Secondary increasing from £4,800 2019-20 to £5,000 in 2020-21.
 - Hybrid MFL rates for schools with 'non-uniform' year groups.
- The MFG of between +0.5% and +1.84% per pupil in 2020-21 and as any associated affordability cap.

(f) Andy advised at its meeting on 20th December 2019, the Worcestershire County Council Cabinet: -

- *Approved for 2020-21 the LSFF as supported by the WSF and the consultation responses to continue to be based as far as is practicable and affordable on the DfE NFF parameters.*
- *Authorised the Director of Children's Services in consultation with the Cabinet Members with Responsibility for Children and Families and with Responsibility for Education and Skills to make the required submission to the national executive body, the Education and Skills Funding Agency (ESFA) by 21 January 2020 for the approved Local Schools Funding Formula for 2020-21 taking account of any impact and change on the approved units of resource, Minimum Funding Guarantee and capping arrangements as a consequence of the October 2019 census and other 2019 data changes and the final 2020-21 Dedicated School Grant (DSG).*

9.2 Current APT Position

(a) The WSF were provided with further information in **Appendix A** together with **Annexes A and B** to the agenda item which summarised the current position and a comparison of the APT formula factors between 2019-20 and 2020-21.

(b) Andy advised the LA has been working on the APT for final submission to the ESFA by 21st January 2020.

(c) Andy confirmed: -

- The estimated quantum for the LSFF in 2018-19 is £339.667m plus a further sum of £2.319m from the national Pupil Growth Fund.
- The current APT position using the approved units of resource, other data and the Year 3 NFF parameters for the MFG, Capping and the sector Minimum Funding Levels is £338.818m – an under **allocation of £0.849m** against the £339.667m excluding the Pupil Growth Fund.
- However, this does not yet include: -

- The effect of Year 2 for the new North Worcester Primary Free School. This is a call on the DSG and must be funded on estimated numbers not included in the October 2019 census.
- Local data sets still to be received and finalised e.g. rates – impact unknown.
- The ‘payback’ required for the Pupil Growth Fund used in 2019-20 to fund the NFF Year 2 – actual £0.461m.
- The WSF are reminded as in 2019-20 in 2020-21 the parameters based on the NFF cannot be fully replicated through the APT due to some of the starting baselines used by the ESFA. Consequently, the draft APT uses the DfE quoted NFF rates, applied MFG at +1.84% per pupil, no capping level and the mandatory sector MFLs.
- The new DfE data will have to drive the allocations and so cannot be amended along with the units of resource as approved unless there is a Schools Block DSG quantum issue. Varying from this approach is not appropriate – as in previous years the data and local formula parameters run.

(d) The WSF were reminded: -

- The MFG is a per pupil not a cash protection, so the LSFF even when based on the NFF parameters, cannot protect schools from the effect of significant data changes between 2018 and 2019 e.g. reductions in pupil numbers and other data sets such as FSM, low prior attainment, etc. This data is controlled and supplied by the DfE in the APT and cannot be changed.
- Consequently, some schools will see reductions in funding due to these data changes. Nevertheless, all schools could be subject to at least a +1.84% per pupil increase because of the MFG in the LSFF being based upon the NFF parameters.
- The APT is draft only and it is not final until the ESFA have approved the APT following their detailed compliance checks – this will take some time following submission.
- School by school data is never shared at this time as is not available until all maintained schools and academies have had their allocations.

(e) The WSF were advised All the above issues are all a call on the currently unallocated funding of £0.849m. This means the Year 3 NFF on current estimate is just about affordable from the Schools Block quantum.

(f) In response to a question from a member of the WSF Rob confirmed that rates are included at the appropriate level including any relief in the APT and any subsequent ESFA recoupment.

(g) The WSF commented as follows: -

- Given the consultation and LSFF approvals, it was felt that there is a need to endeavour to replicate the Year 3 NFF parameters in 2020-21 as approved by Cabinet.
- There is a need to ‘repay’ the PGF used to set the LSFF in 2019-20.
- Given the additional PGF in 2020-21 from the DfE national formula, the WSF supported its use in the LSFF generally if required.
- There was unanimous support to submitting the APT for 2020-21 using the Year 3 NFF parameters and viewing the Schools Block as a whole including the PGF.

RESOLVED –

The WSF unanimously endorsed (For 13 votes; Against 0 votes; Abstention 0 votes) the submission of the LSFF APT final Schools Block funding for 2020-21, using the Year 3 NFF parameters as approved by Cabinet in December 2019, taking account of the above issues, to the ESFA by 21st January 2020 as required.

10. CENTRAL SCHOOL SERVICES BLOCK (CSSB) ANALYSIS

10.1 Phil introduced the report which detailed a full analysis of the services supported from the CSSB as follows: -

Central Schools Services Block (CSSB) Allocation		
<u>Centrally Retained Budgets (Previously Approved by WSF and WCC Cabinet)</u>		
Contributions to Combined Services – Early Intervention Family Support	1,200	
Co-ordinated School Admissions	582	
Servicing of the Schools Forum	55	
Former ESG Retained Duties for All Schools	1,262	
<u>DfE Designated Centrally Retained Budgets</u>		
Licenses and Subscriptions – DfE Actual	420	
= Total Centrally Retained		3,519
- Central Services Schools Block (CSSB) Allocated (See Agenda Item 10 for CSSB Analysis)		3,515
= Projected Surplus/(Deficit) on CSSB		(4)

10.2 The WSF noted the issues on the proposals for the shortfall in DSG allocated for the EIFS and the servicing of the Schools Forum.

11. ACADEMIES UPDATE

11.1 The WSF noted the current academies position as at 1st December 2019 and conversion approvals had been affected by the general election purdah.

The meeting closed at 2.45pm

The date of the next WSF meeting is: -

Thursday 19th March 2020 at 2pm
Worcester Room
County Hall
Worcester

REPORT TO THE WORCESTERSHIRE SCHOOLS FORUM (WSF)
CHANGE TO THE SCHOOLS FORUM (ENGLAND) REGULATIONS 2012

1. PURPOSE

1.1 To advise the WSF of a temporary change to the Schools Forum (England) Regulations 2012.

2. CHANGE TO THE REGULATIONS

2.1 On 29th May 2020, the ESFA published details of a temporary change to the above Regulations.

2.2 Currently the Schools Forums (England) Regulations 2012 require that Schools Forums meet at least 4 times a year.

2.3 The ESFA contend, it is important that Schools Forums continue to meet, but recognise the difficulties in doing so physically, while adhering to public health guidance on social distancing during the coronavirus (COVID-19) pandemic.

2.4 To support this, the ESFA have amended the above Regulations to enable Schools Forums to meet remotely, while they are unable to meet physically in a room during the outbreak of COVID-19.

2.5 The government laid The Schools Forums (England) (Coronavirus) (Amendment) Regulations 2020 before Parliament on 28 May 2020, which came into force on 18th June 2020.

2.6 This allows, but is not limited to, telephone conferencing, video conferencing, live webcast, and live interactive streaming. These arrangements are currently in place for the 2020-21 financial year, up to the end of March 2021.

2.7 The regulations and the updated Schools Forum guidance about these changes can be accessed at: -

<http://www.legislation.gov.uk/ukxi/2020/540/note/made>.

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

3. RECOMMENDATION

3.1 The WSF notes the temporary change to the above Regulations.

Andy McHale
Service Manager Funding and Policy
Worcestershire Children First
June 2020

REPORT TO THE WORCESTERSHIRE SCHOOLS FORUM (WSF)
SCHOOL FUNDING: EXCEPTIONAL COSTS ASSOCIATED WITH COVID-19

1. PURPOSE

1.1 To advise the WSF on the current DfE guidance for supporting school costs.

2. BACKGROUND

2.1 The DfE continues to issue guidance to LAs and schools on the Covid-19 issues.

2.2 The detail below provides for exceptional costs associated with Covid-19 for the period from March 2020 to July 2020.

3. CURRENT POSITION

3.1 The detailed guidance is detailed in the following link: -

<https://www.gov.uk/government/publications/coronavirus-covid-19-financial-support-for-schools/school-funding-exceptional-costs-associated-with-coronavirus-covid-19-for-the-period-march-to-july-2020>

3.2 On 24th June 2020, the DfE updated the guidance for schools and the main changes are detailed in the following paragraphs.

3.3 Impact on Schools Financial Reserves and Eligibility

(a) Funding is available to cover costs relating to specific items, this has not changed and see the details within the guidance. These items are ones the DfE judge necessary to allow schools to provide appropriate support to those children attending school during the period of partial closure.

(b) Funding is available to schools that are unable to meet such additional costs from their existing resources, or which they could only meet by drawing down on reserves and undermining their long-term financial sustainability.

(c) Schools are not eligible to make a claim against this fund if they expect to add to their existing historic surpluses in their current financial year (September 2019 to August 2020 for academies and April 2020 to March 2021 for maintained schools). This means schools cannot claim if they began their current financial year with an accumulated historic surplus and expect to increase that surplus this year and thereby finish the year with a higher level of reserves than they started.

(d) Schools are eligible for reimbursement where the additional costs associated with coronavirus (COVID-19) would: -

- Result in a school having to use historic surpluses.
- Increase the size of a historic deficit.
- Prevent the planned repayment of a historic deficit.

