



Schools Forum

Wednesday, 16 January 2019 4.00 p.m.
Boardroom - Municipal Building, Widnes

A handwritten signature in black ink, appearing to read 'David W R', written over a grey rectangular stamp.

Chief Executive

*Please contact Ann Jones - Tel: 0151 511 8276 or email:
ann.jones@halton.gov.uk for further information.
The next meeting of the Committee is on Wednesday, 20 March 2019*

**ITEMS TO BE DEALT WITH
IN THE PRESENCE OF THE PRESS AND PUBLIC**

Part I

Item No.	Page No.
1. APOLOGIES FOR ABSENCE	
2. MINUTES	1 - 5
3. HALTON SCHOOLS FORUM MEMBERSHIP UPDATE	6
4. FORECAST OUTTURN 2018-19	7 - 11
5. SCHOOLS BLOCK FUNDING FOR 2019-20	12 - 14
6. HIGH NEEDS BLOCK FUNDING FOR 2019-20	15 - 17
7. EARLY YEARS FUNDING FOR 2019-20	18 - 20
8. CENTRAL SCHOOL SERVICES BLOCK 2019-20	21 - 24
9. CAPITAL PROGRAMME - 2019/20	25 - 28

In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.

SCHOOLS FORUM

At a meeting of the Schools Forum on Wednesday, 10 October 2018 at Civic Suite - Town Hall, Runcorn

Present: Councillor T. McInerney (Observer)
 A. McIntyre, Education, Inclusion & Provision, HBC
 A. Jones, Financial Management, HBC
 A. Jones, Democratic Services, HBC
 N Shafiq, Financial Management, HBC
 K. Landrum, (Chair) Primary School with a Nursery Representative
 E. Wright, Secondary Academy Representative
 A. Brown, Nursery Schools Representative
 J. O'Connor, PVI Representative
 T. Bell, 16-19 Provision Representative
 S. Broxton, Primary Governor Representative
 N. Hunt, Pupil Referral Unit Representative
 J. Wilson, Secondary Governor Representative
 E. Haver, Special Academy Representative
 A. Sheppard, VA Schools Representative
 J. McConville, Secondary Academy Representative
 H. Austin, Community Special Schools Representative
 E. Hall, All Through School Representative (Sub)

Action

SCF10 APOLOGIES FOR ABSENCE

Apologies had been received from Kathryn Albiston, Ian Critchley and Jackie Coughlan.

SCF11 MINUTES

The minutes of the meeting held on 13 June 2018 were agreed as a correct record.

SCF12 MEMBERSHIP UPDATE

The Forum was presented with an update on the membership of the Forum. The Pupil Referral Unit (PRU) Representative had been renewed for a four year term and the new Community Special Schools Representative was noted.

RESOLVED: That the Forum confirms and notes the update.

SCF13 ESFA ANALYSIS OF SCHOOLS BLOCK FUNDING FORMULA 2018-19

The Forum received an overview of the formula

factors used by local authorities to set their Schools Block Funding Formula for 2018-19.

It was reported that the Education and Skills Funding Agency (ESFA) had published a report giving an overview of the funding formulae submitted by each local authority for 2018-19. It provided charts and comments on the ranges of funding amounts used and the proportions of the Schools Block funding attributed to factors. Members were referred to the report which was attached as Appendix A; each chart value that corresponded to Halton's funding formula was highlighted.

It was noted that the ESFA had also published a data file showing the funding formula used by each local authority. The analysis and data file could be found on the DfE website.

RESOLVED: That the report is noted.

SCF14 FORECAST OUTTURN 2018-19

The Forum received the expected forecast outturn position.

It was reported that as part of the detailed monitoring of the Dedicated Schools Grant (DSG), the forecast outturn position based on expenditure to the end of August 2018 was an overspend of £680,259. Members were referred to Appendix A which gave an overview of how this figure had been reached.

The report provided commentary on each DSG block and provided a summary of the totals reached in paragraph 3.7. It was noted that Officers were monitoring expenditure on a month by month basis but it was acknowledged that unanticipated costs could be incurred by end of year.

The Forum discussed the Inter Authority Recoupment within the High Needs Block and the increasing demands for places at the Special Schools. Officers also updated the Forum on the status of the Behaviour Support Team which would be in place after the October half term.

RESOLVED: That the report be noted.

SCF15 SCHOOLS BLOCK FUNDING FORMULA 2019-20

The Forum received the Schools Block funding formula for 2019-20.

It was reported that the Schools Block of the Dedicated Schools Grant (DSG) was now ring fenced and must be fully devolved to mainstream primary and secondary schools/academies. The only exception was where an agreement was reached to transfer monies to the High Needs Block, subject to consultation with schools and approval of Schools Forum (up to a maximum of 0.5% of Schools Block). It was noted that any amount over 0.5% approval was also required by the Secretary of State.

Members were reminded that for 2018-19, the Council moved from its previous funding formula to follow the National Funding Formula (NFF). It was stated that for 2019-20, the Schools Block funding would increase due to the NFF; and based on the October 2017 census, an increase of £1.24m was expected, although this was likely to change once the October 2018 census data had been received. Officers also advised that the 2019-20 indicative allocation had been reduced by £1.56m by the DfE due to the transitional protection in place for the NFF.

The report provided information on the Funding Factors as described in paragraph 3.2, and those not applicable to Halton were noted by Members. It also outlined:

- Minimum Funding Guarantee and Gains Cap;
- Impact of the High Needs Transfer (if agreed);
- Impact of the former ESG de-delegation; and
- Premature Retirement Costs.

