



**Schools Forum**

**Wednesday, 20 January 2021 4.00 p.m.  
To be held remotely, please contact Clerk  
for access**

A handwritten signature in black ink, appearing to read 'David W R', is positioned above 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, 24 February 2021*

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

**Part I**

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***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, 14 October 2020 held remotely*

Present: Councillor T. McInerney (Observer)  
 A. Jones, Democratic Services, HBC  
 A. McIntyre, Education, Inclusion & Provision, HBC  
 A. Jones, Financial Management, HBC  
 N Shafiq, Financial Management, HBC  
 K. Landrum, (Chair) Primary School with a Nursery Representative  
 A. Brown, Nursery Schools Representative  
 J. O'Connor, PVI Representative  
 J. Coughlan, Primary Representative - Infant School  
 N. Hunt, Pupil Referral Unit Representative  
 J. Wilson, Secondary Governor Representative  
 E. Haver, Special Academy Representative  
 A. Simmons, Community Primary Representative  
 J. McConville, Secondary Academy Representative  
 H. Austin, Community Special Schools Representative  
 L. Roberts, Small Primary Representative  
 E. Hall, All Through School Representative (Sub)  
 A. Latherton-Cassule, EFA (Inspector); and  
 One member of the press

*Action*

## SCF8 APOLOGIES FOR ABSENCE

Apologies had been received from Angela Sheppard, Simon Corner and Ian Critchley (substitute Elaine Hall present).

## SCF9 MINUTES

The minutes of the meeting held on 18 June 2020 were agreed as a correct record.

## SCF10 SCHOOL BALANCES 2017-18 TO 2019-20

The Forum received a report from the Operational Director – Finance, which presented the year end balances for Halton Maintained Schools for the last 3 years.

This information was requested by Forum representatives at the June 2020 meeting and the report presented:

- Appendix A – LMS balances; and
- Appendix B – DFC balances

It was noted that overall schools balances had increased over the last three years, however there were still quite a number of schools using all or part of their previous year's surplus to meet their projected spend.

RESOLVED: That the report is received and noted.

SCF11 DSG FORECAST OUTTURN 2020/21

The Forum received the Dedicated Schools Grant (DSG) forecast outturn for 2020-21.

It was reported that the DSG for 2020-21 was £122,099,358 which was broken down into the following blocks:

Schools Block	£92,581,025
CSSB	£00,665,450
High Needs Block	£19,044,582
Early Years Block	£09,848,301

The report provided detailed commentary for each of the above blocks and the DSG balances were provided in paragraph 3.6. A breakdown of the budgets, forecast and variance was shown in Appendix A to the report.

Clarity was provided for the PVI representative over the Early Years Block – the DfE had announced that for this year the funding paid to local authorities would be 9/12<sup>ths</sup> based on January 2020 census plus 3/12<sup>ths</sup> based on the January 2021 census. For this reason it would be very difficult to forecast and the grant figure would not be received until February 2021, with confirmation of that expected in July 2021.

The challenges faced by Early Years next year were noted and it was estimated that the Early Years Block would come in under budget by approximately £67,871.

RESOLVED: That the report is noted.

SCF12 DSG FUNDING 2021-22

The Forum received the Dedicated Schools Grant (DSG) provisional funding for 2021-22.

It was reported that the DSG provisional settlement was announced on 27 July 2020 and used the 2021-22 cash values against the 2020-21 pupil numbers. Officers had drawn up a draft budget based on current knowledge and

expectations; however it was noted that this would change over the coming months as plans were moved forward and numbers firmed up.

Members were advised that within the draft budget, all staffing costs had been increased by 3% to take account of any pay awards. Further, supply and services budgets had largely been kept at the same level as this year, except where it was expected to see increased costs such as for Out of Borough placements. For these budgets therefore, the current years expected costs or calculated expected costs using forecasted numbers were built in.

The report provided detailed commentary for each block of funding: Schools Block (SB), Central Schools Services Block (CSSB), High Needs (HN) Block and Early Years (EY) Block (noted that EY information was yet to be received).

The Special Academy Representative raised concerns that the HN funding would not be enough despite the 8% increase. She advised that their setting was oversubscribed already and they would have very difficult decisions to make going forward.