(e) The DfE are asking schools to make the necessary payments from their existing budgets and record these in line with local finance policies.

(f) The DfE will make payments – direct to academies, or to LAs to pass onto their schools – to reimburse schools for costs they apply for up to the limits.

3.4 Loss of Income

(a) The DfE recognise that during this period of partial closure many publicly funded schools are not able to secure income from private sources that they normally would, for example letting facilities, providing wrap-around childcare or catering services.

(b) Lost self-generated income is not covered by this grant. Where schools normally provide a service or operation that is wholly or significantly funded by private income, the DfE know this lost revenue will create additional pressure on budgets.

(c) Where schools have members of staff delivering these services, which were funded by private income, they should first look to make the necessary savings from their existing budgets or consider options to redeploy these staff. Once having looked to these other options, schools can then consider using the Coronavirus Job Retention Scheme. This process for Worcestershire was open to schools from the 1 June 2020.

3.5 Funding Allowances

(a) Where they need to, schools will be eligible to claim up to the limits set out below. Schools will need to provide assurance that costs are legitimate additional costs incurred due to coronavirus (COVID-19) by taking necessary measures and should consider the following before submitting claims: -

- Schools should keep records of all expenditure relating to coronavirus (COVID-19), as is usual with all spend, these records will be necessary for local audit arrangements
- The headteacher or school business manager who submits the claim should give due consideration to their financial duties when doing so, including signing their name against any claim
- The DfE would expect schools to be able to identify this income, and the related expenditure, when reporting their accounts

(b) The DfE want the claims process to be as simple and as user friendly as possible, recognising the additional work schools are already facing.

(c) The DfE will not be asking for detailed information of the individual items on a claim routinely, but schools should hold a record of what has been covered, in case of individual enquiries.

(d) As usual, the DfE reserve the right to audit the expenditure and clawback money if claims have not been made in accordance with the guidance, in order to protect public spending.

Limits for schools

Mainstream schools

250 pupils or fewer	£25,000
251 to 500 pupils	£30,000
501 to 1000 pupils	£50,000
Over 1000 pupils	£75,000

Special schools and alternative provision

All schools	£50,000
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3.6 Short-Term Support with Costs

(a) It is recognised that some schools may be unable to make up-front payments to cover the additional costs due to coronavirus (COVID-19) because of cash flow issues. In these circumstances, schools should follow the normal process for seeking short-term advances to support their cash flow by contacting the ESFA if they are an academy, or their LA if they are a maintained school.

(b) Any non-maintained special school with a cash flow difficulty should seek advice from the ESFA in the first instance.

4. RECOMMENDATION

4.1 The WSF notes and discusses the above issues.

Phil Rook
Director of Resources
Worcestershire Children First

June 2020

REPORT TO THE WORCESTERSHIRE SCHOOLS FORUM (WSF)
EXTENSION OF THE DFE RISK PROTECTION ARRANGEMENTS (RPA) TO LA
MAINTAINED SCHOOLS

1. PURPOSE

1.1 To advise the WSF on a change to the DfE scheme for Risk Protection Arrangements (RPA) for Schools.

2. EXTENDING THE SCOPE OF RPA

2.1 On 8th April 2020, the DfE published a change to their RPA arrangements for schools. The details of which can be found on the attached link: -

<https://www.gov.uk/guidance/the-risk-protection-arrangement-rpa-for-schools#join-the-rpa>

2.2 The DfE's Risk Protection Arrangement (RPA) has been operating as a voluntary arrangement for academies and free schools effective from 1st September 2014.

2.3 The RPA is not an insurance scheme but is a mechanism through which the cost of risks that materialise from 1st September 2014 will be covered by government funds.

2.4 All academy trusts and multi-academy trusts can opt into the RPA and with effect from 1st April 2020, LA maintained schools are eligible to join the RPA.

2.5 For WCC maintained schools the budget for insurance has been delegated since 2013. Maintained schools continue to buy back into the WCC service as it provides a full range of comprehensive insurance cover.

3. RECOMMENDATION

3.1 The WSF notes the above change to the national RPA arrangements.

Andy McHale
Service Manager Funding and Policy
Worcestershire Children First

June 2020

REPORT TO THE WORCESTERSHIRE SCHOOLS FORUM (WSF)
REQUIRED CHANGES TO THE SCHEME FOR FINANCING MAINTAINED SCHOOLS

1. PURPOSE

1.1 To advise the WSF on the current position on required changes to the above scheme for maintained schools.

1.2 For the WSF maintained school members to approve a revised version of the scheme.

2. BACKGROUND

2.1 The DfE issue from time to time changes to their Statutory Guidance for Schemes for Financing Maintained Schools.

2.2 The latest update was issued on 1st April 2020 and the details are contained in the attached link: -

<https://www.gov.uk/government/publications/schemes-for-financing-schools>

2.3 LAs are required to incorporate any changes into their local schemes.

3. CHANGES FOR INCORPRATION INTO THE CURRENT SCHEME

3.1 These are detailed as follows: -

Note – the references below are to the section number in Issue 10 (February 2019) of this guidance and are made to reflect current DfE policy positions and changes in legislation.

- *Paragraph 1.1: Statutory guidance changed - changed to “This is issue 11 of statutory guidance given by the Secretary of State pursuant to s.48(4) and paragraph 2A(2) of Schedule 14 to the School Standards and Framework Act 1998.”*
- *Paragraph 1.1: Minor change - added “except for the text of directed revisions.”*
- *Paragraph 1.1: Minor change - added “other than directed revisions”*
- *Paragraph 1.2: Minor change - added “Currently there are no new directed revisions.”*
- *Paragraph 1.2: Presentational change - moved “Details of earlier directed revisions” have been moved to Annex D, Section 20.*
- *Paragraph 1.3: Changes made to the guidance - added “Other important changes to the guidance.” Following consultation that closed on 19 November 2019, the Secretary of State has decided that from 1 April 2020 Local Authority Maintained Schools (LAMS) will be able to join the risk protection arrangement (RPA). We are changing the guidance as below: we have not had time to conduct a consultation on a directed revision, but we may do that later. Section 12: Insurance Instead of taking out insurance, a school may join the Secretary of State’s Risk Protection*

Arrangement (RPA) for risks that are covered by the RPA. The scheme should contain a provision which allows schools to join the RPA after 1st April 2020. Schools may do this individually when any insurance contract of which they are part expires. The scheme should also provide for all primary and/or secondary maintained schools to join the RPA collectively by agreeing through the Schools Forum to de-delegate funding.”

- *Paragraph 2: Regulation change - changed to ““the regulations” are the School and Early Years Finance (England) Regulations 2020*
- *Paragraph 3.1: Minor change - changed to “current funding framework”.*
- *Paragraph 4.4: Minor change - removed “Taking into account the purchasing, tendering and contracting requirements.”*
- *Paragraph 4.10: Minor change - changed to “contracting authorities”*
- *Paragraph 12.1: Changes made to the guidance - added “Instead of taking out insurance, a school may join the Secretary of State’s Risk Protection Arrangement (RPA) for risks that are covered by the RPA. The scheme should contain a provision which allows schools to join the RPA after 1st April 2020. Schools may do this individually when any insurance contract of which they are part expires. The scheme should also provide for all primary and/or secondary maintained schools to join the RPA collectively by agreeing through the Schools Forum to de-delegate funding.”*
- *Paragraph 13.3: Minor change - changed “Governors’ Allowances”*
- *Paragraph 13.3: Presentational change - added “Schools without delegated budgets”*
- *Paragraph 13.3: Presentational change - added “Schools with delegated budgets”*
- *Paragraph 15.8: Changes made to the guidance - added “Instead of taking out insurance, a school may join the RPA for risks that are covered by the RPA.”*
- *Paragraph 15.10: Changes to the guidance - deleted “The scheme should contain a provision reminding schools that they must not borrow money without the written consent of the Secretary of State. This requirement does not extend to monies lent to schools by their maintaining authority.”*
- *Paragraph 16: Minor change - changed to “References below are to the section number in Issue 10 (February 2019) of this guidance“*
- *Annex D: added “Earlier directed revisions”*

3.2 The LA has reviewed the current scheme and has incorporated the above changes as required as well as updating the list of maintained schools now covered by the scheme as at 1st April 2020.

4. RECOMMENDATIONS

4.1 The WSF notes and discuss the above changes.

4.2 The WSF maintained school members approve the required changes and for the posting of the revised version on the WSF website as required.

Andy McHale
Service Manager Funding and Policy
Worcestershire Children First

June 2020



AGENDA ITEM 11a)
WORCESTERSHIRE SCHOOLS FORUM
9th JULY 2020

The Headteacher
All Maintained Mainstream Schools

28 February 2020

Dear Colleague,

SCHOOLS BLOCK FUNDING ALLOCATIONS FOR THE FINANCIAL YEAR 2020-2021

The Schools Block funding allocations and estimated Pupil Premium Grant allocations for the financial year 2020-21 have today been uploaded to the Children's Services Portal.

