

**Wiltshire Council**

**Schools Funding Working Group & SEN Working Group**  
**30<sup>th</sup> November 2020**

**Schools Forum**  
**10<sup>th</sup> December 2020**

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## **DEDICATED SCHOOLS BUDGET – PROVISIONAL CENTRAL SCHOOLS SERVICES BLOCK UPDATE 2021-22**

### **Purpose of the Report**

1. To update schools forum on issues relating to the Central Schools Services Block (CSSB) budget for 2021-22 financial year and the decisions that will need to be made as part of the budget setting process.
2. As a result of the provisional allocations being released early in July 2020, Schools Forum are asked to consider this report and agree decisions. Any future changes will be brought to the January 2021 budget setting meeting.

### **Main Considerations**

3. As outlined in the funding settlement paper the DfE has allocated a provisional CSSB allocation of £2.449 million for Wiltshire. This has been calculated using the national funding formula for the CSSB which applies a unit rate of £32.59 to the pupil numbers from the October 2019 census. Funding for agreed historic commitments for 2021-22 is then added to the amount of funding generated by the formula to give the overall total CSSB.

### **Protection and Funding Changes**

4. Schools Forum will remember that the DfE have been reducing historic commitments. Wiltshire has been allocated £0.367m for historic commitments based on those commitments agreed as eligible in 2020-21 reduced by 20% of £0.092m. The DfE apply a maximum per pupil reduction in funding for ongoing responsibilities of -2.5%. Permitted gains are capped at 6.45% for 2021-22.

### **Function of the CSSB**

5. The CSSB allocates funding to the LA to carry out central functions on behalf of pupils of maintained schools and academies. Funding includes:
  - 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
6. The duties included within the CSSB are listed in Appendix 1 to this report.

### **Additional Funding Changes for 2020-21**

7. Additional pension funding that local authorities have claimed for centrally employed teachers will be rolled into the ongoing responsibilities element of the CSSB. This funding will be added as a per-pupil amount to the relevant local authority's per-pupil rate. As this funding is based on local authority claims received in May and June, the DfE will make this

adjustment in DSG allocations later in the year, and these are not included in the provisional NFF allocations.

8. 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.
9. Schools forum approval is required on a line by line basis for this group of services which are funded from central schools block. The tables show each line, the 2020-21 base and the proposed 2021-22 budget.

Approval required & legislative narrative	Services covered	2020-21 Budget £M	Wiltshire Budget Proposal 2021-22 £M
<b>Section A</b> <ul style="list-style-type: none"> <li>• Schools forum approval is <b>not</b> required (although they should be consulted)</li> </ul>	<ul style="list-style-type: none"> <li>• Central Copyright Licences for 2021-22 for Wiltshire as set by the DfE.</li> </ul>	£0.382m	£0.392m*
<b>Section B</b> Schools forum approval is required on a <b>line-by-line</b> basis <ul style="list-style-type: none"> <li>• back pay for equal pay claims</li> <li>• remission of boarding fees at maintained schools and academies</li> <li>• places in independent schools for non-SEN pupils</li> <li>• admissions</li> <li>• servicing of schools forum</li> <li>• contribution to responsibilities that local authorities hold for all schools</li> <li>• contribution to responsibilities that local authorities hold for maintained schools (voted on by relevant maintained school members of the forum only)</li> </ul>	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 central teams and address the safeguarding and admission pressures. This is affordable within the overall CSSB allocation.  <b>Services previously funded by the retained rate of the ESG**:</b>		
	<ul style="list-style-type: none"> <li>• Education Welfare Service</li> </ul>	£0.194	£0.199
	<ul style="list-style-type: none"> <li>• Asset Management</li> </ul>	£0.181	£0.186
	<ul style="list-style-type: none"> <li>• Statutory / Regulatory Duties</li> </ul>	£0.651	£0.669
	<ul style="list-style-type: none"> <li>• Admissions</li> </ul>	£0.426	£0.438
	<ul style="list-style-type: none"> <li>• Servicing of Schools Forum</li> </ul>	£0.003	£0.003

*\*the actual amount for copyright licences is calculated by the DfE and will follow is due course. Inflation has been applied at the 2020-21 level above.*

*\*\* Pay inflation has been added at 2.75% - this can be reviewed as national discussions continue.*

### **Section C – Historic Commitments**

10. In 2017-18 the DfE provided 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 1<sup>st</sup> 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
  
11. 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 2021-22 are as per the table overleaf. The reduction has been taken from the contribution to CERA in order that vulnerable pupils funding is prioritised.
  
12. The overall total is within the £0.367m allocated for historic commitments.
  
13. Schools Forum should consider the DfE's intention to reduce the historic funding over time in this and future years' funding decisions.

Approval required & legislative narrative	Services covered	2020-21 Budget £M	Wiltshire Budget Proposal 2021-22 £M
<p><b>Section C</b></p> <p><b>Historic Commitments:</b></p> <p>Schools forum approval is required on a <b>line-by-line</b> 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"> <li>capital expenditure funded from revenue – projects must have been planned and decided on prior to April 2013 so no new projects can be charged</li> <li>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</li> <li>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)</li> <li>Prudential borrowing costs – the commitment must have been approved prior to April 2013</li> </ul>	<p><b>Funding for LAC Personal Education Plans</b> - 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 – no change is requested by the Virtual School.</i></p>	0.103	0.103  <i>Meets definition And required evidence is available</i>
	<p><b>Child Protection in Schools Adviser</b> - Schools Forum decision January 2006 to support staff within Children's Services to provide support and advice to schools enabling them to meet their statutory responsibilities.</p>	0.056	0.056  <i>Meets definition And required evidence is available</i>
	<p><b>Prudential Borrowing</b> Schools forum decision to support approx. £3m capital financing for 13-year period</p>	0.300	0.208  <i>Meets definition And required evidence is available</i>
<b>Total</b>		<b>0.459</b>	<b>0.367</b>
Balance unallocated and available to transfer to the HNB		0.184	0.195

14. 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.
15. 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.
  - e. 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.
16. 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.
17. 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.
18. In addition, the DfE have provided an alternative transitional grant. The DfE have not yet confirmed that the school improvement monitoring and brokering grant will continue in financial year 2021-22. Should this grant be removed or significantly reduced, the situation will need to be reviewed.
19. There are no proposals to fund services for maintained schools only contained within this report.
20. Assuming the proposed budget is accepted by schools forum, an amount of £0.195m unallocated CSSB is 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 2021-22. Schools Forum is asked to agree these decisions in principle in advance of setting the Schools budget in January 2021.
  - i. Section A – consult only
  - ii. Section B – approve on a line by line basis
  - iii. Section C – approve on a line by line basis

Any updates will be brought to the January 2021 meeting for update and decision.

2. Notification of the school improvement monitoring and brokering grant has not yet been shared by the DfE. If the grant ceases or is significantly reduced, the expenditure plan will need to be reviewed, decisions made will be reconsidered at the next available schools forum meeting.

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