Members were advised that officers' would not be requesting a transfer from the SB to the HN Block for 2021-22. This was agreed so that schools could receive their full allocation of SB funding which would help with the additional costs incurred due to the Pandemic that may not be covered by grants; and to allow time for more inclusive practices to be in, continuing the rationale from last year.

Officers advised that the consultation on the Funding Formula (FF) and Minimum Funding Guarantee (MFG) level for 2021-22 was open until 20 October and invited Forum Members to submit their responses. It was agreed that the Forum would make a decision on the MFG via email. The outcome of the consultation would be emailed to Members as soon as it was ready.

RESOLVED: That the report is noted.

SCF13 NORTH WEST LOCALLY MANAGED SCHOOLS (LMS) UPDATE

A report was presented from the Operational Director – Finance, which presented the key issues discussed at the recent regional LMS meeting, held virtually on 4 August 2020.

Financial  
Management,  
HBC

The Forum was also advised that a number of DfE virtual meetings had been set up during September and October, to cover subjects that would normally have been discussed at individual seminars at the national conference. The report provided information relating to discussions on *Revenue Funding Policy and NFF in 2021-22* and a *Covid-19 update* from the DfE virtual meeting on 16 September 2020.

Clarification was provided on eligibility when schools were making claims for Covid-19 funding payments. Members were advised that schools could not make a profit from claiming additional money and it must not result in increased balances. Financial Management would offer support to schools who needed guidance on this going forward.

It was agreed that any further information received by the NW LMS on the introduction of school related grants would be shared with the Forum as soon as possible after it was received.

RESOLVED: That Schools Forum note the update.

Financial  
Management,  
HBC

*Meeting ended at 4.50 p.m.*

<b>REPORT TO:</b>	School's Forum
<b>DATE:</b>	20 <sup>th</sup> January 2021
<b>REPORTING OFFICER:</b>	Strategic Director, People
<b>PORTFOLIO:</b>	Children, Education and Social Care
<b>SUBJECT:</b>	Proposal to change the payment process for funded 2,3 and 4 year olds in Halton
<b>WARDS:</b>	Borough-wide

## **1.0 PURPOSE OF THE REPORT**

- 1.1 The purpose of this report is to outline proposed changes to the payment process for funded 2, 3 and 4 year olds in Halton, which went out to consultation at the end of last year. It details the proposed changes, together with the rationale, which underpins these proposals. The report also records the results from the consultation and makes recommendations for the forum to consider based on this consultative process.

## **2.0 RECOMMENDATION:**

**That the Schools forum approves the following recommendations:-**

- 2.1 With effect from 1<sup>st</sup> April 2021, Halton Borough Council will make the following changes to the way payments are made for funded 2, 3 and 4 year olds:-
- All providers will be paid monthly (currently only childminders are paid monthly;
  - Providers will be paid 100% of their estimates, split evenly between the number of months in the term.  
(As per Part 1 of the Consultation, Proposal 1 below);
- 2.2 With effect from 1<sup>st</sup> April 2021, Halton Borough Council will introduce cut-off dates for starters and leavers. Dates to be fixed in advance and shared with providers. After these dates, Halton Borough Council will only continue to fund starters and leavers in exceptional circumstances.  
(As per Part 2 of the Consultation, Proposal 2 below).

## **3.0 SUPPORTING INFORMATION**

- 3.1 With effect from 1<sup>st</sup> April 2021, Halton Borough Council are proposing to change the way payments are made for funded 2, 3 and 4 year olds, and to introduce cut-off dates for starters and leavers.

3.2. Outlined below are the proposed changes which went out for consultation to all Early Years Providers in Halton, together with the rationale which underpins these proposals. The consultation opened on 26.11.20 and closed on 18.12.20. Early years providers were asked to complete a response form, which was sent out with the consultation document. Providers were informed that the responses would be collated and the proposals which received the majority number of ‘votes’ would be put forward as recommendations to be approved at the Schools Forum in January 2021.

