



MEETING: SCHOOLS' FORUM  
DATE: Monday 16 March 2020  
TIME: 1.30 pm  
VENUE: Formby Professional Development Centre, Park Road, Formby

**Member**

Dorothy Lee Ogden  
Councillor Hands  
Nigel Bellamy  
Mike McSorley  
Brenda Porter  
Catherine Earley  
Sue Clare  
Jon Horrocks  
Wendy Corless  
Mary Johnson  
Sharon Cowey  
Sue Kerwin  
Isobel Macdonald-Davies  
Danny Macreavy  
Bernie Coxon  
Malcolm Parry  
Simon Penney  
Niki Craddock  
Ian Raikes  
Matt Symes  
Mary Wall  
Nicola Walsh  
Jones

COMMITTEE OFFICER: Nicola Robson  
Clerk to Schools Forum  
Telephone: 0151 934 3741  
Fax:  
E-mail: [nicola.robson@sefton.gov.uk](mailto:nicola.robson@sefton.gov.uk)

**If you have any special needs that may require arrangements to facilitate your attendance at this meeting, please contact the Committee Officer named above, who will endeavour to assist.**

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# **A G E N D A**

1. **Apologies for Absence**
2. **Minutes of the Last Meeting** (Pages 5 - 10)
3. **Matters Arising**
4. **Agenda** (Pages 11 - 40)

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**EARLY YEARS DEVELOPMENT GROUP**  
**MINUTES OF MEETING HELD AT SEFTON PDC**  
**ON THURSDAY 19 DECEMBER 2019**

**PRESENT:** Lynda McQueen (Chair)  
 Debbie Summers, Joy Calderbank, Ez Mills, Suzanne Payne, Jen Teasdale, Cathy Earley, Alice Apel, Alicia Cavanagh (Minutes)

**APOLOGIES:** Bernice Brown, Kevin McBlain, Jenni Taylor, Rita Omar, Celia Wilson, Clare Friar, Maureen Walker, Jacquie Finlay

		<b>Action</b>
<b>1.</b>	<p><b>Welcome and Introductions</b></p> <p>Lynda McQueen welcomed the group and introductions were made as some were new to the group. Maureen Walker has stepped down from this group and also the 2YO Forum.</p>	
<b>2.</b>	<p><b>Minutes of last meeting – 24/10/19</b></p> <p>CE: Page 1 – Helen Pruden is Dot Tinsley’s replacement (NWBH).</p> <p><u>Membership:</u></p> <p>SP: We need to have an overview of names and organisations so we can see there is equity for presentation.</p> <p>EM: Asked if we had a Social Care rep? This had been agreed previously that it would be as and when needed.</p> <p>CE: Has everyone on the group got voting rights? This had not been thought of. CE will look at this.</p> <p>SP: We all have a vested interest in early years, so if we get the representation right we should be ok.</p> <p>SP: Page 2 (6<sup>th</sup> para) – should read: SP reported that at the last SAPH meeting, heads were shocked when they realised the amount carried forward in the Early Years block.</p> <p>Page 3 – LMQ apologised for not sharing updated Discretionary Funding criteria. SP asked for them to be sent out with the minutes of this meeting.</p>	<p>AC</p> <p>CE</p> <p>AC</p>