Schools Block - Actual Allocation

The Schools Block allocations are based on a single pupil count using data collected from the October 2019 Schools Census and other prescribed DfE data sets from 2019. There may be minimal changes to pupil numbers as a result of the DfE's audit process, with adjustments made if the changes affect your school. **This allocation will not be subject to any further in-year adjustments.**

The Schools Block units of resource for the local schools funding formula were approved by the County Council Cabinet on 20 December 2019. These are based upon the revised local schools funding formula approved following the Autumn Term 2019 local funding consultation to reflect as far as is affordable and practicable the National Funding Parameters (NFF) set by the DfE.

Compared to 2019-20 schools will see changes to their allocations for the following:

- A revised Dedicated Schools Grant (DSG) allocation and local funding formula for 2020-21 now being based upon the DfE NFF year 3 methodology,
- Changes in DfE data sets and pupil numbers between the October 2018 and October 2019 figures which have to be used for the actual 2020-21 Schools Block allocation.

The Minimum Funding Guarantee (MFG) is set at +1.84% per pupil on the 2019-20 baseline to reflect the NFF year 3 parameters. There is now no cap for gainers. Please note, however, that the MFG continues to be a per pupil and **NOT** a cash protection. In line with the NFF parameters all schools will see an increase in **PER PUPIL FUNDING** of at least 1.84%. As in previous years even with the local formula being based upon the DfE NFF parameters the MFG **WILL NOT** provide protection for schools from significant data changes. So schools experiencing reductions in pupil numbers from 2019-20 or other significant data changes such as reductions in deprivation (FSM and IDACI), low prior attainment, etc. will see a corresponding budget reduction; the County Council is unable to include a local factor to protect for falling rolls and other such data changes. Conversely schools with increasing pupil numbers and other data requirements will see a budget increase.

Caroline Brand
Finance Manager -
Schools

PO Box 73
County Hall
Spetchley Road
Worcester
WR5 2YA

At its meeting on 14 January 2020 the Worcestershire Schools Forum (WSF) requested that the County Council use as required the new prescribed data sets for allocating the Schools Block DSG 2020-21. This has confirmed the Schools Block DSG 2020-21, using the local schools funding formula units of resource, based upon the DfE NFF parameters, approved by County Council Cabinet on 20 December 2019, is now fully committed in the local schools funding formula 2020-21 and in the Central Services Schools Block.

High Needs Funding Allocations

Initial allocations for those pupils entitled to High Needs funding will be made, as required by the DfE, by the 28 February 2020. For those schools with autism bases or resource units this will include either the £6,000 or £10,000 per commissioned place depending on if the pupils is registered within your school or not and the number of places agreed by the County Council.

Funding for High Needs Top up Element 3 will be allocated as required to those schools with such pupils. Schools are reminded that funding for High Needs top up will be adjusted and vary during the year depending upon the movement of such pupils. Indicative allocations will be provided for budget purposes only based upon information as at 20 February 2020.

Schools with Early Years Settings

Funding for the free nursery education entitlement is determined by the Early Years Single Funding Formula (EYSFF). By the 31 March 2020 you will receive an indicative budget allocation for the financial year 2020-21 based upon the EYSFF. This will take into account any change to funding rates and other matters following the outcome of the EY funding consultation earlier in the Spring Term 2020. This allocation will continue to be amended termly to reflect actual numbers on roll and hours of attendance throughout the financial year.

Pupil Premium Grants

Each Primary Free School Meal (FSM) Ever 6 pupil will attract funding of £1,345, with each Secondary FSM Ever 6 pupil attracting funding of £955. In addition, a child recorded as a Service Child or with a parent receiving a war pension on any January census from 2014 (Ever 3) will attract £310.

These indicative grant allocations are based on your actual funding for financial year 2019-20. The actual allocations will not be confirmed until the January 2020 School Census data has been audited and agreed by the DfE later in the summer term. The actual allocations will then be paid over in four instalments, when the County council receives the grant from the DfE. We anticipate that the first instalment will be paid in June 2020, with the remaining instalments being paid in September 2020, December 2020 and at the end of the financial year.

Children Looked After within the County will attract £2,345 of Pupil Premium funding in 2020-21. Responsibility for allocating this funding remains with the Local Authority's Virtual School Headteacher. Schools operating with maintained and non-maintained early years provision will also continue to receive up to £300 Pupil Premium for eligible children in 2020-21.

Key Budget Planning Considerations

Inflationary pressures continue to be experienced particularly in relation to pay costs. We would recommend you budget for anticipated future teachers' pay awards from September 2020 and for the pay award for support staff from 1 April 2020.

All staffing projections provided by the Liberata Schools Finance Team will include these anticipated awards and increased employers' contributions for NIC and pension contributions. Details of the pension back funding charges for 2020-21 will be sent in a separate letter within the next two weeks.

Budget Setting

All schools are required to complete an actual budget plan for the coming financial year. This must be submitted by 1 May 2020. Please ensure that your Governors' meeting is scheduled so that this deadline can be achieved.

The 2020-21 budget plan must be submitted via Collaborative Planning. Training is still available to all schools and those who are yet to undertake training or require additional support should

contact Liberata Schools Finance Team urgently. Details of training sessions have been communicated via email, the weekly newsletter and are available on ConnectEd.

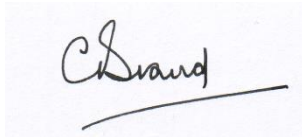
Budget plans must be approved by the Full Governing Body unless this action is delegated to the Finance Sub-committee. It is important to stress that any decision to delegate the budget plan approval to the Finance Sub-committee must be evident in your Finance Policy and Governors' minutes.

If your 2020-21 actual budget plan indicates a deficit balance, please email Statutory Schools Finance Team on SFT@worcestershire.gov.uk for a Deficit Budget Approval form.

If you buy back support through Liberata's Service Specification and would like to arrange a budget meeting or to discuss your budget plan, please contact Liberata's Schools Finance Team on WCCSchoolsFinance@Liberata.com. Please share the details of this letter with your Governors.

If you would like to discuss any of the items raised in this letter in more detail, please do not hesitate to email me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'C Brand', is written over a light blue rectangular background. A horizontal line is drawn below the signature.

Caroline Brand
Finance Manager – Schools

Local Authority Funding Reform Proforma

LA Name:	Worcestershire
LA Number:	885

Primary minimum per pupil funding level	Secondary (KS3 only) minimum per pupil funding level	Secondary (KS4 only) minimum per pupil funding level	Secondary minimum per pupil funding level	Disapplication number where alternative MPFF values are used
£3,750	£4,800.00	£5,300.00	£5,000.00	N/A

Pupil Led Factors

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Reception uplift	No	Pupil Units		0.00		Total	Proportion of total pre MFG funding (%)	Notional SEN (%)	
	Description	Amount per pupil	Pupil Units	Sub Total						
1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Primary (Years R-6)	£2,857.00	44,281.50	£126,512,246	£250,828,168	37.40%	5.00%			
	Key Stage 3 (Years 7-9)	£4,018.00	18,124.00	£72,822,232		21.53%	5.00%			
	Key Stage 4 (Years 10-11)	£4,561.00	11,290.00	£51,493,690		15.22%	5.00%			
2) Deprivation	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)
	FSM	£450.00	£450.00	6,175.33	3,700.00	£4,443,900	£23,240,938	6.87%	50.00%	50.00%
FSM6	£560.00	£815.00	8,250.59	6,489.36	£9,909,157	50.00%			50.00%	
IDACI Band F	£210.00	£300.00	3,649.76	2,348.79	£1,471,087	100.00%			100.00%	
IDACI Band E	£250.00	£405.00	2,219.78	1,434.74	£1,136,013	100.00%			100.00%	
IDACI Band D	£375.00	£535.00	2,512.82	1,656.02	£1,828,277	100.00%			100.00%	
IDACI Band C	£405.00	£580.00	2,070.98	1,305.56	£1,595,973	100.00%			100.00%	
IDACI Band B	£435.00	£625.00	2,227.40	1,399.15	£1,843,385	100.00%			100.00%	
IDACI Band A	£600.00	£840.00	917.04	551.10	£1,013,146	100.00%			100.00%	
3) Looked After Children (LAC)	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)
	LAC X March 19	£0.00		563.82		£0	£1,527,068	0.00%	0.00%	
4) English as an Additional Language (EAL)	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total		Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)
	EAL 3 Primary	£535.00		2,238.54		£1,197,621	£1,527,068	0.45%	0.00%	
EAL 3 Secondary		£1,440.00		228.78		£329,447			0.00%	0.00%
5) Mobility	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)
	Pupils starting school outside of normal entry dates	£0.00	£0.00	173.82	37.91	£0		0.00%	0.00%	0.00%
6) Prior attainment	Description	Weighting	Amount per pupil (primary or secondary respectively)	Percentage of eligible pupils	Eligible proportion of primary and secondary NOR respectively	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)
	Primary Low Attainment		£1,065.00	30.87%	13,668.84	£14,557,312	£25,679,320	7.59%	100.00%	
	Secondary low attainment (year 7)	64.53%		23.68%	6,908.08	£11,122,009			100.00%	100.00%
	Secondary low attainment (year 8)	63.59%		24.10%						
	Secondary low attainment (year 9)	58.05%	£1,610.00	23.89%						
	Secondary low attainment (year 10)	48.02%		24.29%						
Secondary low attainment (year 11)			21.33%							

