

SLOUGH SCHOOLS' FORUM
4 December 2018

Directorate of Children Learning and Skills

DSG Budget 2019/20

1 Purpose of Report

- 1.1 This is a series of 4 reports to advise Schools' Forum of the work that has been done by the 5-16 Task Group on the composition of the local 5-16 funding formula for 2019/20. It also informs Forum of the views of schools following the results of recent consultations.
- 1.2 It also seeks separate approvals to the correct the base budget for the Schools Block, Central Services Block and the High Needs Block following the misalignment of these blocks last year.

2 RECOMMENDATIONS

The recommendations are listed within the respective part of each report.

PART A

Approval to correct the 2019/20 Central Schools Services Block (CSSB) Budgets and agree the CSSB for 2019/20

3 Purpose of Report

To advise the Forum about the services funded from the Central Schools Services Block (CSSB) in 2019-20 and the approvals required by the Forum.

- 3.1 To request permission from Schools' Forum to move £100,000 for the Virtual School from historic commitments (contribution to combined budgets) to ongoing commitments. This will mitigate the requirement to have an ongoing reduction in the Virtual School's budget. The Council has contacted the Education Schools Funding Agency (ESFA) to seek guidance with regard to this and it has been confirmed that under the current regulations it is permissible.

3.2 Background

In 2018-19 The CSSB was introduced as the fourth block of the Dedicated Schools Grant (DSG). The CSSB provides funding for Local Authorities to carry out central functions on behalf of pupils in state-funded maintained schools and academies. The block is comprised of two elements; historical commitments which are allocated based on the baselining exercise performed by the DfE in 2017/18 and ongoing responsibilities which are based on a pupil-led formula linked to the baselining exercise. The DfE have confirmed that funding for historic commitments in 2019/20 will be allocated at the same level as in 2018-19, with the expectation that spending on historic commitments will continue to reduce over time.

- 3.3 From 2020/21, the DfE expect to start to reduce the historic commitments element of the central school services funding block where authorities' expenditure has not reduced. "We do not believe it is fair to maintain significant differences in funding indefinitely between local authorities, where these differences reflect historic decisions." (National funding formula policy document 19/20)

4 Incorrect Base for the Central Schools Services Block (CSSB)

- 4.1 In 2018/19 Schools' Forum agreed to move **£276,370** from the High Needs Block (HNB) to the CSSB to reallocate funds incorrectly baselined from 2017/18. The agreement by Schools' Forum last year was for one year only and therefore the DSG will start the new financial year with same imbalance in the base budgets as was the case last year. The Council is now seeking Schools' Forum approval to make the appropriate transfers in 2019/20 and beyond should the settlement be insufficient to fund the CSSB as it was in 2018/19.

4.2 Approval for CSSB Budget 2019/20

Schools Forum are asked to approve the Central Schools Services Block allocations to the following budgets;

4.2.1 Admissions - £178,100

The school admissions budget funds the School Admissions Team. The team is responsible for the Local Authority's school admission processes. This includes co-ordination of the reception and secondary transfer admissions processes. This involves providing all residents who wish to apply with information about the process and an application form, processing all

applications received and ensuring all applicants have one offer of a school place on national offer day. The team also co-ordinate in year primary and secondary admissions. Parents moving into Slough are provided with an application form and are offered a school place as soon as possible, usually within 4 weeks. The team deals with around 6000 applications annually.

4.2.2 Servicing of Schools Forum - £53,055

The budget for servicing the Schools Forum represents the costs incurred in providing this statutory duty. The LA is required to co-ordinate at least four Schools Forum meetings per year. This budget contributes to the running costs of Schools' Forums including any agreed and reasonable expenses for members attending meetings, the costs of producing and distributing papers, costs of room hire and refreshments and for clerking of meetings.

4.2.3 LA Childrens Safeguarding Board - £30,000

Contributions to the Safeguarding function adds value to the work of the Slough Childrens Safeguarding Board (SCSB) and support all schools and academies in their vital work to keep children and young people safe and achieve compliance with Ofsted requirements.