# Agenda Item 2

	<p>Page 5, item 8 – The purpose of this group is to feed into Schools Forum.</p> <p>LMQ asked if the group were happy for amended minutes to go to Forum? CE said she sits on the SEN group and their minutes don't go to Forum. It is not consistent of which groups are reporting and which are not.</p> <p>SP said the question needs to be asked at Forum whether they are happy to receive minutes from groups. CE can ask this question.</p> <p>It was agreed to hold fire on sending the minutes until we hear back from CE.</p>	CE
3.	<p><b>Training Subgroup – Suzanne Payne</b> (item moved on the agenda)</p> <p>The group met in November and membership was agreed. EM could not attend the meeting.</p> <p>The purpose was reflecting on training and identifying issues/gaps.</p> <p><u>Gaps:</u></p> <ul style="list-style-type: none"> <li>• SEND, Communication &amp; Language</li> <li>• Funding the training</li> <li>• Training delivery (one-off, packages)</li> <li>• Recruitment across all sectors and quality of staff</li> <li>• Potential for high quality training being delivered i.e. NVQ. SP is going to look at neighbouring authorities.</li> <li>• Discussion around Language – one of the School Partnerships</li> <li>• LMQ fed back on work that has already been done in September and how we don't want to lose this.</li> <li>• Potential for S&amp;L surgery. CW was going to explore this.</li> </ul> <p><u>SEN training:</u></p> <ul style="list-style-type: none"> <li>• Inclusive friendly setting</li> <li>• SENCO training</li> <li>• Discussed potential Accredited SEN training.</li> </ul> <p><u>Actions:</u></p> <ul style="list-style-type: none"> <li>• Development of centred package</li> <li>• NASEN Project</li> <li>• Liaising with Ez</li> <li>• Development of tiered approach</li> <li>• SEN focus groups</li> <li>• Funding for SEN Project</li> </ul>	

- Look at mapping training across partners

LMQ had a meeting with EM to discuss SEN training outside of the group. EM brought in conversation about other funding available which he will share.

A paper was handed to the group showing packages from School Readiness.

EM: Disability Access Fund (DAF) – this is a secure pot of funding for 3 & 4 year olds who are in receipt of Disability Living Allowance (DLA). The paper shows how much has been spent and how much remaining. If there is an underspend can it be used for SEN support/training?

CE: July 2018 is showing a balance of £71K. In November 2018, there is a variance of £4K not spent. JC reported that there is another term of funding to go on this.

EM: Where is DAF advertised? JC said she will send something out in January to early years providers, to say there is a term left for this year.

EM: Has looked at other authorities and they have used underspend from DAF for training.

LMQ: There is an opportunity for Train the Trainer – if agreement to do this for SENCO award. EM explained further on this.

### SENCO award

EM has met with someone from Wirral who has gone ahead with the SENCO award, delivered by Liverpool School Improvement. 39 authorities are on board. It is a structured delivery model of 12 sessions (full days) and each session has a theme. It is targeted at PVI settings. 500+ SENCOS have been trained to date.

Approx costs – for a group of 20 (or 15-25) – if we ask Liverpool to deliver = £1200 per SENCO, this includes everything except venue costs.

If a trainer (Train the Trainer) = £4.5K per trainer. £3,900 each.

If we as trainers deliver, we would still have to charge the SENCO for attending at £450. This would include moderation of assignments, delivery and visits to settings or we could use Jarvis Training – Train the Trainer.

### Discussion

LMQ: Said she was asked by Jarvis Training to Train the Trainer and she was shocked – they needed further training and had to buy her back in.

JC

# Agenda Item 2

	<p>LMQ: PVI's need to be committed. We have the expertise within Sefton but may need an external provider initially due to capacity.</p> <p>EM: Would be interested in how Liverpool deliver it.</p> <p>SP: Our aspiration is to run it for a year and then see where it goes.</p> <p>CE: It would stop schools and settings pulling on LA resources.</p> <p>JT: Would embed quality settings, buddying up etc.</p> <p>EM: If we had a group of 50, with Liverpool delivering, we are looking at £25 - £30K</p> <p>JC: Asked how this would be allocated as there are approx. 70 PVI settings?</p> <p>SP: Replied that it would have to be via Expression of Interest.</p> <p>LMQ: From a Sefton viewpoint, what do we want our workforce to provide to our families/children. The initial group who are trained i.e. 15-20 staff wouldn't be expected to go out and support other settings.</p> <p>EM: Most authorities are using the model of Liverpool to deliver, then using Jarvis for Train the Trainer. DAF funding rolls over, so it doesn't have to be spent by the end of March. PVI can show Expression of Interest to start at a later date. Need costings to put forward to Schools Forum (including venue costs).</p> <p>CE: When are we looking to start?</p> <p>LMQ: Does it need to go through Procurement CHEST?</p> <p>EM: Liverpool can always give an overview session to interested parties.</p> <p>LMQ: Circulated paper on SEN on-line training which showed eLearning courses with KCA for SENCO's. Can we do something similar?</p> <p>SP: We would need costings.</p> <p>CE: Said she could put a report together with costings re. figures from EM, eLearning, SALT training – would need figures from CW. LMQ will meet with her.</p> <p>EM: Another package he has come across, but doesn't know a lot about, is Early Years ELSA (emotional Literacy). Some elements may already be being done by other services.</p> <p>SP: Mentioned that she has used Lisa Wisher – who is really good for trauma.</p> <p>LMQ asked for her details as she is putting a bid together. SP will send asap.</p>	<p>CE</p> <p>LMQ</p> <p>SP</p>
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# Agenda Item 2