The Forum was advised of the consultation paper issued on 10 September with a closing date of 21 September; the analysis of results was attached as Appendix A. It was clear from this the majority wished to continue with the NFF and the Forum agreed with this.

A query was made with regards to the 1% pay award for maintained schools, and had provision for this been made by schools. Officers suggested that the draft allocations be sent to schools to help them plan (with caveats attached) and that a reminder of the 1% provision could be added in the next schools circular.

It was noted that there was also willingness for Schools Forum to determine the level of MFG and any Gains Cap at the January 2019 meeting.

RESOLVED: That the Schools Forum

- 1) note the report; and
- 2) agree that the Authority continue with the National Funding Formula.

Operational
Director -
Education,
Inclusion and
Provision

SCF16 HIGH NEEDS

An update on the High Needs funding was provided to the Forum.

It was reported that on 10 September 2018 a consultation paper was issued to all schools on the proposal to transfer funds from the Schools Block to the High Needs Block for 2019-20. The paper set out the funding allocated to schools alongside the funding for High Needs. It showed the level of overspend in the High Needs budget since 2015-16, with an estimate for 2018-19. Details were also provided of the costs each year of additional or specialist provision with estimated costs to the end of the financial year.

It was noted that following consultation in 2017-18, it was agreed that 0.5% be transferred from the Schools Block to the High Needs Block; this arrangement was for one year only. The proposals for the transfer of funding for 2019-20 were attached at Appendix A. A briefing session was held for schools on 12 September and the questions raised and responses provided were circulated to all schools prior to the close of consultation on 21 September, these were shown in Appendix B.

The Forum was presented with the three consultation questions (paragraph 3.5 of the report) and the responses from the 17 schools that replied. Forum Members commented that they were disappointed with the poor response from schools to the consultation; which equated to just 25% of Halton Schools.

Officers then requested the Forum to consider the transfer of 1% of the School Funding Block to the High Needs Block which was estimated to be £854,330. It was noted that as Schools Forum could only approve a transfer of 0.5%, an application would need to be submitted to the Secretary of State for the 1%. This was discussed by the Forum and they agreed unanimously that 1% should be

transferred from the Schools Budget to the High Needs Block.

The report also presented to the Forum the future plans in place to help reduce the demand on the high needs budget; which were welcomed by Members.

RESOLVED: That the Forum

- 1) notes the responses received from the consultation;
- 2) supports the transfer of 1% from the Schools Budget to the High Needs budget; and
- 3) supports the plans outlined to reduce the demand on the high needs budget.

SCF17 CONTINGENCY UPDATE

The Forum was advised that the total school contingency budget for 2018-19 was £198,780.

It was reported that so far this year there had been 5 applications for funding received to date. The circumstances and procedure for schools applying for funding were outlined in the report. Three of the applications were considered at Sub Group meetings in June and July; and funding was agreed for these schools as stated in paragraph 3.5; which left a balance of £129,740.55.

It was noted that '*Warrington Road Nursery*' in paragraph 3.5 should read '*Aspiring Foundations Federated Nursery Schools.*'

The remaining two applications for funding were considered by a Schools Forum Sub Group prior to this meeting, but the decisions on whether or not to award funding had not yet been made. Officers advised that the outcome of these two applications would be available on the January agenda.

RESOLVED: That the Forum notes the current commitments agreed from the contingency fund.

Meeting ended at 6.00 p.m.

REPORT TO: Schools Forum

DATE: 16 January 2019

REPORTING OFFICER: Operational Director – Education, Inclusion & Provision

SUBJECT: Halton Schools Forum Membership Update

1.0 PURPOSE OF THE REPORT

To provide Schools Forum with a membership update.

2.0 RECOMMENDATION: That

2.1 Schools Forum confirms and notes the update to membership as outlined in the report.

3.0 UPDATES

3.1 The representative for the All Through School is now Ian Critchley, the Principal at The Grange Academy.

4.0 POLICY IMPLICATIONS

4.1 The pressures on school and education budgets along with the proposed changes to schools and high needs funding means that it is vital that each sector has appropriate representation.

5.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
EFA - Schools Forum Operational and Good Practice Guide- December 2016	HBC Office	Ann Jones
EFA – Schools Forum Structure	HBC Office	Ann Jones

REPORT TO: Schools Forum
DATE: 16th January 2019
REPORTING OFFICER: Senior Finance Officer
SUBJECT: Forecast Outturn 2018-19
WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

To inform Schools Forum of the forecast outturn position, as at 20th December 2018.

2.0 RECOMMENDATION: That the report is noted.

3.0 SUPPORTING INFORMATION

3.1 The detailed monitoring of the Dedicated Schools Grant is continuing to enable a forecast outturn position to be identified. As at 20th December we are expecting an overspend of £753,787 at the end of March 2019.

3.2 Schools Block
In line with the regulations we have fully devolved the Schools Block to primary and secondary schools with the exception of the 0.5% transfer to the High Needs Block, as agreed by schools and Schools Forum last year.

3.3 Central School Services Block
This block is showing an expected underspend of £189,025, mainly due to no longer needing the full £233,980 budget set for Premature Retirement costs. The De-delegated budgets are showing a slight underspend however this is offset by what appears to be an underachievement of de-delegated income. This will be investigated and will be reported at the next meeting.