The consultation was split into two parts:-

3.3 Part 1 of Consultation

Proposals for changes to the way Halton Borough Council make payments for funded 2, 3 and 4 year olds:-

Proposal 1

- To pay **all** providers monthly (currently only childminders are paid monthly);
- To pay **100%** of estimate, split evenly between the number of months in the term, as shown below:-

Term	Number of months in term	% of estimate paid each month
Autumn Term	4	25%
Spring Term	3	33.33%
Summer Term	5	20%

- EYPP and any adjustments would continue to be paid in the final month of the term;
- Any negative amounts would be deducted from the final payment in the term, unless the value was higher than the payment due. In this case, the remaining negative amounts would be carried over to first payment next term;
- If a provider had over-estimated and was likely to have a large carry over to the next term, we would, in consultation with the provider, reserve the right to reduce more than one payment. This would enable the provider to manage their cash flow more effectively;
- Payments would be made during the last week in the month.

This proposal is identical to the way Childminders are currently being paid. Therefore, childminders were asked to choose this option if they wanted to continue to be paid in the same way.

Proposal 2

- To pay **all** providers monthly (currently only childminders are paid monthly);



- To pay **75%** of estimate, split into the number of months in the term. Remaining **25%** paid in final month of the term, as shown below:-

Term	Number of months in term	% estimate paid each month
Autumn Term	4	25% for 3 months and 25% in the final month
Spring Term	3	37.5% for 2 months and 25% in the final month
Summer Term	5	18.75% for 4 months and 25% in the final month

- EYPP and any adjustments would continue to be paid in the final month of the term;
- Any negative amounts would be deducted from the final payment in the term, unless the value was higher than the payment due. In this case, the remaining negative amounts would be carried over to first payment next term;
- If a provider had over-estimated and was likely to have a large carry over to the next term, we would, in consultation with the provider, reserve the right to reduce more than one payment. This would enable the provider to manage their cash flow more effectively;
- Payments would be made during the last week in the month.

### 3.4 Part 2 of Consultation

Proposals for the introduction of cut-off dates for starters and leavers\*:-

#### Proposal 1

To continue to fund starters and leavers up to a set date each term. Dates to be fixed in advance and shared with providers. For example, the proposed cut-off dates for **receipt** of adjustments, via the Provider Portal next financial year, would be as follows:

Friday 16<sup>th</sup> July 2021  
 Friday 26<sup>th</sup> November 2021  
 Friday 25<sup>th</sup> February 2022

Any adjustments received after these dates would not be funded for a starter. Therefore, if a child left one setting to move to another after the above dates, the first setting would not have any funding deducted and the new provider would not receive any funding for this child until the next term.

## Proposal 2

To 'push back' the date of the headcount to the same date as the School Census. No movement would be funded after that date, until the start of the next term. The School Census dates for the next financial year are as follows:

Thursday 20<sup>th</sup> May 2021  
Thursday 7<sup>th</sup> October 2021  
Thursday 20<sup>th</sup> January 2022

Any adjustments received after these dates would not be funded for a starter. Therefore, if a child left one setting to move to another after the above dates, the first setting would not have any funding deducted and the new provider would not receive any funding for this child until the next term.

**\*Please note:** After the above dates, Halton Borough Council would only continue to fund starters and leavers in **exceptional circumstances**, such as where there was a safeguarding issue or families fleeing domestic violence. Cases would be considered on an individual basis.

### 3.5 The rationale underpinning the proposals

- In the light of the recent Covid-19 pandemic, the Government has asked Local Authorities to look at how Early Years funding is paid to providers. The Government have recommended that Local Authorities consider moving to monthly payments, if they do not already do so, in order to aid cash flow and to spread cash flow more evenly throughout the year. In adopting this approach, Halton's Early Years sector would be in line with how Schools and Academies are currently funded within the borough;
- By paying 100% 'up-front', Halton Borough council are paying for a service, which has not yet been delivered. Moreover, the current 100% 'upfront' is not affordable, or sustainable, for the council. The council receives Dedicated Schools Grant (DSG) funding in fortnightly payments. The council no longer has sufficient DSG reserves so, under the current system, are paying EY providers before funding has been received from the Government. **Halton Borough Council no longer has the 'cushion' of DSG reserves to allow us to continue as we are;**
- Each term there are a number of providers who over estimate. Moving to monthly payments would reduce the number of claw-backs and enable providers to manage their cash flow more effectively;
- These proposals bring Halton Borough Council more in-line with other neighbouring authorities;
- Having a clear cut-off date for starters and leavers would still allow flexibility for families and providers, whilst ensuring payments are made

within the same term. Currently, if starter and leaver adjustments are submitted late in the term it is not always possible to process payments until the following term;

- Halton Borough Council are currently running two payment methods for the FEYE funding; one for Childminders and one for Group settings/Schools. The new proposals would make for a more streamline, efficient and effective system;
- Regular, monthly payments would provide a consistent income for providers.

