

Wiltshire Council

Schools Forum

17 January 2019

DEDICATED SCHOOLS BUDGET – CENTRAL SCHOOLS SERVICES BLOCK UPDATE
2019/20

Purpose of the Report

1. To update schools forum on issues relating to the Central Schools Services Block (CSSB) budget for 2019-20 and the decisions that will need to be made as part of the budget setting process.

Main Considerations

2. As outlined in the funding settlement paper the DfE has allocated a CSSB of £2.570 million for Wiltshire. This has been calculated using the national funding formula for the CSSB which applies a unit rate of £31.63 to the pupil numbers from the October 2018 census. Funding for agreed historic commitments is then added to the amount of funding generated by the formula to give the overall total CSSB. Wiltshire has been allocated £0.574m for historic commitments based on those commitments agreed as eligible in 2018-19.
3. The DfE are clear in their guidance historic commitments will begin to be reduced from 2020/21 the financial year.
4. The CSSB brings together:
 - funding previously allocated through the retained duties element of the Education Services Grant (ESG)
 - funding for ongoing central functions, such as admissions, previously top-sliced from the schools block
 - residual funding for historic commitments, previously top-sliced from the schools block
5. The duties included within the CSSB are listed in Appendix 1 to this report.
6. The decisions that schools forum are required to make in relation to the central schools block are listed below. These are in relation to the duties that local authorities have towards all schools.

Approval required	Services covered
<p>Section A</p> <p>Schools forum approval is not required (although they should be consulted)</p>	<ul style="list-style-type: none"> • central licences negotiated by the Secretary of State
<p>Section B</p> <p>Schools forum approval is required on a line-by-line basis</p>	<ul style="list-style-type: none"> • back pay for equal pay claims • remission of boarding fees at maintained schools and academies • places in independent schools for non-SEN pupils • admissions • servicing of schools forum • contribution to responsibilities that local authorities hold for all schools • contribution to responsibilities that local authorities hold for maintained schools (voted on by relevant maintained school members of the forum only) • de-delegated services from the schools block (voted on by the relevant maintained school members of the forum only)
<p>Section C</p> <p>Historic Commitments:</p> <p>Schools forum approval is required on a line-by-line basis. The budget cannot exceed the value agreed in the previous funding period and no new commitments can be entered into</p>	<ul style="list-style-type: none"> • capital expenditure funded from revenue – projects must have been planned and decided on prior to April 2013 so no new projects can be charged • contribution to combined budgets – this is where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources • existing termination of employment costs (costs for specific individuals must have been approved prior to April 2013 so no new redundancy costs can be charged) • prudential borrowing costs – the commitment must have been approved prior to April 2013

7. Local authorities can fund services previously funded from the general funding rate of the ESG (for maintained schools only) from maintained school budget shares, with the agreement of maintained school members of the schools forum.
8. The relevant maintained schools members of the schools forum (primary, secondary, special and pupil referral units (PRUs), should agree the amount the local authority will retain.
 - a. If the local authority and schools forum are unable to reach a consensus on the amount to be retained by the local authority, the matter can be referred to the Secretary of State.

9. Local authorities should set a single rate per 5 to 16 year old pupil for all mainstream maintained schools, both primary and secondary; in the interests of simplicity, this should be deducted from basic entitlement funding.
10. Many schools forums have agreed a top slice of schools funding to meet this shortfall. Wiltshire's schools have benefitted from taken the decision to treat the reduction in ESG funding as part of the general austerity reductions when setting the Council's medium term financial plan. This has allowed the Council to fund business plan objectives and local priorities. The Council has deliberately selected to offer a level of protection for our school effectiveness services and have managed to avoid seeking approval from Schools Forum to date because the DfE have provided an alternative transitional grant. The DfE have recently confirmed that the school improvement monitoring and brokering grant will continue in financial year 2019 to 2020 although funding levels have not yet been provided. Should this grant be removed or significantly reduced, the situation will need to be reviewed.
11. There are no proposals to fund services for maintained schools only contained within this report.

Section A – Central Licences

12. The cost of licences for 2019-20 for Wiltshire has been set at £0.373m (net of VAT) by the DfE. This is an increase on 2018/19 of £0.014 million with an increase in allocation of CSSB of £0.055 million.

Section B – Centrally Provided Services

13. Schools forum approval is required on a line by line basis for this group of services which are funded from central schools block. The table below shows each line and the proposed budget.
14. The limitation on increases to centrally held spend has been removed from the budgets for admissions and servicing of schools forums. It is therefore proposed to apply salary inflation to the budget for the admissions team. This is affordable within the overall CSSB allocation.

	2018/19 Budget	2019/20 Budget
Services previously funded by the retained rate of the ESG:		
Education welfare service	189,850	189,850
Asset management	177,066	177,066
Statutory/ Regulatory duties	638,084	638,084
Admissions	411,000	411,000
Servicing of schools forum	3,000	3,000

Section C – Historic Commitments

15. In 2017-18 the DfE supplementary guidance on the funding and reporting of historic commitments within central DSG. The guidance also detailed the evidence that Schools Forum required on each item in order to approve the spend:

- a. **Minutes from the schools forum prior to 1st April 2013** – schools forum should have agreed the commitment prior to 2013
- b. **Proof that the commitment extended at least as far as the 2018-19 financial year.** Evidence can include reports which indicated an end date in to 2018-19 or beyond, or where the commitment has no specific end date.
- c. **Where budgets relate to non-staffing costs, there must be a contractual commitment** (such as a PFI agreement or lease agreement) which extends in to the relevant financial year.
- d. **Schools forum papers and minutes that show that approval has been granted for the financial year.** The forum is expected to approve each spending line annually. It is important that schools forums have sufficient information to be able to make an informed decision

16. Having considered the guidance and the available evidence, the commitments agreed by schools forum for 2018-19 and therefore funded within the CSSB allocation for 2019-20 are as follows:

Item	Amount £m	Meets Definition?	Required Evidence available?
Funding for LAC Personal Education Plans - Schools Forum decision December 2007 to support PEPs for Looked After Children from 2008/09 financial year as required under "Care Matters". Allocation based on original estimate of £500 per LAC and managed by Virtual Head Teacher. PPG Plus now also supports PEPs <i>and so this funding was reduced to £103,000 in 2018/19 -top sliced and allocated to the High Needs block.</i>	0.233	Yes	Yes
Child Protection in Schools Adviser - Schools Forum decision January 2006 to support an additional member of staff within Children's Social Care to provide support and advice to schools enabling them to meet their responsibilities under Every Child Matters agenda following the cessation of Safeguarding Children's Grant	0.041	Yes	Yes
Prudential Borrowing Schools forum decision to support approx. £3m capital financing for 13 year period	0.300	Yes	Yes
Total	0.574		

17. Assuming the proposed budget is accepted by schools forum, an amount of £0.334m is therefore estimated to transfer to fund high needs pressures.

Proposals

1. Schools Forum is asked to note the report and the required decisions in relation to the central schools block budget for 2019-20. These will be considered fully in the decisions paper.

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