Other Factors

Factor	Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)	Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)
7) Lump Sum	£114,400.00	£114,400.00			£25,968,800	7.68%	10.00% 10.00%
8) Sparsity factor	£26,000.00	£67,600.00	£67,600.00	£67,600.00	£170,841	0.05%	0.00% 0.00%
Please provide alternative distance and pupil number thresholds for the sparsity factor below. Please leave blank if you want to use the default thresholds. Also specify whether you want to use a tapered lump sum or the NFF weighting for any of the phases.							
Primary distance threshold (miles)	2.00	Primary pupil number average year group threshold	21.40	Fixed, tapered or NFF sparsity primary lump sum?	Tapered		
Secondary distance threshold (miles)	3.00	Secondary pupil number average year group threshold	120.00	Fixed, tapered or NFF sparsity secondary lump sum?	Tapered		
Middle schools distance threshold (miles)	2.00	Middle school pupil number average year group threshold	69.20	Fixed, tapered or NFF sparsity middle school lump sum?	Tapered		
All-through schools distance threshold (miles)	2.00	All-through pupil number average year group threshold	62.50	Fixed, tapered or NFF sparsity all-through lump sum?	Tapered		
9) Fringe Payments					£0	0.00%	
10) Split Sites					£565,300	0.17%	0.00%
11) Rates					£3,921,682	1.16%	0.00%
12) PFI funding					£2,547,000	0.75%	0.00%
13) Exceptional circumstances (can only be used with prior agreement of ESFA)							
Circumstance	Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)				
Additional lump sum for schools amalgamated during FY19-20	£0	0.00%	10.00%	10.00%			
Additional sparsity lump sum for small schools	£0	0.00%	0.00%	0.00%			
Exceptional Premises	£369,441	0.11%	0.00%	0.00%			
Exceptional Circumstance4	£0	0.00%	0.00%	0.00%			
Exceptional Circumstance5	£0	0.00%	0.00%	0.00%			
Exceptional Circumstance6	£0	0.00%	0.00%	0.00%			
Exceptional Circumstance7	£0	0.00%	0.00%	0.00%			

Total Funding for Schools Block Formula (excluding minimum per pupil funding level and MFG Funding Total)	£334,818,558	98.98%	
14) Additional funding to meet minimum per pupil funding level	£3,446,561	1.02%	0.00%
Total Funding for Schools Block Formula (excluding MFG Funding Total)	£338,265,119	100.00%	

15) Minimum Funding Guarantee	1.84%	£614,556	
Where a value less than 0.5% or greater than 1.84% has been entered please provide the disapplication reference number authorising the value		N/A	
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)		No	
Capping Factor (%)	Scaling Factor (%)		
Total deduction if capping and scaling factors are applied			
		£0	
Total (£)	Proportion of Total funding (%)	Notional SEN (%)	
MFG Net Total Funding (MFG + deduction from capping and scaling)	£614,556	0.18%	0.00%
Total Funding for Schools Block Formula	£338,879,675		£56,882,018
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved)	£0.00		
Additional funding from the high needs budget	£200,000.00		
Growth fund (if applicable)	£3,106,302.92		
Falling rolls fund (if applicable)	£0.00		
Other Adjustment to 19-20 Budget Shares	£0		
Total Funding For Schools Block Formula (including growth and falling rolls funding)	£341,985,978		
% Distributed through Basic Entitlement	74.15%		
% Pupil Led Funding	89.06%		
Primary: Secondary Ratio	1:	1.29	

REPORT TO THE WORCESTERSHIRE SCHOOLS FORUM (WSF)
MAINTAINED SCHOOL BALANCES 2019-20

1.0 PURPOSE

1.1 To inform the WSF of the revenue balances held by maintained schools for the financial year 2019-20.

2.0 BACKGROUND INFORMATION

2.1 Individual school budgets are funded from the Dedicated Schools Grant (DSG), Pupil Premium and other government grants for specific projects. Funding for post-16 expenditure in Secondary and High Schools is allocated by the Education and Skills Funding Agency (ESFA).

2.2 The WSF are reminded that the LA has provision in its Scheme for Financing Schools to challenge excess surplus balances held by schools over the permitted level for their sector. However, in view of the current financial pressures on schools, permission is requested for the challenge process to again be light touch this year.

3.0 SUMMARY BALANCES

3.1 Overall school balances have decreased this year by a further £4,007,014 from £5,282,966 to £1,275,952. This is 0.76% of total in-year revenue funding and represents a reduction of 2.31% on 2018/19. This information has been adjusted to reflect the transfer of outstanding balances of schools who converted to academies prior to 2018/2019 and within the financial year. An analysis of year-end balances by school and sector is attached in **Appendix A**.

3.2 Summary of year-end balance by sector is shown in table below. * Denotes the balances as a percentage of total in-year funding (excludes school generated income).

	2019/2020 £	*2019/2020 %	2018/2019 £	*2018/2019 %	Variance £
Nursery & Primary	5,371,893	4.74%	7,903,107	6.78%	(2,531,214)
Secondary	(6,262,050)	(17.55%)	(4,921,305)	(13.55%)	(1,340,745)
Special	1,920,465	11.13%	2,163,353	12.82%	(242,888)
PRUs	245,644	9.55%	137,811	5.73%	107,833
Total	1,275,952	0.76%	5,282,966	3.07%	(4,007,014)

3.3 The average balance by phase adjusted for converted academies as detailed in **Appendix A** is shown in the table below:

	2019/2020 £	2018/2019 £	Variance £
Nursery & Primary	49,283	68,130	(18,847)
Secondary	(626,205)	(447,391)	(178,814)
Special	384,093	432,671	(48,578)
PRUs	81,881	45,937	(35,944)

4.0 SCHOOLS IN DEFICIT

4.1 The number of schools ending the financial year in deficit has increased by six. In total there were 39 schools compared to 33 at the end of 2018/2019. This is detailed in the table below:

	2019/2020	2018/2019	Variance
Nursery & Primary	33	26	+7
Secondary	6	6	-
Special	0	0	-
PRUs	0	1	-1
Total	39	33	+6

4.2 The total value of deficit balances for 2019/2020 is £9,150,636 as detailed in the table below. This is an increase of £2,112,778 from 2018/2019. The largest deficit balance for 2018/2019 is £2,823,133. This is an increase of £401,885 from £2,421,248 at the end of 2018/2019.

	2019/2020 £	2018/2019 £	Variance £
Nursery & Primary	(2,463,962)	(1,498,206)	(965,756)
Secondary	(6,686,674)	(5,535,862)	(1,150,812)
Special	-	-	-
PRUs	-	(3,790)	3,790
Total	9,150,636	7,037,858	2,112,778

4.3 The number of maintained schools setting budgets for 2020/2021 is 123 of which 40 have set a deficit budget. 32 schools ending 2018/2019 in deficit have set a deficit budget for 2020/2021. The total value of the deficit budgets is £11.5m against the value of surplus budgets of £5.5m.

4.4 Schools setting a deficit budget have received a letter from the Chief Finance Officer outlining the budget deficit recovery and monitoring requirements of the County Council. These include: -

- No new appointments or changes to existing contracts being made without the County Council's approval,
- The school works with the County Council and School Improvement Advisors to return to an in-year surplus within 18 months and a balanced position within two years, or by exceptional agreement five years. The expectation being that all savings made in-year contribute to reducing the deficit,
- All virements must be authorised by the County Council, after approval has been sought in line with the school's Finance Policy,
- The school provides the County Council with minutes evidencing discussion with Governors regarding recovery plans and progress against the budget,
- That a monthly budget monitoring report which includes the annual budget outturn is submitted to the County Council.

4.5 As the deficit recovery plans continue to be monitored, it is anticipated that there will be a requirement for some schools to attend a Schools Causing Concern meeting to review progress.