3.4 Early Years Block
The forecast outturn is now an overspend of £502,634. This is due to the costs of 3&4 year old provision. We have spent £4.24M to 20th December for two terms, so an estimate of £2.12M is reasonable for Spring Term. As the budget was set at £5.2M we have an overspend on this line alone of £1.16M.

The Early Years contingency is forecast to underspend by £481k and we have built in an expected final grant increase of £178k but this will not be confirmed until June or July 2019.

3.5 High Needs Block

The current forecast is an overspend of £622,027 after the additional High Needs funding announced by the Secretary of State on 16th December 2018.

The key variances are:

Special schools	£115k overspend (increase in pupil nos)
Top-up funding	£269k overspend
Specialist provision	£217k underspend
INMSS provision	£601k overspend (increase in pupil nos)
Inter-authority	£115k overspend (increase in pupil nos)
Post 16 provision	£208k overspend
Staffing	£94k underspend
HN Contingency	£296k underspend

3.6 DSG carry forward from 2017-18

The carry forward of £466,755 has commitments of £284,907 leaving an underspend of £181,848.

3.7 Summary

Schools Block	£0
CSSB	£189,025
Early Years Block	(£502,634)
High Needs Block	(£622,027)
DSG cfwd balance	<u>£181,848</u>
Total	(£753,787)

3.8 We have built in all known and expected costs and are monitoring expenditure on a month by month basis, but we have to acknowledge costs will be incurred that are currently unknown to us.

4.0 FINANCIAL IMPLICATIONS

4.1 An overspend against the Dedicated Schools Grant in excess of our carried forward balance will result in the overspend having first call against our grant allocation for 2019-20. Thus, next year's grant will effectively be reduced by the level of this year's overspend.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children & Young People in Halton

It is essential that schools receive sufficient funding to allow them to support all children and young people.

5.2 Employment, Learning & Skills in Halton

None.

5.3 A Healthy Halton

None.

5.4 A Safer Halton

None.

5.5 Halton's Urban Renewal

None.

6.0 RISK ANALYSIS

6.1 The outturn currently forecast will undoubtedly change for a variety of reasons, the level of demand on the High Needs Block budgets is likely to continue to increase. Stringent measures and monitoring are in place to minimise overspending, subject to the LA and all schools/academies working together.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

DSG Forecast Outturn for 2018-19

Summary	Original budget	Current budget	Forecast Outturn	Variance
Schools Block	£ 51,003,992.26	£ 51,003,992.26	£ 51,003,992.28	- 0.02
Central Schools Services Block	£ 676,852.00	£ 676,852.00	£ 487,826.60	189,025.40
Early Years Block	£ 9,409,945.00	£ 9,604,368.00	£ 10,107,001.72	- 502,633.72
High Needs Block	£ 15,587,111.00	£ 15,900,730.00	£ 16,522,756.71	- 622,026.71
DSG carry forward (central)	£ 466,754.00	£ 549,927.00	£ 368,078.66	181,848.34
Total DSG	£ 77,144,654.26	£ 77,735,869.26	£ 78,489,655.97	- 753,786.71

Schools Block

Primary (before de-delegation)	£ 39,848,040.25	£ 39,848,040.25	£ 39,848,040.27	-£ 0.02
Secondary (before de-delegation)	£ 11,155,952.01	£ 11,155,952.01	£ 11,155,952.01	£ -
Total Schools Block	£ 51,003,992.26	£ 51,003,992.26	£ 51,003,992.28	-£ 0.02

Central Schools Services Block

Safeguarding post contribution	£ 47,100.00	£ 47,100.00	£ 30,547.04	£ 16,552.96
Licences	£ 98,550.00	£ 98,550.00	£ 98,554.39	£ 4.39
Teachers Panel	£ 19,460.00	£ 19,460.00	£ 19,460.00	£ -
Premature Retirement costs	£ 233,980.00	£ 233,980.00	£ 49,542.12	£ 184,437.88
Staff Responsibilities (de-del)	£ 25,470.00	£ 25,470.00	£ 35,889.80	-£ 10,419.80
FSM Eligibility contribution (de-del)	£ 6,520.00	£ 6,520.00	£ 6,520.00	£ -
Dismissals Costs (de-del)	£ 127,110.00	£ 127,110.00	£ 127,110.00	£ -
Schools Contingency (de-del)	£ 198,780.00	£ 198,780.00	£ 198,780.00	£ -
De-delegated income	-£ 357,870.00	-£ 357,870.00	-£ 357,880.00	£ 10.00
Former ESG Retained Duties				
Revenue budget preparation/Formulation and review of LA schools funding formula	£ 75,097.00	£ 75,097.00	£ 76,446.21	-£ 1,349.21
Director of children's services/Planning for the education service as a whole	£ 85,210.00	£ 85,210.00	£ 85,220.00	-£ 9.99
Admissions service contribution	£ 8,430.00	£ 8,430.00	£ 8,589.35	-£ 159.34
SACRE	£ 3,690.00	£ 3,690.00	£ 3,690.00	£ -
Investigation of Complaints contribution	£ 6,440.00	£ 6,440.00	£ 6,440.00	£ -
Administrative costs and overheads	£ 98,885.00	£ 98,885.00	£ 107,709.96	-£ 8,824.96
Former ESG General Duties				
Budgeting and accounting functions relating to m	£ 20,633.00	£ 20,633.00	£ 19,898.58	£ 734.42
Asset Management contribution	£ 40,050.00	£ 40,050.00	£ 37,600.18	£ 2,449.82
Health & Safety contribution	£ 114,000.00	£ 114,000.00	£ 103,430.18	£ 10,569.83
De-delegated income	-£ 174,683.00	-£ 174,683.00	-£ 169,721.19	£ 4,961.81
Total Central Schools Services Block	£ 676,852.00	£ 676,852.00	£ 487,826.60	£ 189,025.40