4.2.4 Virtual School - £100,000

Contributions to the operation of the Virtual School have developed the range of the service to create better outcomes for children looked after by Slough. To build the system we have funded training through a large conference, training our new designated teachers (last year 5, this year 42) and running the Designated Teacher meetings. The knowledge of attachment needs through early life trauma for example is now much better understood in the Slough education system. If you get it right for children looked after it has a positive impact from other vulnerable groups. This may even support children not to come into care. It will also improve the OFSTED judgements on Slough schools in respect to vulnerable children.

The funding is also used to widen and deepen the range of services offered by the Virtual School, where support is available for under 5s, post 16, those in FE and HE. We also have capacity to support schools and carers with SGOs and adopters. We are forging links with Heathrow and developing apprenticeships. The evidence in the Virtual Annual Report is the KPIs have been met and in some cases exceeded. Further detail of the service can be found in the reports pack on the following link to the Schools Forum presentation; [Virtual School Presentation](#)

4.2.4 Copyright Licences - £124,325

This is negotiated centrally for all authorities; schools cannot opt out for these licences;

- Copyright Licensing Agency (CLA)
- Schools Printed Music Licence (SPML)
- Newspaper Licensing Authority (NLA)
- Education Recording Authority (ERA)
- Public Video Streaming Licence (PVSL)
- Motion Picture Licensing Company (MPLC)
- Phonographic Performance Limited (PPL)
- Performing Rights Society (PRS)
- Mechanical Copyright Protection Society (MCPS)
- Christian Copyright Licensing International (CCLI)

4.2.5 Education Welfare (ESG) - £144,672

The statutory Education Welfare functions include the promotion of good attendance for all children and young people, enforcement duties on behalf of schools and Academies for non attendance and the licensing processes for the employment and engagement in entertainment activities by children and young people. In Slough the Attendance Team are responsible for these activities except licensing which is the responsibility of the Admissions & Transport Team. It also includes monitoring of attendance and the early intervention in cases of absence giving cause for concern in schools and academies. The Attendance Team also has an essential role in safeguarding and family support. The team are also involved in work linked to the MASH.

4.2.6 Asset Management (ESG) - £12,818

Contribution to the services related to school buildings including those leased to academies. Examples include the schools building condition survey, PFI negotiations and the asset management plan.

4.2.7 Statutory and Regulatory (ESG) - £258,400

Contributions to the statutory posts of DCS and the Head of the Virtual School for children in care, audit, revenue budget preparation, SACRE and the provision of information to Ofsted, DfE and other government bodies as required. Business support for education functions and systems for strategic information returns such as the school census are funded from this contribution.

Contributions to the statutory post of DCS, audit, revenue budget preparation, SACRE and the provision of information to Ofsted, DfE and other government bodies as required. Business support for education functions and systems for strategic information returns such as the School Census are funded from this contribution. Please see the link below for further details of what this service and others may cover. [Schools Funding Operational Guide 19/20 p50](#)

- 4.3 The provisional settlement of the CSSB for 2019/20 is **£636,804**. The provisional expenditure is £901,370. Based on the provisional settlement the CSSB element of the DSG will not be sufficient to cover the expenditure required from this block, the shortfall is £264,566. The element for licenses is variable and dependant on the negotiated price by the DfE. Prices for 2019/20 have not yet been confirmed.

Draft Central Services Schools Block required for 2019-20

Area	Service	Budget
Contribution to Combined Budgets	LA Safeguarding Childrens Board	30,000
	Virtual School	100,000
Sub Total - Historical Commitment		130,000
Servicing of Schools Forum		53,055
Admissions		178,100
Copyright Licences		124,325
Education Welfare (Former ESG)		144,672
Asset Management (Former ESG)		12,818
Statutory Regulatory(Former ESG)		258,400
Sub Total - Ongoing Commitment		771,370
Grand Total		901,370

Please see **Appendix A1** for the detail of this block should the movement of the Virtual School from historic commitments to ongoing commitments be agreed.