5.0 RECOMMENDATION

5.1 The WSF notes and discusses the above position.

Caroline Brand
Schools Finance Manager
Worcestershire County Council

July 2020

Appendix A Schools' Carry-forward analysis 2018-19 & 2019-20		2018-19 CFWD inc			2019-20 CFWD inc			Movement	
Cost Centre	School	Total Resources 2018-19 *	2018-19 CFWD inc interest		Total Resources 2019-20 *	2019-20 CFWD inc interest		£	£
		£	£	%	£	£	%	£	£
	NURSERY & PRIMARY SCHOOLS							Reductions	Increases
SM1001	EVESHAM NURSERY SCHOOL	383,339	20,783	5.42	395,742	(45,757)	(11.56)	(66,540)	
SM3000	ABBERLEY PAROCHIAL PRIMARY	487,444	84,840	17.41	494,624	57,419	11.61	(27,421)	
SM2002	ALVECHURCH, CROWN MEADOW FIRST	1,438,170	88,279	6.14	1,576,651	23,843	1.51	(64,436)	
SM2006	ASHTON-UNDER-HILL FIRST	506,387	102,263	20.19	511,804	78,889	15.41	(23,374)	
SM3300	ASTLEY C.E. PRIMARY	517,095	144,383	27.92	503,916	135,513	26.89	(8,870)	
SM3302	BARN T GREEN ST. ANDREW'S C.E. FIRST	901,823	62,753	6.96	936,284	27,578	2.95	(35,175)	
SM3001	BAYTON C.E. PRIMARY	514,383	(32,527)	(6.32)	522,127	(22,211)	(4.25)		10,315
SM3002	BELBROUGHTON C.E. PRIMARY & NURSERY	784,512	(16,909)	(2.16)	824,860	38,131	4.62		55,040
SM2008	BEOLEY FIRST	481,441	10,702	2.22	493,289	(596)	(0.12)	(11,299)	
SM3011	BEWDLEY, ST ANNE'S CE PRIMARY	1,227,075	(86,684)	(7.06)	1,220,491	(99,628)	(8.16)	(12,944)	
SM3397	BEWDLEY PRIMARY	1,564,957	98,935	6.32	1,672,277	66,026	3.95	(32,909)	
SM3005	BLAKEDOWN C.E. PRIMARY	662,150	(2,568)	(0.39)	729,001	(30,485)	(4.18)	(27,917)	
SM3306	BREDON HANCOCK'S ENDOWED FIRST	713,482	11,391	1.60	748,686	28,223	3.77		16,832
SM3008	A BROADHEATH C.E. PRIMARY	696,685	102,711	14.74					
SM3308	BROADWAS C.E. PRIMARY	482,530	42,244	8.75	481,421	72,495	15.06		30,250
SM2013	BROADWAY FIRST	505,561	23,738	4.70	521,427	28,559	5.48		4,821
SM2015	BROMSGROVE, CATSHILL FIRST SCHOOL & NURSERY	1,387,624	60,887	4.39	1,477,738	72,769	4.92		11,882
SM2016	BROMSGROVE, CHARFORD FIRST	2,110,379	310,674	14.72	2,176,511	299,863	13.78	(10,811)	
SM2017	BROMSGROVE, FINSTALL FIRST	1,187,521	102,705	8.65	1,244,858	93,322	7.50	(9,383)	
SM2018	BROMSGROVE, LICKEY END FIRST	690,327	(86,916)	(12.59)	705,896	(124,994)	(17.71)	(38,078)	
SM2019	BROMSGROVE, MEADOWS FIRST	1,831,640	399,380	21.80	1,893,218	416,593	22.00		17,213
SM2020	BROMSGROVE, MILLFIELDS FIRST	1,255,915	169,820	13.52	1,381,266	250,471	18.13		80,651
SM2021	BROMSGROVE, SIDEMOOR FIRST & NURSERY	1,698,494	(19,032)	(1.12)	1,718,691	(190,958)	(11.11)	(171,926)	
SM2901	RUBERY, LICKEY HILLS PRIMARY	1,873,101	93,105	4.97	1,926,413	78,689	4.08	(14,417)	
SM2022	BROMSGROVE, BLACKWELL FIRST	790,204	161,690	20.46	835,986	202,266	24.19		40,577
SM3014	CALLOW END C.E. PRIMARY	504,912	44,927	8.90	507,993	34,927	6.88	(10,001)	
SM3330	CHADDESLEY CORBETT ENDOWED PRIMARY	911,367	60,483	6.64	910,020	(10,642)	(1.17)	(71,125)	
SM3018	CHURCH LENCH C.E. FIRST	430,981	76,848	17.83	481,374	75,972	15.78	(875)	
SM3019	CLAINES C.E. PRIMARY	873,343	3,230	0.37	917,400	53	0.01	(3,176)	
SM3020	CLEEVE PRIOR C.E. FIRST	352,610	(3,137)	(0.89)	384,687	1,751	0.46		4,888
SM3022	CLENT PAROCHIAL PRIMARY	495,238	54,521	11.01	509,057	48,695	9.57	(5,826)	
SM2032	CLIFTON-UPON-TEME PRIMARY	391,462	(67,296)	(17.19)	416,176	(91,583)	(22.01)	(24,287)	
SM3016	COOKLEY SEBRIGHT ENDOWED PRIMARY	1,019,608	54,778	5.37	1,069,692	12,110	1.13	(42,668)	
SM3027	CROPTHORNE-WITH-CHARLTON C.E. FIRST	464,659	873	0.19	489,842	(23,271)	(4.75)	(24,144)	
SM3029	DEFFORD-CUM-BESFORD C.E. FIRST	336,299	(2,010)	(0.60)	386,730	13,463	3.48		15,472
SM2034	DODFORD FIRST	408,134	24,248	5.94	418,705	20,724	4.95	(3,524)	
SM2035	DROITWICH, WESTLANDS FIRST	1,379,167	232,919	16.89	1,344,734	231,507	17.22	(1,413)	
SM2036	DROITWICH, CHAWSON COMMUNITY FIRST	1,580,460	184,138	11.65	1,608,686	139,210	8.65	(44,929)	
SM3317	DROITWICH, ST. JOSEPH'S CATHOLIC PRIMARY	978,188	49,880	5.10	958,915	29,462	3.07	(20,417)	
SM3038	ECKINGTON C.E. FIRST	433,436	51,060	11.78	451,164	72,888	16.16		21,829
SM3039	ELDERSFIELD LAWN C.E. PRIMARY	502,932	17,764	3.53	503,682	8,478	1.68	(9,286)	
SM3040	ELMLEY CASTLE C.E. FIRST	288,552	(168,503)	(58.40)	342,384	(188,875)	(55.16)	(20,373)	
SM3042	EVESHAM, ST RICHARD'S C.E. FIRST	1,494,787	372,996	24.95	1,520,193	231,040	15.20	(141,956)	
SM3043	EVESHAM, ST. ANDREW'S C.E. FIRST	1,171,785	69,673	5.95	1,300,759	86,170	6.62		16,498
SM2041	EVESHAM, SWAN LANE FIRST	1,491,940	214,631	14.39	1,525,234	243,337	15.95		28,705
SM3010	FAR FOREST LEA MEMORIAL C.E. PRIMARY	652,674	(24,299)	(3.72)	600,739	(51,717)	(8.61)	(27,418)	
SM2047	FAIRFIELD FIRST	529,184	151,250	28.58	556,193	217,680	39.14		66,430
SM3324	FLADBURY C.E. FIRST	451,157	36,233	8.03	470,431	2,959	0.63	(33,274)	
SM5201	FLYFORD FLAVELL FIRST	408,960	18,741	4.58	412,203	43,043	10.44		24,302
SM3048	GRIMLEY & HOLT C.E. PRIMARY	466,704	22,548	4.83	484,336	(58,578)	(12.09)	(81,126)	
SM2055	HAGLEY PRIMARY	2,360,836	192,278	8.14	2,579,865	274,687	10.65		82,409
SM3329	HALLOW C.E. PRIMARY	793,702	33,416	4.21	836,573	(24,501)	(2.93)	(57,917)	
SM3049	HANBURY C.E. FIRST	560,110	12,956	2.31	608,576	15,694	2.58		2,738
SM3053	HARVINGTON C.E. FIRST	890,011	179,548	20.17	938,102	132,352	14.11	(47,196)	
SM3056	HIMBLETON C.E. FIRST	369,245	48,380	13.10	398,478	78,267	19.64		29,887