Early Years Block

Nursery Schools	£ 1,033,239.00	£ 1,070,763.00	£ 1,070,763.00	£ -
Nursery Units	£ 542,361.00	£ 550,431.00	£ 550,431.00	£ -
PVI - 3 & 4 yo provision	£ 5,267,840.00	£ 5,214,828.00	£ 6,372,526.86	-£ 1,157,698.86
Early Years Pupil Premium	£ 120,270.00	£ 106,434.00	£ 21,704.18	£ 84,729.82
Disability Access Fund	£ 37,515.00	£ 25,830.00	£ 37,515.00	-£ 11,685.00
2 yo provision	£ 1,528,570.00	£ 1,527,600.85	£ 1,686,256.01	-£ 158,655.16
EYFS Business Rates	£ 24,210.00	£ 24,210.00	£ 24,210.00	£ -
EY Inclusion Funding	£ 80,000.00	£ 80,000.00	£ 28,333.11	£ 51,666.89
Capital works contribution	£ 5,000.00	£ 5,000.00	£ 5,000.00	£ -
Staffing - 2, 3 & 4 yo provision	£ 160,740.00	£ 160,740.00	£ 155,937.57	£ 4,802.44
Supplies & Services - 2, 3 & 4 yo provision	£ 40,240.00	£ 40,240.00	£ 15,825.00	£ 24,415.00
Contribution to IWIST	£ -	£ 50,000.00	£ 50,000.00	£ -
EY contingency	£ 569,960.00	£ 569,960.00	£ 88,500.00	£ 481,460.00
Estimated final budget increase (Jul 19)	£ -	£ 178,331.15	£ -	£ 178,331.15
Total Early Years Block	£ 9,409,945.00	£ 9,604,368.00	£ 10,107,001.72	-£ 502,633.72

High Needs Block

Special Schools & Academies	£ 6,368,933.00	£ 6,368,933.00	£ 6,483,969.00	-£ 115,036.00
Resource Bases	£ 1,657,168.00	£ 1,657,168.00	£ 1,641,363.00	£ 15,805.00
PRU	£ 1,500,000.00	£ 1,500,000.00	£ 1,500,000.00	£ -
Top-up funding	£ 933,841.00	£ 933,841.00	£ 1,203,175.00	-£ 269,334.00
Discretionary Funding	£ 66,159.00	£ 83,388.00	£ 83,388.00	£ -
Special Schools Equipment	£ 20,000.00	£ 20,000.00	£ 10,000.00	£ 10,000.00
Specialist Provision:				
Visually Impaired	£ 111,720.00	£ 111,720.00	£ 67,530.00	£ 44,190.00
Cognition & Learning	£ 115,720.00	£ 115,720.00	£ 112,922.01	£ 2,798.00
Communication, Language & ASD	£ 102,340.00	£ 102,340.00	£ 86,006.48	£ 16,333.53
Hearing Impaired	£ 188,270.00	£ 188,270.00	£ 171,310.08	£ 16,959.92
Home Tuition	£ 283,500.00	£ 283,500.00	£ 157,984.79	£ 125,515.22
Education Psychology Service	£ 86,400.00	£ 86,400.00	£ 74,767.54	£ 11,632.46

Independent Special Schools	£ 2,412,450.00	£ 2,412,450.00	£ 3,013,563.00	-£ 601,113.00
Inter-Authority Recoupment	£ 175,000.00	£ 175,000.00	£ 290,388.00	-£ 115,388.00
Post 16 Provision	£ 769,000.00	£ 769,000.00	£ 977,100.00	-£ 208,100.00
Behaviour Support Team	£ 255,870.00	£ 255,870.00	£ 202,055.09	£ 53,814.91
HN Contingency	£ -	£ 296,390.00	£ -	£ 296,390.00
Inclusion Division staffing	£ 540,740.00	£ 540,740.00	£ 447,234.74	£ 93,505.27
Total High Needs Block	£ 15,587,111.00	£ 15,900,730.00	£ 16,522,756.71	-£ 622,026.71

REPORT TO: Schools Forum

DATE: 16th January 2019

REPORTING OFFICER: Senior Finance Officer

SUBJECT: Schools Block funding for 2019-20

WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

To report to the Schools Forum the Schools Block funding for 2019-20.

2.0 RECOMMENDATION: That

1. The report is noted.
2. The level of Minimum Funding Guarantee to be applied to the Schools Block funding formula for 2019-20 is agreed.

3.0 SUPPORTING INFORMATION

3.1 Grant settlement

The Dedicated Schools Grant settlement was announced on 17th December giving a total of £86,931,157 for the Schools Block for 2019-20. This includes an amount of £475,302 for 'Growth Funding'.

The Schools Block for 2018-19 is £84,318,746 before the 0.5% transfer to the High Needs Block. Funding for the Schools Block for 2019-20 has increased by £2,137,109 of which £1,179,711 relates to the increase in the Primary Unit of Funding, £175,126 relates to the smaller increase in the Secondary Unit of Funding.