5 RECOMMENDATIONS

5.1 Forum agrees;

- a) the permanent budget transfer totalling **£264,566** from the High Needs Block to the Central Schools Services Block, should the final allocation for the CSSB prove insufficient to meet the commitments;
- b) the allocations of the following budgets within the CSSB as outlined below
 - Admissions
 - Servicing of Schools Forum
 - Education Welfare (Former ESG)
 - Asset management (Former ESG)
 - Statutory & Regulatory (Former ESG)
 - Contribution to combined budgets: LA Safeguarding Childrens Board, Virtual School
- c) The transfer of £100,000 from historical commitments (contribution to combined budgets) to ongoing commitments (statutory and regulatory) for the virtual school.

Forum notes the requirement to fund Copyright Licences (as negotiated by the Secretary of State).

6 ALTERNATIVE OPTIONS CONSIDERED

6.1 Not applicable

7 SUPPORTING INFORMATION

7.1 The details for the 2019/20 CSS block can be found on the following link should further detailed information on the central block be required; please refer to the link below from the DfE website. [Central Schools Services Block Technical Note](#)

8 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

8.1 Monitoring Officer

The relevant legal provisions are contained within the main body of this report.

8.2 Section 151 Officer – Strategic Director of Resources

The financial implications of the report are outlined in the supporting information.

8.3 Access Implications

There are no access implications.

9 CONSULTATION

Not applicable

Contact for further information

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Appendix A1

Central Services Schools Block 2019-20

Area	Service	Budget	Allocation	Variance	Contributions to balance CSSB	
Contribution to Combined Budgets	LA Safeguarding Children's Board	30,000				
Historical Cmt sub total		30,000	78,000	48,000		
Servicing of Schools Forum		53,055				
Admissions		178,100				
Copyright Licences		124,325			Transfer from HNB	124,325
Education Welfare (Former ESG)		144,672				
Asset Management (Former ESG)		12,818				
Statutory & Regulatory (Former ESG) including Virtual School		358,400				
Ongoing Cmt Sub Total		871,370	558,804	312,566	Transfer variance from HNB	140,241
Grand Total		901,370	636,804	264,566		264,566

PART B

Approval to correct the 2019/20 School Block & High Needs Block Base Budgets

10 Purpose of Report

10.1 To request permission from Schools' Forum to transfer **£500,000** from the High Needs Block to the Schools Block for 2019/20.

10.2 Background

In the 2018/19 financial year, Schools' Forum agreed to transfer funding from the High Needs Block to the Schools Block in order to remedy an error in the 2017-18 baseline return, which created an imbalance between the Schools Block (SB) allocation and High Needs Block (HNB) allocation. The agreement by Schools' Forum last year was for one year only and therefore the DSG will start the new financial year with same imbalance in the base budgets as was the case last year.

11 High Needs Block transfer to Schools Block

11.1 The DSG block allocation for 2019/20 is predicated on the 2017/18 baseline. In order to keep the blocks aligned as they were in 2018/19 a transfer between the High Needs Block and Schools' Block of £500,000 is required. This transfer is a reallocation of funding between blocks to correct an error (as in 2018/19), it not to simply to take additional funding from an already highly pressured budget.

11.2 The Schools' Block revenue modelling already assumes this transfer.

12 RECOMMENDATIONS

12.1 Forum agrees;

- To transfer £500,000 from the High Needs Block to the schools block to replicate the movement actioned in 2018/19 to correct the baselining of the DSG in 2017/18.

13 ALTERNATIVE OPTIONS CONSIDERED

13.1 Not applicable

14 SUPPORTING INFORMATION

14.1 Not applicable

15 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

15.1 Monitoring Officer

The relevant legal provisions are contained within the main body of this report.

15.2 Section 151 Officer – Strategic Director of Resources

The financial implications of the report are outlined in the supporting information.

15.3 Access Implications

There are no access implications.

16 CONSULTATION

Not applicable

PART 3

Schools' Block Consultation Outcome

17 PURPOSE OF THE REPORT

17.1 This report provides Schools' Forum with the outcome from the consultation with schools on the 2019-20 revenue funding options that were agreed at the October 2018 and subsequent November 2018 Task Group meeting.