Appendix A Schools' Carry-forward analysis 2018-19 & 2019-20										
Cost Centre	School	Total Resources 2018-19 *	2018-19 CFWD inc interest		Total Resources 2019-20 *	2019-20 CFWD inc interest		Movement		
SM3057	HINDLIP C.E. FIRST	471,571	35,543	7.54	499,691	45,322	9.07			9,779
SM2907	KIDDERMINSTER, COMBERTON PRIMARY	1,875,926	120,635	6.43	1,991,389	133,723	6.72			13,088
SM2910	KIDDERMINSTER, FRANCHE COMMUNITY PRIMARY	3,787,451	487,422	12.87	4,031,988	417,808	10.36		(69,614)	
SM2911	KIDDERMINSTER, OFFMORE PRIMARY	1,459,772	(70,460)	(4.83)	1,497,057	(207,512)	(13.86)		(137,052)	
SM3021	KIDDERMINSTER, ST CATHERINE'S CE PRIMARY	1,723,995	152,530	8.85	1,750,419	110,708	6.32		(41,822)	
SM3023	A KIDDERMINSTER, ST GEROGE'S CE PRIMARY & NURSERY	1,044,276	(24,604)	(2.36)						
SM3331	KIDDERMINSTER, ST MARY'S CE PRIMARY	1,252,526	98,974	7.90	1,248,242	84,136	6.74		(14,838)	
SM2914	LEIGH & BRANSFORD PRIMARY	647,445	4,582	0.71	730,384	(39,530)	(5.41)		(44,111)	
SM3350	LINDRIDGE ST. LAWRENCE'S C.E. PRIMARY	458,294	(6,244)	(1.36)	473,946	(48,166)	(10.16)		(41,923)	
SM3210	MALVERN, NORTHLEIGH C.E. PRIMARY	1,252,264	(181,165)	(14.47)	1,281,821	(185,807)	(14.50)		(4,642)	
SM3358	MALVERN, ST. JOSEPH'S CATHOLIC PRIMARY	764,955	42,056	5.50	728,767	(33,044)	(4.53)		(75,100)	
SM3359	MALVERN WELLS C.E. PRIMARY	498,104	40,615	8.15	498,566	16,930	3.40		(23,686)	
SM3360	WEST MALVERN ST JAMES' C.E. PRIMARY	513,602	(42,136)	(8.20)	527,923	(14,324)	(2.71)			27,811
SM3074	MALVERN, WYCHE C.E. PRIMARY	598,185	21,605	3.61	630,579	15,589	2.47		(6,016)	
SM3400	MALVERN, THE GROVE PRIMARY	1,157,560	(68,236)	(5.89)	1,164,326	(96,207)	(8.26)		(27,971)	
SM3077	A MARTLEY C.E. PRIMARY	658,778	98,888	15.01						
SM3365	OMBERSLEY ENDOWED FIRST	699,523	25,673	3.67	645,331	5,660	0.88		(20,014)	
SM3084	OVERBURY C.E. FIRST	421,919	66,507	15.76	419,453	76,105	18.14			9,598
SM2118	PEBWORTH FIRST	287,923	24,379	8.47	324,643	24,118	7.43		(261)	
SM3085	PENDOCK C.E. PRIMARY	332,831	9,349	2.81	342,705	19,990	5.83			10,641
SM2119	PERSHORE, ABBEY PARK FIRST & NURSERY	959,896	69,917	7.28	946,668	(12,484)	(1.32)		(82,401)	
SM3368	PERSHORE, HOLY REDEEMER CATHOLIC PRIMARY	891,619	99,225	11.13	921,020	72,630	7.89		(26,596)	
SM2128	REDDITCH, BATCHLEY FIRST	1,891,096	35,100	1.86	1,957,929	(86,901)	(4.44)		(122,001)	
SM3091	REDDITCH, FECKENHAM C.E. FIRST	528,584	38,821	7.34	548,567	59,368	10.82			20,547
SM2131	A REDDITCH, HOLYOAKES FIELD FIRST	1,332,457	52,044	3.91						
SM2192	REDDITCH, MOON'S MOAT FIRST	1,267,922	212,348	16.75	1,225,955	116,029	9.46		(96,320)	
SM2141	REDDITCH, ROMAN WAY FIRST	956,677	20,795	2.17	1,025,651	(11,553)	(1.13)		(32,347)	
SM3092	A REDDITCH, ST. GEORGE'S C.E. FIRST	1,253,955	227,587	18.15						
SM3093	REDDITCH, ST. LUKE'S C.E. FIRST	795,507	61,905	7.78	782,917	31,194	3.98		(30,711)	
SM5202	B REDDITCH, ST. THOMAS MORE CATHOLIC FIRST	1,040,046	64,894	6.24	1,099,642	78,588	7.15			13,694
SM3094	A REDDITCH, ST. STEPHEN'S C.E. FIRST	821,847	109,502	13.32						
SM2136	REDDITCH, TENACRES FIRST	1,327,966	106,997	8.06	1,363,462	120,518	8.84			13,521
SM2137	REDDITCH, WOODROW FIRST	1,698,060	71,240	4.20	1,776,468	74,417	4.19			3,177
SM2920	REDDITCH, OAK HILL FIRST	2,112,982	290,307	13.74	2,159,667	221,344	10.25		(68,964)	
SM3097	ROMSLEY, ST. KENELM'S C.E. PRIMARY	877,756	27,089	3.09	968,216	52,774	5.45			25,684
SM3098	RUSHWICK C.E. PRIMARY	695,984	5,803	0.83	767,151	(12,777)	(1.67)		(18,580)	
SM2921	RUBERY, HOLYWELL PRIMARY & NURSERY	1,873,768	184,176	9.83	1,932,203	164,071	8.49		(20,105)	
SM3099	SEDGEBERROW C.E. FIRST	737,600	169,405	22.97	755,340	162,983	21.58		(6,421)	
SM2147	STOKE PRIOR FIRST	652,142	(160)	(0.02)	674,151	(4,907)	(0.73)		(4,747)	
SM3381	SYTCHAMPTON ENDOWED FIRST	435,352	(146,518)	(33.66)	411,834	(169,568)	(41.17)		(23,049)	
SM3382	TARDEBIGGE C.E. FIRST	667,857	74,198	11.11	694,804	78,299	11.27			4,101
SM3105	TIBBERTON C.E. FIRST	394,131	39,245	9.96	406,247	35,648	8.77		(3,597)	
SM3109	UPPER ARLEY C.E. PRIMARY	393,242	(34,816)	(8.85)	445,386	(76,734)	(17.23)		(41,917)	
SM3107	UPTON-UPON-SEVERN C.E. PRIMARY	881,420	(74,097)	(8.41)	979,412	(85,925)	(8.77)		(11,828)	
SM3108	UPTON SNODSBURY C.E. FIRST	376,603	71,613	19.02	379,832	65,697	17.30		(5,916)	
SM3110	WHITTINGTON C.E. PRIMARY	875,916	64,165	7.33	896,346	61,977	6.91		(2,188)	
SM2161	WORCESTER, CHERRY ORCHARD PRIMARY	2,513,670	100,251	3.99	2,609,785	13,994	0.54		(86,258)	
SM3387	WORCESTER, OUR LADY QUEEN OF PEACE CATHOLIC	837,203	46,710	5.58	866,326	25,807	2.98		(20,903)	
SM2173	WORCESTER, PERDISWELL PRIMARY	1,683,334	160,725	9.55	1,742,439	200,863	11.53			40,137
SM2200	WORCESTER, PITMASTON PRIMARY	2,437,914	201,570	8.27	2,653,117	279,923	10.55			78,353
SM3114	WORCESTER, ST. BARNABAS C.E. PRIMARY	2,081,661	(38,545)	(1.85)	2,115,570	1,338	0.06			39,883
SM3116	WORCESTER, RED HILL C.E. PRIMARY	1,008,084	(266,251)	(26.41)	1,157,715	(374,994)	(32.39)		(108,744)	
SM3389	WORCESTER, ST. GEORGE'S C.E. PRIMARY	954,791	62,034	6.50	958,050	63,234	6.60			1,200
SM3390	WORCESTER, ST. GEORGE'S CATHOLIC PRIMARY	903,197	29,160	3.23	927,445	(25,455)	(2.74)		(54,615)	
SM3391	WORCESTER, ST. JOSEPH'S CATHOLIC PRIMARY	1,725,098	194,980	11.30	1,867,828	217,277	11.63			22,296
SM2202	A WORCESTER, OLDBURY PARK PRIMARY	1,741,010	32,931	1.89						
SM2188	WYTHALL, MEADOW GREEN PRIMARY	1,270,845	(35,094)	(2.76)	1,309,214	(8,864)	(0.68)			26,231

REPORT TO THE WORCESTERSHIRE SCHOOLS FORUM (WSF)
DSG OUTTURN 2019-20

1. PURPOSE

1.1 To advise the WSF on the DSG outturn position for the financial year 2019-20 including the implications for the DSG in future years.

2. DSG OUTTURN 2019-20

2.1 The DSG is currently allocated by the DfE to LAs using their National Funding Formula (NFF) in four blocks – Schools, Central School Services, High Needs and Early Years.

2.2 The majority of the Schools Block DSG is delegated to schools with any variation to the budgets allocated forming individual school carry forward balances. There are also payments to high needs providers from the High Needs Block DSG and early years' providers for 2, 3- and 4-year olds from the Early Years Block DSG.

2.3 The centrally retained DSG contains specific services, which are limited by the requirements of the School and Early Years Finance (England) Regulations. The full list for 2019-20 is attached for information at **Appendix A**. Worcestershire makes provision for specific aspects as indicated, some of which must be approved by the WSF on an annual basis.

2.4 Both schools carry forward balances and variations on the other elements of the DSG are required to be carried forward. Both carry forward positions are reported as part of the County Council's year end accounts and for the non-schools DSG represents the accumulated carry forward position since the introduction of the DSG from 2006/07.

2.5 The statutory funding regulations put significant restrictions on the use of any non-schools DSG surplus carry forward including provisions for de-delegated and pupil growth funding. This is detailed by the DfE in their Schools Revenue Funding Operational Guidance 2019-20. The requirements for the carry forward to be treated are as follows: -

'Any DSG underspend brought forward from the previous year may be used to support central expenditure (providing no limits are breached) in the schools block, or transferred to either the high needs or early years block. Alternatively, an underspend may be carried forward to the next funding period and allocated to schools via the funding formula.'

2.6 There are further detailed provisions for DSG deficits relating to High Needs pressures. These are considered further under **Agenda Item 14**.

2.7 Also, in terms of Schools Forum powers and responsibilities for the DSG Reserve, these only relates to deciding how to fund from the Schools Budget any deficit carried

forward on central expenditure. The use of any DSG Reserve is for determination by the LA.

2.8 The DSG brought forward position as at 1st April 2019 was a **deficit of £0.632m**. At the end of 2019-20 i.e. 31st March 2020 this has increased to a **deficit position of £6.23m**. The year-end position is still subject to external audit of WCCs year-end accounts.

2.9 In 2019-20, the trend continued with an **in-year cost pressure of £8.7m for High Needs** as predicted – an outturn of £52.3m against a £43.6m budget. This was offset by other areas of DSG funding underspends to reduce this pressure. Whilst high, the carry forward position is lower than forecast earlier in the year. However, it must be carried forward and offset against future DSG income. This is discussed further under **Agenda Item 14**.

2.10 Details on allocations made from the Pupil Growth Fund supporting basic need are attached for information at **Appendix B**.

3. RECOMMENDATION

3.1 The WSF are requested to: -

- Note the centrally retained DSG areas in **Appendix A**.
- Note the DSG carry forward position 2019-20 as detailed in the report.