3.2 Pupil Numbers

Pupil numbers in primary and secondary schools have increased again by 191 from 17,957 to 18,148. This is split as follows: Primary 10,720, exactly the same as for 2018-19, Secondary 7,428, an increase from 7,257 in 2018-19.

The Authority Pro-forma Tool (APT) spreadsheet which has individual school data for the funding formula shows 7,428 secondary pupils to be funded. The DSG allocation spreadsheet issued on the same day as the APT has funding for 7,427 secondary pupils. A query has been submitted to the ESFA to explain why there is a difference and to clarify if we should be funded for 7,428 or for which secondary school the numbers need to be reduced by 1.

3.3 Disapplication request

Following consultation with schools and with Schools Forum agreement, we have submitted a disapplication request to transfer 1% from the Schools Block to the High Needs Block, which would be £869,311 leaving £86,061,846 for distribution through the funding formula. At the time of writing we have not been told if our submission has been accepted or refused.

The disapplication process has been delayed by the announcement of additional High Needs funding on 16th December.

3.4 Minimum Funding Guarantee

The MFG protection can be varied between minus 1.5% as per previous years to plus 0.5%. This is to allow local authorities flexibility to meet the NFF requirements.

As per the consultation held with schools during the Autumn Term and agreement at the last Schools Forum meeting, Schools Forum are required to agree the level of MFG to be applied for 2019-20. The recommendation for the level of MFG will be tabled at the meeting as it will not be known until the Schools Block calculations are completed.

3.5 Current position

As in previous years, at the time of writing the individual schools block budget have not been calculated but will be tabled at the meeting. Indicative budgets will be notified to schools as soon as possible after the meeting and confirmed once the ESFA has approved our formula.

3.6 Growth Funding

Growth funding of £350,302 has been included in the Schools Block settlement. This is the first year of a new formulaic method of allocation based on lagged growth data. Using this formula, Halton would have received £700k of Growth Funding but is limited to receiving 50% of this figure through capping and scaling measures.

The regulations are unclear as to whether we can continue with a Growth Fund set at nil and put this additional funding through the formula. A query has been submitted but we are unlikely to receive a response until after the report submission deadline. If we are not allowed to do this, clarification will be sought as to whether we are required to consult with schools on how the Growth Fund will operate.

3.7 PFI funding

Following a telephone meeting with ESFA representatives, the ESFA have increased Schools Block funding for 2019-20 by £125,000 to be used to increase the PFI per pupil amount. This funding has been included in the 'Growth funding' allocation. The PFI per pupil value for 2018-19 is £197.82. The number of pupils for 2019-20 is 984 giving total PFI funding of £194,655. Adding the extra £125,000 gives £319,655 or £324.85 per pupil.

We have been told that this funding will remain within our settlement for future years.

4.0 FINANCIAL IMPLICATIONS

4.1 We are required to pass the full amount of Schools Block DSG to mainstream schools and academies via the funding formula. We are allowed to set aside the Growth funding and to take more Schools Block to supplement the Growth Fund. We are allowed after consultation with schools and Schools Forum to transfer up to 0.5% to the High Needs Block. To transfer an amount greater than 0.5% requires the permission of the Secretary of State.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children & Young People in Halton

It is essential that schools receive sufficient funding to allow them to support all children and young people.

5.2 Employment, Learning & Skills in Halton

None.

5.3 A Healthy Halton

None.

5.4 A Safer Halton

None.

5.5 Halton's Urban Renewal

None.

6.0 RISK ANALYSIS

6.1 We need to comply with the regulations otherwise could have formula imposed on us.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

REPORT TO: Schools Forum

DATE: 16th January 2019

REPORTING OFFICER: Senior Finance Officer

SUBJECT: High Needs Block funding for 2019-20

WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

To report to the Schools Forum the High Needs Block funding for 2019-20.

2.0 RECOMMENDATION: That

2.1 The report is noted.

3.0 SUPPORTING INFORMATION

3.1 Grant settlement

The Dedicated Schools Grant settlement was announced on 17th December giving a total of £16,770,689 for the High Needs Block for 2019-20.

From this figure, £2,906,662 is being recouped by the ESFA for commissioned places in special academies and some independent special schools. This leaves £13,864,027 High Needs Block that will be paid to Halton Borough Council.

3.2 Disapplication request

Following consultation with schools and with Schools Forum agreement, we have submitted a disapplication request to transfer 1% from the Schools Block to the High Needs Block, which would be £869,311. At the time of writing we have not been told if our submission has been accepted or refused.

The disapplication process has been delayed by the announcement of additional High Needs funding on 16th December. We are currently waiting to be advised of how to inform the DfE of our intention to continue with the request to transfer 1% of Schools Block allocation to the High Needs Block.

3.3 Current position

As in previous years, at the time of writing the High Needs block budget have not been calculated and will not be finalised until the March meeting. However, at the moment we have an estimated budget requirement of £14,706,911 (after recoupment).

Therefore we have a funding gap of £842,884.

3.4 Additional High Needs Funding

The DfE announced on 16th December 2018 that an additional £250M would be passed to local authorities over two years (2018-19 and 2019-20) as additional funding for the High Needs Block. It has been allocated based on the ONS projections for the 2 to 18 year old population in each local authority.

For Halton, our allocation is £296,390 for each year, a total of £592,780 over the two years. The additional funding for 2019-20 will reduce the funding gap to £546,494.