### 3.6 The response to the consultation

We received 38 responses, as detailed below:-

CONSULTATION RESPONSES -RESULTS	PART 1 - CHANGES TO PAYMENTS		PART 2 - CUT OFF FOR STARTERS AND LEAVERS	
	Proposal 1	Proposal 2	Proposal 1	Proposal 2
DAY NURSERIES, PRE-SCHOOLS, ACADEMIES AND OOSCs	26	4	20	9
CHILDMINDERS	6		6	
SCHOOLS/NURSERY CLASSES	1	1	0	2
<b>TOTALS</b>	<b>33</b>	<b>5</b>	<b>26</b>	<b>11</b>

The majority of responses received indicated Early Years Providers in Halton would prefer Proposal 1 in regard to the changes in how payments are made for funded 2, 3 and 4 year olds; and Proposal 1 in regard to the introduction of cut-off dates for starters and leavers. It is, therefore, these proposals that form the basis of the recommendations made in section 2 of this report.

## 4.0 POLICY IMPLICATIONS

- 4.1 If the proposed changes are approved, Halton Borough Council's 'Provision of Free Early Years Entitlement Contracts for 2,3 and 4 Year Olds' will need to be amended. The current contracts expire on March 31<sup>st</sup>, 2021.

## 5.0 FINANCIAL IMPLICATIONS

- 5.1 Please refer to Section 3.5, 'The rationale underpinning the proposals' for information regarding financial implications.

## 6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

**6.1 Children and Young People in Halton**

Children will continue to be able to access funding for high quality early years education for children aged 2, 3 and 4.

**6.2 Employment, Learning and Skills in Halton**

Research shows that children's achievements and life-skills improve if they have had access to high quality early years provision.

**6.3 A Healthy Halton**

None identified

**6.4 A Safer Halton**

None identified

**6.5 Halton's Urban Renewal**

None identified

The proposals will contribute towards making the council more effective and efficient in the way it delivers the funding for the free entitlement.

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

7.1 There are no background papers under the meaning of the Act.

**REPORT TO:** Schools Forum  
**DATE:** 20<sup>th</sup> January 2021  
**REPORTING OFFICER:** Operational Director - Finance  
**SUBJECT:** DSG Forecast Outturn 2020-21  
**WARDS:** Borough wide

## 1.0 PURPOSE OF THE REPORT

To report to the Schools Forum the Dedicated Schools Grant forecast outturn for 2020-21.

## 2.0 RECOMMENDATION: That

2.1 The report is noted.

## 3.0 SUPPORTING INFORMATION

### 3.1 DSG Allocation

The Dedicated Schools Grant allocation for 2020-21 is £122,099,358 broken down as follows:

Schools Block	£92,581,025
CSSB	£665,450
High Needs Block	£19,004,582
Early Years Block	£9,848,301

Of this, £39,824,678 is recouped from the Schools Block and £2,906,662 from the High Needs Block for academies etc.

### 3.2 Schools Block

As we did not request a transfer to the High Needs Block for 2020-21, the full amount of £92,581,025 was devolved to schools and academies through the funding formula. We are fully following the National Funding Formula and using those cash values except for the Lump Sum factor which was increased to ensure the whole of the Schools Block was devolved.

### 3.3 Central Schools Services Block

The CSSB is currently forecast to come in over budget by £37,135. This is due to the under achievement on Exclusions income. The closure of schools during the summer term and continuing difficulties regarding working with Covid-19 restrictions have resulted in very few pupils being permanently excluded in the current financial year to date.

### 3.4 High Needs Block

The High Needs Block is forecast to come in over budget by £1,319,473. The key areas of pressure are:

	Budget	Forecast	Variance
INMSS	£3,172,450	£4,433,862	£1,261,412
IAR	£375,000	£469,088	£94,088
Top-up funding	£1,300,000	£2,111,668	£811,668
Inclusion Staffing	£1,833,320	£1,552,424	(£280,896)
Supplies & Svcs	£172,820	£152,488	(£20,332)
HN Contingency	£539,729	£0	(£539,729)

We are continuing to see an increase in the number of pupils placed in out of borough provision, resulting in the current combined forecast deficit of £1,355,500.