Phil Rook
Director of Resources
Worcestershire Children First

Andy McHale
Service Manager Funding and Policy
Worcestershire Children First

June 2020

DETAILS OF DSG CENTRALLY RETAINED SERVICES 2019-20

APPROVAL REQUIRED	SERVICE AREAS
<p><u>De-delegated Services for Maintained Schools</u></p> <p>Requires Schools Forum Maintained School Members by Phase to Decide</p>	<ul style="list-style-type: none"> • Contingencies. # (including schools in financial difficulties and deficits of closing schools) See criteria below for information. • Behaviour support services – delegated. • Support to underperforming ethnic groups and bilingual learners. # * • Free school meals eligibility. # * • Insurance – delegated. • Museum and library services – no provision made from DSG. • Staff costs supply cover (e.g. long-term sickness, maternity, trade union and public duties). # • Contribution to responsibilities the LAs hold for maintained schools only (previously funded by Education Services General Duties Grant) – no provision made from DSG; funded by WCC base budget. • Additional School Improvement – no DSG provision made. <p># Indicates currently de-delegated * Part of Babcock Contract until June 2020</p>
<p><u>Centrally Retained</u></p> <p>Not Requiring Schools Forum Approval</p>	<ul style="list-style-type: none"> • High Needs Block provision. ~ • Central Licences negotiated by the Secretary of State. ~ <p>~ Indicates currently centrally retained</p>
<p><u>Centrally Retained Prior To Local Schools Formula Allocation</u></p> <p>Requires Agreement of Schools Forum</p>	<ul style="list-style-type: none"> • Funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy. ^ • Funding to enable all schools to meet the infant class size requirement. ^ • Funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years – no DSG provision made.

	<ul style="list-style-type: none"> • Back-pay for equal pay claims – no DSG provision made. • Remission of boarding fees at maintained and academies – no DSG provision made. • Places in independent schools for non-SEN pupils – no DSG provision made. • Central Early Years block provision. ^ • Any movement of funding out of the Schools Block – none transferred. • Any deficit from the previous funding period that reduces the amount of the schools’ budget – no adjustment made. • Any deficit brought forward on de-delegated services, which is met by the overall schools’ budget – no adjustment required. <p>^ Indicates currently centrally retained</p>
<p><u>Centrally Retained Prior to Local Schools Formula Allocation</u></p> <p>Requires Approval of the Schools Forum for Each Line</p>	<ul style="list-style-type: none"> • Admissions. ▸ • Servicing of Schools Forum. ▸ • Contribution to responsibilities the LAs hold for all schools (previously funded by Education Services Retained Duties Grant). ▸ <p>▸ Indicates currently centrally retained</p>
<p><u>Centrally Retained Prior to Local Schools Formula Allocation</u></p> <p>(No new commitments or increases in expenditure from 2012-13)</p> <p>Requires Approval of the Schools Forum for Each Line</p>	<ul style="list-style-type: none"> • Capital expenditure funded from revenue (i.e. no new projects can be charged to the central schools’ budget) – no provision made as previous budget now time expired. • Contribution to combined budgets (Early Intervention Family Support Service). @ • Existing termination of employment costs (i.e. no new redundancy costs can be charged to the central schools’ budget) – no provision made as previous budget now time expired. • Schools budget funded prudential borrowing costs – no previous historic provision made. • Schools budget funded SEN transport costs – no previous historic provision made. <p>@ Indicates currently centrally retained</p>

Criteria for Use of School Specific Contingency (SSC) Funding

'Contingencies can be retained centrally for maintained schools but only for a limited range of circumstances: -

- a) Exceptional unforeseen costs which it would be unreasonable to expect governing bodies to meet.*
- b) Schools in financial difficulties.*
- c) Additional costs relating to new, reorganised or closing schools.'*

DfE definition

Access to the SSC for Maintained Schools

A request in order to access School Specific Contingency (SSC) funding in relation to DfE circumstance a) above, can only be made in the following situations: -

- 1) To support a school that has incurred additional expenditure following a serious and unexpected critical incident.
- 2) To support a school that is experiencing exceptional difficulties in providing an adequate standard of education for its pupils. Before agreeing to allocate any funding in relation to this situation, the following criteria apply: -
 - a) The school is LA maintained.
 - b) The school following a Section 5 inspection, or LA review is categorised as being in OFSTED and/or LA categories 3 or 4, i.e. giving significant cause for concern; and/or the school has a specific time limited issue.

Either of which may impact on the school's ability to provide an adequate standard of education or be at significant risk of doing so.

- c) All other solutions and sources of funding have been explored and there are no other options available to support the school and address the identified need.
- d) The LA action plan for the school identifies expenditure which is required to bring about necessary improvements and which cannot be met from the school's own budget. The need must be identified as both significant and urgent.

(This may include the purchase of equipment or services to provide the statutory elements of the school curriculum, to ensure health and safety standards are met, to fund secondments, staffing restructures or additional staffing needs where the provision within the school is currently inadequate and pupils are at significant risk, etc. Please note this is not a fully exhaustive list.)

- e) The amount of funding requested should be time limited and set against agreed outcomes. The amount requested should reflect actual costs to be incurred wherever possible.
- f) The LA action plan must have been discussed with the relevant Schools Manager; Headteacher and Chair of Governors before being brought to the School Specific Allocation Meeting.
- g) Regular Project Board meetings if relevant will be in place to monitor progress and the school SLT and Governing Body will be accountable for the use of any funding awarded.

In respect of DfE circumstances b) and c) above these will be assessed for individual schools as they arise at the discretion of the LA.

APPENDIX B

PUPIL GROWTH FUND 2019-20

		£	£	£	
		2018-19	2019-20	Total	
<u>Pupil Growth Fund Basic Need Approvals</u>		Full Year Effect Academies Only April 2019 to August 2019	Part Year Effect All Schools September 2019 to March 2020		
Maintained Schools					
	Blakedown CE Primary	Sept 2014	0	22,434	22,434
	St. Andrew's First	Sept 2015	0	24,036	24,036
	Callow End CE Primary	Sept 2016	0	11,217	11,217
	Leigh and Bransford Primary	Sept 2016	0	8,012	8,012
	Red Hill CE Primary	Sept 2017	0	30,446	30,446
	Rushwick CE Primary	Sept 2017	0	6,409	6,409
	Hanbury CE Primary	Sept 2019	0	41,663	41,663
	Sub Total Maintained	0	144,217	144,217	
Academies					
	Nunnery Wood Primary	Sept 2013	13,735	0	13,735
	Lyppard Grange Primary	Sept 2013	17,169	0	17,169
	Bengeworth First	Sept 2013	35,482	0	35,482
	Matchborough First	Sept 2014	16,024	0	16,024
	Heronswood Primary	Sept 2014	6,868	22,434	29,302
	Abbeywood First	Sept 2014	14,879	0	14,879
	Wychbold First	Sept 2016	16,024	11,217	27,241
	Christopher Whitehead Secondary	Sept 2017	85,300	58,583	143,883
	Nunnery Wood High	Sept 2017	62,768	137,446	200,214
	Tudor Grange Academy Worcester	Sept 2017	70,815	58,583	129,398
	Somers Park Primary	Sept 2018	14,879	43,265	58,144
	The Chantry High	Sept 2018	35,408	24,785	60,193
	Stourport High	Sept 2018	72,425	101,395	173,820
	Kempsey Primary	Sept 2019	0	19,229	19,229
Total	Sub Total Academies	461,776	476,937	938,713	
	Grand Total	461,776	621,154	1,082,930	

Notes

Allocations made on approved formula of: -
Difference between new admissions in September against leavers in top year group in previous year at Primary and KS3 AWPU.
Academies have to be funded for full year due to year in lagged funding.

REPORT TO THE WORCESTERSHIRE SCHOOLS FORUM (WSF)
HIGH NEEDS ISSUES 2020-21 AND FUTURE YEARS

1. PURPOSE

1.1 To discuss with the WSF issues for the High Needs (HN) DSG for 2020-21 and future years.

1.2 To agree with the WSF a continuing strategy for the ongoing management of the HN DSG.

2. BACKGROUND

2.1 The WSF is already aware of the national and local issues relating to the HN DSG and has received several reports during the last 12 months on the need for a HN recovery strategy.

2.2 The future management of the operational aspects of SEND are crucial in addressing the financial challenges that currently exist. This short report sets out the key strands and continuing issues for consideration.

3. ISSUES FOR CONSIDERATION

3.1 HN DSG Position

(a) As reported in **Agenda Item 13**, in 2019-20, there was an in-year cost pressure of £8.7m for High Needs as predicted – an outturn of £52.3m against a £43.6m budget. This structural deficit in 2019-20 showed the true extent of the budget pressure. This resulted at the end of 2019-20 i.e. 31st March 2020 with an overall provisional DSG **deficit position of £6.23m**. This equates to 1.4% of the 2020-21 total gross DSG of £441.8m.

(b) WCC and the WSF both recognise that Government have provided additional funding in 2020-21 and will continue to work with Schools to optimise pressures within funding, whilst taking every opportunity to lobby Central Government about overall funding allocations. It is worth noting that the Government have advised to treat this as an issue specifically relating to DSG grant conditions and this deficit reserve cannot be charged to WCCs General Fund.