To put this into perspective, the overspend on the Independent Special Schools budget for 2018-19 is currently £601,113.

3.5 Funding Gap

The 1% transfer from Schools Block of £869,311 will then give a surplus of £322,817.

As we are expecting a deficit balance in the region of £753,787 we will still have an overall deficit of £430,970.

3.6 DSG Balances

The DfE consulted with local authorities during the Autumn Term about the detailed implementation of new rules regarding the reporting, monitoring and reduction of deficit DSG balances.

Where an LA has a deficit DSG balance of more than 1% of its latest published DSG allocations for 2018-19, gross of recoupment, a detailed report plus supporting evidence will be required to be submitted to the DfE setting out the LA's plans to bring the DSG account back into balance, within a maximum of three years. This report must be discussed with Schools Forum prior to submission and needs to be reviewed and signed off by the Chief Finance Officer.

The DfE are aware that DSG deficits are usually caused by high needs pressures and as such the evidence required for the year-end deficit recovery report will already have been prepared for the block movement disapplication request. However, the main causes of overspend will need to be addressed in detail.

4.0 FINANCIAL IMPLICATIONS

4.1 Further savings and reducing overspends are essential to getting back to a balanced DSG position. Should the 1% transfer of Schools Block funding be refused, the overall deficit position will double to roughly £865,626.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children & Young People in Halton

It is essential that schools and education support services receive sufficient funding to allow them to support all children and young people.

5.2 Employment, Learning & Skills in Halton

None.

5.3 A Healthy Halton

None.

5.4 A Safer Halton

None.

5.5 Halton's Urban Renewal

None.

6.0 RISK ANALYSIS

6.1 Without the 1% transfer for 2019-20 and the extra High Needs funding we will have to make further budget reductions over the coming years which will impact on the support we can give to children who need it most. Our DSG deficit will be more difficult to bring back to a balanced position and would take several years (estimated at five) to do so.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

REPORT TO: School Forum
DATE: 16th January 2019
REPORTING OFFICER: Senior Finance Officer
SUBJECT: Early Years Funding for 2019-20
WARDS: Borough wide

1.0 PURPOSE OF REPORT

To report to the Schools Forum the current position on Early Years Block funding for 2019-20

2.0 RECOMMENDATION: That the report is noted.

3.0 SUPPORTING INFORMATION

3.1 Background

Halton moved to the new Early Years National Funding Formula as required by the Department for Education in April 2017. We are now preparing for the 2019-20 funding formula.

3.2 Update

The Early Years NFF Operational Guidance was released at the end of November with no major changes to the NFF requirements. We have also been notified of the hourly rate that we will be funded for 2019-20 and the indicative grant allocation. This will be updated during the year.

The hourly rate we received from the DfE for 2017-18 was £5.40 which reduced to £5.13 for 2018-19. This is reducing slightly to £5.12 per hour for 2018-19. Due to the lack of DSG reserves it is likely that the only way to keep within budget is to reduce the hourly rates.

The table below shows the 2019-20 Early Years Grant Allocation as of 17th December 2018. It shows that we have a total indicative allocation of £9,629,236 for 2019-20.

It is worth noting that if the hourly rate had stayed at the current level of £5.13 the total allocation would have been £9,644,593. This is a £15,357 reduction in funding. However, if the hourly rate remained at £5.40 per hour as in 2017-18 the total allocation would have been £10,059,239, a difference of £430,003 in funding.

3.3 Early Years Grant Allocation 2019-20 as at 17-12-18

	Per Hour to LA	PTE Nos	Cash Allocation
3&4yo Universal entitlement	£5.12	1,892.37	£5,522,682.88
3&4yo Universal entitlement	£5.12	801.88	£2,340,220.20
2yo entitlement	£5.28	491.27	£1,478,536.21
Early Years Pupil Premium			£ 143,175.26
Disability Access Fund			£ 45,510.00
MNS Transitional Protection			£ 99,111.60
Total Indicative Allocation			£9,629,236.16

3.4 Next Steps

Once the January headcount data is received work can commence on calculating the likely grant allocation and the cash values for our funding factors for 2019-20. A further report will be brought to Schools Forum in March.

4.0 FINANCIAL IMPLICATIONS

4.1 We are required to pass through a minimum of 95% of DSG Early Years Block funding for three and four year old free entitlement to providers. The funding formula must be set by March 2019 for the 2019-20 financial year. Unlike the Schools Block element of DSG, the Early Years Block allocation is updated throughout the financial year it relates to and again in the following financial year. The funding formula must be based on the estimated hours set by the Department for Education which can be different to local estimates. We therefore may not receive grant allocation for costs incurred until the following financial year.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**5.1 Children & Young People in Halton**

It is essential that providers receive sufficient funding to allow them to support all children and young people.

5.2 Employment, Learning & Skills in Halton

None.

5.3 A Healthy Halton

None.

5.4 A Safer Halton

None.

5.5 Halton's Urban Renewal

None.

6.0 RISK ANALYSIS

6.1 There is a risk that if the funding formula based on estimated hours given by the DfE does not reasonably reflect the actual provision we may be paying providers more funding than we have actually received in grant income. Although we should receive funding in the following financial year in such cases, the cashflow of the Council will be affected given we have no DSG reserves.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

REPORT TO: Schools Forum

DATE: 16th January 2019

REPORTING OFFICER: Senior Finance Officer

SUBJECT: Central School Services Block 2019-20

WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

To report to the School Forum on the Central School Services Block for 2019-20.