### 3.5 Early Years Block

The DfE asked that local authorities fund EY on either the 2019 Autumn term actual hours or the 2020 Autumn term estimated hours, whichever is the higher. We have paid just over £540k to providers for the Autumn term over and above the estimated hours for that term.

It is considered that we will come within budget by an estimated £110k, however there are a number of variables that will change this forecast which include the likely adjustment to the grant allocation for this year and the actual costs for Spring term.

### 3.6 DSG Balances

Forecast outturn 2020-21	£1,246,341 deficit
2019-20 DSG balance	£136,464 surplus
DSG as at March 2021	£1,109,876 deficit

We have continued to be cautious in calculating the forecast position and there are now considered minimal savings that may arise throughout the remainder of the year to reduce this deficit. A breakdown of the budgets, forecast and variance is shown in Appendix A.

## 4.0 **FINANCIAL IMPLICATIONS**

4.1 The Department for Education has made changes to the School and Early Years (Finance) (England) Regulations 2020 to give statutory backing to a new process for handing DSG deficits. A local authority must now carry forward all of the deficit forward to set against the schools budget in the next financial year, or carry part of the deficit forward to set against the schools budget in the next financial year and carry the rest of it forward to the following financial year.

If the local authority sets any part of the deficit against the schools budget for the next financial year, it must plan to eliminate that part of

the deficit through funding from the DSG that it will receive during that financial year.

Therefore a deficit position this year will impact on the amount of DSG available to spend in the coming financial years.

## **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 Ending the year with a DSG deficit balance will impact on plans to change and improve services and provision until we get back to a balanced position.

## **7.0 EQUALITY AND DIVERSITY ISSUES**

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

**Summary**

	Original budget	Current budget	Forecast Outturn	Variance	
Schools Block	£ 92,581,025	£ 92,581,025	£ 92,581,025	£ -	
Central Schools Services Block	£ 665,450	£ 665,450	£ 702,589	-£ 37,139	
Early Years Block	£ 9,848,301	£ 9,848,301	£ 9,738,030	£ 110,271	
High Needs Block	£ 16,156,582	£ 16,155,582	£ 17,475,055	-£ 1,319,473	
DSG carry forward (central)	£ 136,464	£ 136,464	£ -	£ 136,464	
<b>Total DSG</b>	<b>£ 119,387,822</b>	<b>£ 119,386,822</b>	<b>£ 120,496,699</b>	<b>-£ 1,109,877</b>	<b>-0.97%</b>

**Schools Block**

Primary (before de-delegation)	£ 47,869,844	£ 47,869,844	£ 47,869,844	£ -	
Secondary (before de-delegation)	£ 44,711,181	£ 44,711,181	£ 44,711,181	£ -	
<b>Total Schools Block</b>	<b>£ 92,581,025</b>	<b>£ 92,581,025</b>	<b>£ 92,581,025</b>	<b>£ -</b>	

**Central Schools Services Block**

Safeguarding post contribution	£ 37,680	£ 37,680	£ 27,353	£ 10,327	
Licences	£ 104,480	£ 104,480	£ 104,481	-£ 1	
Teachers Panel	£ 19,460	£ 19,460	£ 19,460	£ -	
Premature Retirement costs	£ 501,930	£ 501,930	£ 488,618	£ 13,312	
Transfer to High Needs Block	£ 99,220	£ 99,220	£ -	£ 99,220	
Exclusions Income	-£ 149,040	-£ 149,040	-£ 19,040	-£ 130,000	
Inter Authority Income	-£ 252,890	-£ 252,890	-£ 247,896	-£ 4,994	
Staff Responsibilities (de-del)	£ 25,500	£ 25,500	£ 25,500	£ -	
FSM Eligibility contribution (de-del)	£ 6,510	£ 6,510	£ 6,510	£ -	
Dismissals Costs (de-del)	£ 127,150	£ 127,150	£ 154,504	-£ 27,354	
Schools Contingency (de-del)	£ 198,780	£ 198,780	£ 198,780	£ -	
De-delegated income	-£ 357,940	-£ 357,940	-£ 357,940	£ -	