17.2 Background

The October 5-16 Task Group discussed at length the options to be put forward to schools as part of the annual 5-16 Schools' Revenue budget setting process, in light of the recent update from the DfE to delay the full implementation of the full NFF by one more year to April 2021. The consultation ran from the 17th October to the 7th November 2018. The Task Group decided that schools should be consulted on two funding options;

- **Option 1:** Retain the status quo; 50% transition to NFF funding rates.
- **Option 2:** 75% transition to NFF funding rates.

17.3 It was also discussed at Task Group that the LA expressed an interest to top-slice the Schools' Block by 0.5% to help fund High Needs Block budgetary pressures. The 0.5% top-slice is currently allowable under DSG regulations. In light of this expression, a separate consultation has been issued to all schools to seek their views on this proposal. The consultation ran for one week from the 19th November to the 26th November at 17:00. The results of the consultation will be presented to Schools' Forum on the 4th December (see Part D to this report below).

18 RECOMMENDATIONS

18.1 That Schools' Forum:

- a) Notes the outcome from the consultation with all 44 schools in that;

Responses were received from 15 schools (39%)

- 7 schools selected option 1 (50%)
- 8 schools selected option 2 (75%)

- b) Endorses the recommendation of the Task Group for an "in-between" third option, set at **65%** transition toward NFF.

19. REASONS FOR RECOMMENDATION

19.1 The three "soft" financial years offer the opportunity to plan and prepare for the 'journey' towards the proposed implementation of the 'hard' NFF in 2021-22. Accordingly, through discussions in the 5-16 Task Group concerning the results of the consultation, a third option has been recommended. The reasons for a 65% transition are;

1. The low response rate to the consultation from schools,
2. The narrowness of the preference for one option over the other,

3. The uncertainty of whether full NFF implementation will be delayed again,
4. To better smooth the illustrative impact on all schools.

The implications of the third “65%” option have been modelled and the indicative budgets for each school are attached as Appendix C1. Schools’ Forum members are reminded that these budgets are indicative, based on the local formula suggested by Task Group and estimated pupil numbers for 2019-20. The final budgets for schools will not be known until the DfE issues the Council’s final DSG allocation later this year.

20 BUDGET TIMETABLE

- 20.1 Schools’ Forum is reminded of the revised budget preparation timetable and this report provides an update on the final stages for January as set out below:

Activity	Target Date/Completion
Build 2019-20 financial model	Oct -18
Consultation	Oct – Nov 18
Review Consultation results	Nov-18
Propose additional option	Nov-18
Choose preferred option	Dec-18
ESFA publish initial 2019-120 DSG block	19 th December (2017 date)
Submit final APT to DfE with agreed political ratification date if not already obtained	19 th January

21 ALTERNATIVE OPTIONS CONSIDERED

- 21.1 Not applicable.

22 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

22.1 Monitoring Officer

The relevant legal provisions are contained within the main body of this report.

22.2 Section 151 Officer – Strategic Director of Resources

The financial implications of the report are outlined in the supporting information.

22.3 Access Implications

There are no access implications.

23 CONSULTATION

- 23.1 See paragraphs 1.1, 2 and 3 above.