2.0 RECOMMENDATION: That

1. The report is noted.
2. The budgets are agreed.
3. Maintained Schools representatives decide on de-delegated budgets as detailed in Appendix A.

3.0 SUPPORTING INFORMATION

3.1 The Central School Services Block (CSSB) is now a separate block of the Dedicated Schools Grant. We are required to inform and see approval from Schools Forum for budgets funded from this block, including de-delegated budgets.

3.2 Centrally retained budgets
Below are the centrally retained budgets funded from the CSSB with their comparison to 2018-19:

	<u>2019-20</u>	<u>2018-19</u>
Contribution to Safeguarding post	£47,100	£47,100
Teacher's Panel	£19,460	£19,460
Licences	£102,357	£98,550

From the former Education Services Grant retained element funding now part of the CSSB allocation:

Staffing	£187,960	£178,877
Central Recharges	£107,710	£98,885

3.3 The Contribution to Safeguarding post is an historic commitment that cannot be increased. We have been notified that from 2020-21 the DfE will start to reduce the funding for such historic commitments but it is unknown at this point in time at what rate such reduction will be applied.

3.4 The Licenses budget is to meet the cost of the school licences purchased centrally by the ESFA and recharged to local authorities. We have been notified of the charge for 2019-20 which is an increase of more than 3.8% on the 2018-19 charge.

3.5 The former ESG retained element funding contributes to the cost of Financial Management posts, Senior Management posts, Investigation of Complaints and SACRE plus associated administrative costs and overheads.

3.6 De-delegated budgets
We have two sets of de-delegated budgets, including budgets that were formerly funded from the General element of the Education Services Grant. It is for maintained schools to decide which items they wish to fund for 2019-20. Appendix A details each budget with the amount per pupil for primary and secondary pupils plus comparison with the 2018-19 budgets.

4.0 FINANCIAL IMPLICATIONS

4.1 If de-delegation is refused for any budget by any phase of maintained schools the Council will need to decide whether it can source other funding to support the service(s).

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children & Young People in Halton

Support services for children in schools is directly impacted by de-delegated budget decisions.

5.2 Employment, Learning & Skills in Halton

None.

5.3 A Healthy Halton

None.

5.4 A Safer Halton

None.

5.5 Halton's Urban Renewal

None.

6.0 RISK ANALYSIS

6.1 There is a risk to the Council that funding for staff and services in place to

provide support to children in schools may be reduced should Maintained Schools representatives on Schools Forum wish to reject any de-delegated budget.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

Appendix A

	2019-20			2018-19			
	Total budget	Per pupil - Primary	Per pupil - Secondary	Total budget	Per pupil - Primary	Per pupil - Secondary	
<u>De-delegated budgets</u>							
Schools Contingency	£ 198,252	£ 17.01	£ 17.01	£ 198,780	£ 17.01	£ 17.01	No change to per pupil amount
HBC Staff responsibilities	£ 25,408	£ 2.18	£ 2.18	£ 25,470	£ 2.18	£ 2.18	No change to per pupil amount
FSM Eligibility	£ 6,560	£ 1.47	£ 1.47	£ 6,520	£ 1.47	£ 1.47	No change to per pupil amount
Dismissal costs	£ 127,110	£ 10.72	£ 10.72	£ 127,110	£ 10.61	£ 10.61	Increase of 11p per pupil
<u>Former ESG General duties</u>							
Financial Management	£ 20,990	£ 1.77	£ 1.77	£ 20,633	£ 1.94	£ 1.94	Reduction of 17p per pupil
Capital Works Officer *	£ 41,560	£ 3.50	£ 3.50	£ 40,050	£ 3.34	£ 3.34	Increase of 14p per pupil
Capital Works Officer - full**	£ 46,560	£ 3.93	£ 3.93				Increase of 59p per pupil
Health & Safety	£ 124,220	£ 10.47	£ 10.47	£ 114,000	£ 9.51	£ 9.51	Increase of 96p per pupil

* Capital Works Officer excludes £5,000 contribution from Early Years Block

** Capital Works Officer with no contribution from Early Years Block

Only one of the options given above for the Capital Works Officer is required.

REPORT TO: Executive Board

DATE: 16th January 2019

REPORTING OFFICER: Operational Director – Education, Inclusion and Provision

SUBJECT: Capital Programme – 2019/20

1.0 PURPOSE OF THE REPORT

1.1 This report provides a summary of the capital programmes for 2019/20 for the People Directorate.

2.0 RECOMMENDATION: That

- i) The position regarding capital funding from the Department for Education for 2019/20 is noted;**
- ii) The proposals to be funded from School Condition Capital Allocation are supported and noted ;**
- iii) The capital allocations are put forward for inclusion in the Budget Executive Board report on 17th January 2018 and to full Council**

3.0 SUPPORTING INFORMATION

3.1 The Department for Education has not yet announced the Capital Grant Allocation for 2019/20, but given the timescales for some of the proposed capital projects, there is a requirement to present this report. The allocation stated in this report is based on the 2018/19 allocation which was £1,007,078. As in previous years, the allocation is likely to follow the same methodology, therefore, for the purpose of planning the capital programme for 2019/20, the 2018/19 allocation figure has been applied. In the event that the 2019/20 allocation is reduced, or in the event that a school converts to academy status which impacts on funding received by the Council, the amount of funding available for elements of the capital programme will be reduced accordingly.