**Former ESG Retained Duties**

Revenue budget preparation/Formulation and review of LA schools funding formula	£ 84,450	£ 84,450	£ 84,450	£ -	
Director of children's services/Planning for the education service as a whole	£ 89,890	£ 89,890	£ 88,629	£ 1,261	
Admissions service contribution	£ 8,910	£ 8,910	£ 8,933	-£ 23	
SACRE	£ 2,970	£ 2,970	£ 2,970	£ -	
Investigation of Complaints contribution	£ 8,530	£ 8,530	£ 8,530	£ -	
Administrative costs and overheads	£ 109,860	£ 109,860	£ 109,860	£ -	

**Former ESG General Duties**

Budgeting and accounting functions relating to m	£ 21,970	£ 21,970	£ 21,970	£ -	
Asset Management contribution	£ 47,800	£ 47,800	£ 46,717	£ 1,083	
Health & Safety contribution	£ 61,230	£ 61,230	£ 61,200	£ 30	
De-delegated income	-£ 131,000	-£ 131,000	-£ 131,000	£ -	

<b>Total Central Schools Services Block</b>	<b>£ 665,450</b>	<b>£ 665,450</b>	<b>£ 702,589</b>	<b>-£ 37,139</b>	
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**Early Years Block**

Nursery Schools	£ 1,026,746	£ 1,026,746	£ 1,026,746	£ -	
Nursery Units	£ 474,630	£ 474,630	£ 474,630	£ -	
PVI - 3 & 4 yo provision	£ 6,401,510	£ 6,401,510	£ 6,269,336	£ 132,174	
Early Years Pupil Premium	£ 142,773	£ 142,775	£ 142,773	£ 2	
Disability Access Fund	£ 53,505	£ 53,505	£ 53,505	£ -	
2 yo provision	£ 1,431,840	£ 1,431,840	£ 1,408,552	£ 23,288	
EYFS Business Rates	£ 24,210	£ 24,210	£ 24,210	£ -	
EY Inclusion Funding	£ 40,000	£ 40,000	£ 40,000	£ -	
Staffing - 2, 3 & 4 yo provision	£ 169,340	£ 169,340	£ 169,350	-£ 10	
Supplies & Services - 2, 3 & 4 yo provision	£ 7,000	£ 7,000	£ 1,400	£ 5,600	
Contribution to IWIST	£ 50,000	£ 50,000	£ 50,000	£ -	
EY contingency	£ 26,745	£ 26,745	£ 77,528	-£ 50,783	
<b>Total Early Years Block</b>	<b>£ 9,848,299</b>	<b>£ 9,848,301</b>	<b>£ 9,738,030</b>	<b>£ 110,271</b>	



**High Needs Block**

Special Schools & Academies	£	5,109,893	£	5,109,893	£	5,109,893	£	-
Resource Bases	£	1,186,633	£	1,186,633	£	1,186,633	£	-
PRU	£	1,500,000	£	1,500,000	£	1,500,000	£	-
Top-up funding	£	1,300,000	£	1,300,000	£	2,111,668	-£	811,668
Special Schools Equipment	£	20,000	£	20,000	£	10,000	£	10,000
Specialist Provision:								
Visually Impaired	£	122,970	£	122,970	£	50,219	£	72,751
Cognition & Learning	£	126,540	£	126,540	£	98,341	£	28,199
Communication, Language & ASD	£	107,840	£	107,840	£	87,182	£	20,658
Hearing Impaired	£	210,020	£	210,020	£	216,455	-£	6,435
Home Tuition	£	295,260	£	295,260	£	161,872	£	133,388
Education Psychology Service	£	230,470	£	230,470	£	250,370	-£	19,900
Independent Special Schools	£	2,412,450	£	3,172,450	£	4,433,862	-£	1,261,412
Inter-Authority Recoupment	£	175,000	£	375,000	£	469,088	-£	94,088
Post 16 Provision	£	969,000	£	969,000	£	969,000	£	-
Behaviour Support Team	£	334,660	£	334,660	£	301,694	£	32,966
HN Contingency	£	1,400,509	£	536,466	£	-	£	536,466
Inclusion Division staffing	£	558,380	£	558,380	£	518,779	£	39,601
<b>Total High Needs Block</b>	<b>£</b>	<b>16,059,625</b>	<b>£</b>	<b>16,155,582</b>	<b>£</b>	<b>17,475,056</b>	<b>-£</b>	<b>1,319,474</b>

**REPORT TO:** Schools Forum

**DATE:** 20<sup>th</sup> January 2021

**REPORTING OFFICER:** Operational Director - Finance

**SUBJECT:** Schools funding for 2021-22

**WARDS:** Borough wide

## 1.0 PURPOSE OF THE REPORT

To report to the Schools Forum the Schools funding for 2021-22.