Contact for further information

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Appendix C1

Recommended Option - 65% Transition to NFF - Balance to AWPU	
School	Indicative budget share (£)
Baylis Court School	4,293,657
Beechwood School	4,858,739
Castleview Primary School	1,860,305
Cippenham Infant School	1,117,461
Cippenham Primary School	3,078,880
Claycots School	6,535,961
Colnbrook Church of England Primary School	989,663
Ditton Park Academy	4,893,643
Eden Girls' School, Slough	3,124,651
Foxborough Primary School	1,313,306
Godolphin Infant School	1,301,401
Grove Academy	2,242,464
Herschel Grammar School	3,419,091
Holy Family Catholic Primary School	1,718,914
Iqra Slough Islamic Primary School	2,603,269
James Elliman Academy	2,804,534
Khalsa Primary School	1,680,543
Langley Grammar School	4,031,850
Langley Hall Primary Academy	2,988,038
Lynch Hill Enterprise Academy	3,711,890
Lynch Hill School Primary Academy	3,471,820
Marish Primary School	2,842,256
Montem Academy	3,722,655
Our Lady of Peace Catholic Primary and Nursery School	2,480,236
Parlaunt Park Primary Academy	2,390,133
Penn Wood Primary and Nursery School	3,158,930
Pippins School	791,566
Priory School	3,207,247
Ryvers School	2,554,391
Slough and Eton Cof E Business & Enterprise College	5,766,884
St Anthony's Catholic Primary School	2,308,635
St Bernard's Catholic Grammar School	2,931,999
St Ethelbert's Catholic Primary School	1,805,582
St Joseph's Catholic High School	4,130,633
St Mary's Church of England Primary School	2,497,114
The Godolphin Junior Academy	2,016,178
The Langley Academy	5,001,681
The Langley Academy Primary	1,731,901
The Westgate School	5,093,407
Upton Court Grammar School	3,812,760
Western House Academy	2,465,354
Wexham Court Primary School	2,650,786
Wexham School	3,924,505
Willow Primary School	1,774,337
Total To Schools	131,099,250
Growth Fund	900,000
Total Budget	131,999,250

PART 4

Outcome on Consultation to transfer 0.5% from Schools' Block to High Needs Block

24 Purpose of Report

24.1 To advise the Forum of the Local Authority's decision to request a 0.5% transfer from the Schools' Block to the High Needs Block.

24.2 Background

Under DfE regulations, Schools' Forum can agree to transfer up to 0.5% (approx £660k) from the Schools Block to other blocks to reprioritise DSG funding. The LA expressed an interest making a request to top-slice the schools' block by 0.5% to help fund the significant budget pressures that have built up on the High Needs Block. This was discussed at the 5-16 Task Group meetings.

24.3 A consultation has been issued to all schools and academies to seek their views on this proposal. The consultation closed on the 26th November at 17:00. The results of the consultation are therefore not available to include in this report and will be presented to Schools' Forum on the 4th December.

25 Schools' Block Transfer to High Needs Block

25.1 It has been well documented that there is a sustained funding pressure on the High Needs Block. Whilst there is a considerable amount of work being done within the SEND section to alleviate this pressure and a paper on this is now expected to be presented to Forum in January 2019, it is recognised that it will be a while before the considered strategies that will be put into place will realise the required savings. Also the council needs to demonstrate that it has considered all avenues in its attempts to deal with this problem.

25.2 The High Needs Block currently has a forecast cumulative deficit of £7.5m. Table 2.3 shows how the deficit has accumulated over the past few years.

Year	Brought Forward £m	Outturn £m	DSG Allocation £m	Variance £m	Carried Forward £m	Annual Percentage	Cumulative Percentage
2016/17	-195,656	19,565,447	17,092,587	2,472,860	2,277,204	12.64%	13.32%
2017/18	2,277,204	21,552,456	18,315,642	3,236,814	5,514,018	15.02%	30.11%
2018/19	5,514,018	20,022,172	18,015,800	2,006,372	7,520,390	10.02%	41.74%

25.3 A more detailed paper on the High Needs deficit and the strategies proposed to address this problem will be tabled at January's Schools' Forum.

26 RECOMMENDATIONS

26.1 Forum agrees;

- To transfer 0.5% of the Schools Block settlement to the High Needs Block. *Based on current estimates this will equate to £660k. Please note this is an estimated figure and will change depending on final pupil numbers and DSG settlement.*

27 ALTERNATIVE OPTIONS CONSIDERED

27.1 Not applicable

28 SUPPORTING INFORMATION

28.1 Not applicable

29 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

29.1 Monitoring Officer

The relevant legal provisions are contained within the main body of this report.

29.2 Section 151 Officer – Strategic Director of Resources

The financial implications of the report are outlined in the supporting information.

29.3 Access Implications

There are no access implications.

30 CONSULTATION

Not applicable

Contact for further information

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