3.2 In addition to the Capital Grant Allocation, in 2017 The Department for Education also announced Special Provision Capital Funding for local authorities to invest in provision for children and young people with Special Educational Needs and Disabilities aged 0-25 to improve the quality and range of provision available to the Local Authority. The funding was for a range of provision types where this benefits children and young people with education, health and care (EHC) plans aged between 0 and 25 and commenced in 2018/19. Halton's allocation over a 3 year period was £500,000 (three payments of £166,666 each year). It was confirmed in May 2018 that the Local Authority would receive an additional amount of

£116,279, taking the total Special Provision Capital Funding allocation to £616,279.

- 3.3 On the 20th September 2018 The Executive Board approved works to create foundation/Key Stage 1 Social Emotional and Mental Health (SEMH) Resources bases at Beechwood Primary School and Halton Lodge Primary School. Provisional costs have been provided and in addition to the details provided in paragraph 3.2 above, the Local Authority will also be allocating an element of its School Condition Allocation Funding towards this scheme, to maximise the build quality, facilities, and resources within the bases.
- 3.4 Detailed in the table below is the funding available to support capital projects across the school estate:

GOVERNMENT FUNDING	
<p>School Condition Allocation – Local Authority maintained schools i.e. community and voluntary controlled schools (INDICATIVE FIGURE BASED ON 2018/19)</p> <p>Allocated to fund condition and suitability projects at Local Authority maintained schools.</p>	£1,007,078
<p>School Condition Allocation – Voluntary Aided maintained schools (INDICATIVE FIGURE BASED IN 2018/19)</p> <p>Allocated to fund condition and suitability projects at Voluntary Aided schools.</p>	£646,810
<p>Special Provision Capital Fund – 2019/20 allocation</p> <p>Allocated to create foundation/Key Stage 1 SEMH Resources bases at Beechwood Primary School and Halton Lodge Primary School. The total allocation was initially £500,000 then an additional amount of £116,279 was confirmed in May 2018. This equates to £205,426 per year for 3 years, with the first allocation for 2018/19 now received.</p>	£205,426
<p>Devolved Formula Capital – Local Authority maintained schools i.e. community and voluntary controlled schools (INDICATIVE FIGURE BASED ON 2018/19)</p> <p>Allocated directly to Local Authority maintained schools for their own use to address school building and Information Communication Technology needs.</p>	£228,528
<p>Devolved Formula Capital – Voluntary Aided maintained schools (INDICATIVE FIGURE BASED ON 2018/19)</p> <p>Allocated directly to Voluntary Aided maintained schools for their own use to address school building and Information Communication Technology needs.</p>	£159,106

4.0 School Condition Allocation funding.

4.1 The table below details how the School Condition Allocation will be utilised.

Description	Estimated costs	Description
Computer Aided Design Plans	£2,500	Used to update plans of school buildings where improvement works have been carried out.
Kitchen gas safety / ventilation	£45,000	A rolling programme to address gas safety issues in school kitchens.
Asbestos Management	£35,000	Annual update of asbestos surveys and undertaking of resulting remedial works.
SEMH Resource Base	£60,000	This will be used to support the creation of the SEMH Resource Bases at Halton Lodge Primary School and Beechwood Primary School.
Contingency	£98,534	Used for emergency and health and safety works that arise during the year.
Capital Repairs	£800,000	A programme of capital works undertaken at community and voluntary controlled schools, determined by the Local Authority.
Total	£1,041,034	

The total amount of £1,041,034 detailed above comprises £1,007,078 (based on 2018/19 School Condition Allocation), together with a required total contribution from schools.

5.0 POLICY IMPLICATIONS

5.1 The programme of works will allow the Council to continue to meet its requirement to enhance the school environment through capital projects, and to ensure the Council has sufficient school places.

6.0 FINANCIAL IMPLICATIONS

6.1 In March 2018 the DfE announced the final capital allocations for 2018/19, for Halton this was £1,007,078. At the time of writing, the 2019/20 allocation has not yet been announced, but it is likely to follow the same methodology as previous years, therefore for the purpose of planning the capital programme for 2019/20 the 2018/19 allocation figure has been used; in the

event that the allocation is reduced, the amount of funding available for elements of the capital programme will be reduced accordingly.

7.0 OTHER IMPLICATIONS

7.1 The Capital Repairs Programme will contribute to Halton's Carbon Management Programme by producing more energy efficient buildings.

8.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

8.1 Children and Young People in Halton.

The Capital Programme will address condition and suitability issues within school buildings and will improve the learning environment for children and young people.

8.2 Employment, Learning & Skills in Halton

As above.

8.3 A Healthy Halton

N/A

8.4 A Safer Halton

N/A

8.5 Halton's Urban Renewal

N/A

9.0 RISK ANALYSIS

9.1 Capital Repairs

It is current practice for schools to contribute towards the cost of works. Consultation with schools on their contribution to any proposed works will take place following the Council's consideration of the budget report in March 2019. If schools cannot or are not willing to contribute, any proposed projects will not be carried out in 2019/20.

10.0 EQUALITY AND DIVERSITY ISSUES

10.1 The works to be carried out at Beechwood Primary and Halton Lodge Primary Schools to create a foundation/KS1 SEMH Resource Base at each, will broaden the range of educational provision within Halton and provide specialised in-borough provision, and support inclusion.