(c) The additional HN DSG grant of £8.7m allocated by the DfE in 2020-21 is helpful. It will only support the current pressures experienced in 2019-20 and only if demand plateaus but will not eradicate the b/fwd deficit. In keeping with most LAs, WCC will require a significant share of years 2 and 3 of the 3-year school budget settlement announced in October 2019 to be allocated to HN to manage the situation in the medium to long term. If WCC were to receive similar sums in the next two years this should hopefully enable the deficit to be managed but it will depend on future demand particularly in top up funding, post 16 and out county placements.

(d) In terms of managing the situation, the WSF constituted a HN Sub-Group led by Nick Wilson and Penny Richardson which looked at a draft plan and there are several papers on the Schools Forum web site. However, with the senior management changes in WCF this will need to be reconsidered.

(e) There needs to be recognition that there will be significant delays to any recovery timescales given the impact of Covid-19.

3.2 DfE Reporting Requirements

(a) Given the current national issues, the DfE have changed their LA reporting requirements. They have confirmed the 1% DSG deficit threshold requirement no longer applies and they will be publishing revised guidance and a template in due course. Also, their end of June reporting deadline has been removed.

(b) Both the DSG conditions of grant and the ESFA Schools Revenue Funding 2020 to 2021 Operational Guidance include specific provisions. These are detailed at **Appendix A** for information and discussion.

3.3 Local Issues

(a) To support some of the local cost pressures, WCC has already changed the Special Schools local funding formula to remove the funding cap from April 2020 as detailed in **Agenda Item 11c**) at an additional cost of at least £0.2m in 2019-20. Also, there is a commitment to a detailed review of the banding scheme for Special Schools, which being a major piece of development work is likely to impact from April 2022.

(b) The HN DSG allocated is £52.14m (net) and includes the additional £8.7m HN DSG allocated by the DfE in their HN NFF. However, this only supports the structural deficit from 2019-20 and so will be required to fund these ongoing pressures in 2020-21. **The additional money does not mean extra resources as spending is already at the level in 2019-20.** So, it is **not available** to fund either the DSG b/fwd deficit or to allocate to providers as additional top up funding in 2020-21.

(c) On this basis and as part of the original HN Recovery Plan objectives, the HN DSG budget has been rebased. This enables the effect of the 2019-20 outturn to be reflected in revised budgets in 2020-21, with the additional HN DSG allocated to the cost pressure areas such as mainstream school EHCPs, independent special schools and post 16. The effect is to rebase the current pressures but not fund the historic b/fwd deficit. The details are in **Table 1** below.

Table 1: HN DSG 2020-21 (Net)

DETAIL	2019-20 £'m	2020-21 £'m	Variance £'m
Mainstream Schools			
Pupils with EHCPs	2.96	4.95	+1.99
Special Schools and Resource Bases	20.93	21.03	+0.10
Short Stay Schools and Alternative Provision	3.45	3.35	-0.10

Inter Authority Payments	0.67	1.46	+0.79
Independent Schools and Non-Maintained Special Schools	4.07	8.31	+4.24
Post 16 and ISPs	2.67	6.67	+4.00
Specialist Support Services (formerly provided by Babcock PLC)	3.62	3.62	0.00
SEND Early Intervention and Discretionary Support	1.32	1.32	0.00
HN Unallocated	2.12	0.00	-2.12
SEND Outreach	0.39	0.39	0.00
Pupils without EHCPs	0.52	0.52	0.00
Exceptional Notional SEN	0.20	0.20	0.00
Speech and Language	0.18	0.18	0.00
Other	0.34	0.14	-0.20
TOTAL	43.44	52.14	+8.70

3. RECOMMENDATIONS

3.1 The WSF notes and discusses the issues.

3.2 The WSF agrees a strategy to support the next stages in the HN recovery process.

Sarah Wilkins
 Director of Education and Early Help
 Worcestershire Children First

Phil Rook
 Director of Resources
 Worcestershire Children First

June 2020

EXTRACT FROM: -

Schools revenue funding 2020 to 2021 Operational Guide

DSG Balances

290. An increasing number of local authorities have been incurring a deficit on their overall DSG account, largely because of overspends on the high needs block.

291. In 2019 to 2020 we tightened up the rules under which local authorities have to explain to us their plans for bringing the DSG account back into balance. This required local authorities with a cumulative deficit of 1% or more at the end of the financial year (31 March 2019) to submit a recovery plan.

292. In 2020 to 2021 we are extending these rules under the DSG conditions of grant so any local authority with an overall deficit on its DSG account at the end of the 2019 to 2020 financial year, or whose DSG surplus has substantially reduced during the year, must co-operate with the Department for Education (DfE) in handling that situation by:

- providing information as and when requested by the department about its plans for managing its DSG account in the 2020 to 2021 financial year and subsequently
- providing information as and when requested by the department about pressures and potential savings on its high needs budget
- meet with officials of the department as and when they request to discuss the local authority's plans and financial situation
- keep the schools forum regularly updated about the local authority's DSG account and plans for handling it, including high needs pressures and potential savings

293. DSG management plans will need to be discussed with the schools forum and should set out the local authority's plans for bringing the DSG spend back into balance. We expect the chief financial officer (CFO) to review and sign off the report periodically.

294. Where a local authority has a substantial in-year overspend or cumulative DSG deficit balance at the end of the financial year, its management plan should look to bring the overall DSG account into balance within a timely period.

294.1. We recognise that this may prove difficult for some local authorities; particularly where they are accelerating moving their schools to mirror the NFF allocations in full.

294.2. Where this is the case, we would be open to receipt of evidence explaining the pressures, and will consider management plans that leave some or all of the deficit accumulated to date outstanding.

294.3. In all cases, we expect local authorities' management plans to focus on how they will bring in-year spending in line with in-year resources.

295. We expect a range of evidence to support local authority management plans. We will continue to review the 2019 to 2020 recovery plan process and provide updated guidance. We expect all evidence to have been presented to schools forums.

296. We are aware that DSG deficits are usually caused by high needs pressures, and in these cases the evidence required in the management plans will typically include what we already look for in block movement disapplication requests.

297. Local authorities will, however, need to address whatever the main causes of overspending on the DSG have been.

298. The evidence should include:

298.1. A full breakdown of specific budget pressures locally that have led to the local authority's current DSG position. Where this has resulted from high needs pressures, information should include the changes in demand for special provision over the last three years, how the local authority has met that demand by commissioning places in different sectors (mainstream and special schools, further education and sixth form colleges, independent specialist provision and alternative provision), and if there have been any reductions in the provision for mainstream school pupils with high needs.

298.2. Where the position has resulted from high needs pressures, an assessment and understanding of the specific local factors that have caused an increase in high needs costs to a level that has exceeded the local authority's high needs funding allocations; and a plan to change the pattern of provision where this is necessary, as well as to achieve greater efficiency and better value for money in other ways; together with evidence of the extent to which the plan is supported by schools and other stakeholders.

298.3. A detailed management plan showing how the local authority intends to bring its DSG account back into balance within a timely period, showing clearly how expenditure will be contained within future funding levels. This should also show how the additional funding provided in 2020 to 2021 is intended to be spent to support the local authority to balance its in year spend.

298.4. Details of any previous movements between blocks, what pressures those movements covered, and why those transfers have not been adequate to counter the new cost pressures. Further information is included in the movements between blocks section of this guidance.

AGENDA ITEM 15
WORCESTERSHIRE SCHOOLS FORUM
9th JULY 2020

WORCESTERSHIRE SCHOOLS FORUM (WSF)
PROPOSED FORUM MEETING DATES ACADEMIC YEAR 2020/21

**IF PERMITTED ALL MEETINGS TO BE HELD AT COUNTY HALL,
WORCESTER (SUBJECT TO SOCIAL NATIONAL DISTANCING
REQUIREMENTS) OR REMOTE VIA ZOOM**

DATE	TIME AND LOCATION (IF PERMITTED)
Tuesday 15 th September 2020	12.30pm Redditch Room
Thursday 5 th November 2020	2pm Redditch Room
Wednesday 13 th January 2021 or Thursday 21 st January 2021	2pm Kidderminster Room 2pm Kidderminster Room
Thursday 25 th March 2021	2pm Kidderminster Room
Thursday 20 th May 2021	2pm Kidderminster Room
Thursday 8 th July 2021	2pm Kidderminster Room

PLEASE NOTE

There may be a need to review this meeting schedule due to: -

- Announcements by the DfE on the NFF and other policy changes.
- Confirmation of school funding budget information.
- The ability, or otherwise, to hold face to face meetings

POTENTIAL ITEMS FOR THE MEETINGS

The dates will include some standard items such as: -

September 2020

National Decisions for 2021-22 and NFF (if available)

Local Notification and Consultation on National Funding Changes 2021-22 (if any)

November 2020

National Decisions for 2021-22 and NFF

Local Notification and Consultation on National Funding Changes 2021-22 (if any)

January 2021

School Funding Settlement 2021-22

Schools and Early Years Finance Regulations 2021-22

Final Schools Block Allocations APT 2021-22

March 2021 and May 2021

DfE National Funding Update

July 2021

DfE National Funding Update

Potential Consultation Issues 2022-23 and future years

Schools Balances 2020-21

DSG Outturn 2020-21

There will also be additional items as they arise during the year.