## 2.0 RECOMMENDATION: That

- 2.1 The report is noted.
- 2.2 The level of Minimum Funding Guarantee to be applied to the Schools Block funding formula for 2021-22 is agreed.
- 2.3 That maintained school representatives decide by phase which de-delegated budgets they agree to fund in 2021-22.

## 3.0 SUPPORTING INFORMATION

### 3.1 Grant settlement

The Dedicated Schools Grant settlement was announced on 17<sup>th</sup> December giving a total of £99,050,733 for the Schools Block for 2020-21, an increase of £6,469,708 to the 2020-21 settlement but this includes £4,082,348 funding transferred from the Teachers Pay and Pension Grants into DSG.

### 3.2 Pupil Numbers

Pupil numbers in primary and secondary mainstream schools have again increased overall, although primary numbers have decreased.

	2021-22	2020-21	Variance
Primary	10,668	10,671	-3
Secondary	7,617	7,610	7
Total	18,285	18,281	4

### 3.3 Current position

As in previous years at the time of writing the individual Schools Block budgets have not been calculated. As the October census data and grant allocations have now been received, we should be able to issue the indicative allocations for the meeting. Once approval has been given by the ESFA to our funding formula, we will confirm individual Schools Block budgets for 2021-22.

3.4 Minimum Funding Guarantee

We are required to agree the level of MFG to be applied to the Schools Block funding formula for 2021-22. As per the outcome of the consultation with schools, the decision on the level of MFG is to be taken at the January meeting of Schools Forum. For 2021-22 the level of MFG can be set between plus 0.5% and plus 2.0%. The recommendation of the actual level of MFG will be tabled at the meeting but initial calculations indicate that it cannot be set at the highest level of 2.0%.

3.5 De-delegation

Maintained school representatives will be asked to decide at the January meeting which de-delegated budgets they wish to fund for 2021-22. The services, per pupil amounts and totals for each school will be tabled at the meeting as they have not yet been calculated.

3.6 Transfer of funding to the High Needs Block

For 2021-22 the High Needs Block allocation has increased by £2,399,206 to £18,554,788 after recoupment. We have not requested any transfer of funds from the Schools Block to the High Needs Block for 2021-22. Therefore, the grant of £99,050,733 will be fully allocated to mainstream schools and academies through the Schools Block funding formula. As stated at the last meeting, if we are unable to clear this year's deficit balance and keep expenditure within budget in 2021-22 we will have no choice but to request a transfer from schools and School Forum for 2022-23.

However, in line with the Inclusion Charter developed with schools in 2019 and school's responsibility as part of the Local Offer, it is essential that schools ensure they use this year's funding to improve their provision for children and young people with SEND, thereby reducing the need for specialist placements.

Details of High Needs budgets will be presented at the February meeting.

3.7 Early Years Block

For 2021-22 the Early Years Block indicative allocation is £9,862,865 which is very similar to the initial allocation for the current year. The funding to Halton has increased by £0.08 per hour for 2 year old provision but the hourly rate for 3&4 year olds has remained the same at £5.12 per hour. Please note this is the funding that is coming into Halton rather than the hourly rates paid to providers. Once the EY census data is released in February we will calculate the likely grant allocation for the current financial year which in turn will give an indication of the outturn position. We can then calculate the funding formula for 2021-22, the details of which will be presented at the February meeting.

3.8 Pupil Premium Grant 2021-22

The DfE have confirmed the Pupil Premium grant will continue into 2021-22 and that the funding rates are staying at the same level as this year. However there is a significant change in how the allocations are calculated for 2021-22 as the DfE are using the October census instead of the normal January census.

**4.0 FINANCIAL IMPLICATIONS**

4.1 The Schools Block funding formula must comply with all relevant regulations as set out by the Department for Education and be submitted to the Department by the end of 21<sup>st</sup> January 2021.

4.2 If de-delegation is rejected for any budget by any phase of maintained schools, the Council will need to decide if it can source other funding to continue the service(s) to schools.

**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 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.