5.	<p><b>2YO</b></p> <p>This item was moved to the next meeting as this meeting had over-run.</p>	
6.	<p><b>Any other business</b></p> <p>EM said there a lot of different meetings taking place on the back of the Ofsted Inspection, but there is no early years representation. How best to find early years rep at those meetings? CE said she attends lots of groups. LMQ asked if she could have a list of the meetings so that we know. CE to send to AC to go out with the minutes. CE asked if for the next meeting of this group members bring details of any meetings they are on.</p> <p>LMQ said we need to summarise our actions and set dates for future meetings. LMQ to send out proposed dates to EM, CE and SP. Meetings need to be at least 3 weeks before Schools Forum.</p>	<p>CE</p> <p>ALL</p>
9.	<p><b>Dates and times of meetings</b></p> <p>Monday 24 February 2020</p> <p>9.30am – 11.00am</p> <p>Sefton PDC, Formby</p>	

## Sefton Schools' Forum

16 March 2020 at 1.30pm

PDC, Formby

### AGENDA

			<u>Name</u>
	1	Apologies	Chair
For Approval	2	Minutes of the Last Meeting	Chair
For Consultation	3	Matters arising from Minutes	Chair
<b>Items for Approval or Consultation / For Information Only</b>			
Verbal Update – For Information	4	Verbal update/discussion on Insurance / Risk Protection Arrangements (RPA) for Schools	David Eden/Angela Ellis
For Information	5	High Needs 2019/20 Budget Position at January 2020	KMc/MC
For Information	6	Early Years 2019/20 Forecast Outturn Position at February 2020	KMc/MC
For information / Consultation	7	Central Schools Services Block (CSSB) funding issues and proposals for 2020/21	KMc/MC
For Information	8	Complementary Education Service review of charges for 2020/21	KMc/MC
Verbal Update – For Information	9	Verbal report on the suspension of the Schools Balances control mechanism	MC
Standing Item - Verbal Update – For Information	10	Verbal update on the latest Early Years Development Group meeting on 24 February and approved Minutes from the December meeting	Representative
Standing Item - Verbal Update – For Information	11	Verbal update on the latest SEND Workshop Group meeting on 9 March	Representative
<b>AOB</b>			
Date of next meeting: Monday 29 June 2020 at 1.30pm PDC Formby			



## Sefton Schools Forum Report

Date of Meeting:	16 <sup>th</sup> March 2019
Title of Report:	<b>High Needs budget monitoring forecast as at January 2020 and 2020/21 High Needs funding issues for noting</b>
Presenting Officer:	Kevin McBlain / Mark Chambers
Reason for Submission to Forum:	(4) ITEM FOR INFORMATION
Executive Summary:	To discuss the current forecast overspending on High Needs and 2020/21 funding issues
Budget/Risk Implications:	2019/20 High Needs overspending is now forecast to be between £4.6m and £5m. At this level, it would place the DSG into an overall net deficit position in excess of £4.5m by the year end, including some potential underspending on Central Schools and Early Years forecasts and including the DSG net deficit on reserves brought forward from 2018/19 (£0.230m).
Recommendations:	<ul style="list-style-type: none"> <li>• Forum Members are asked to note the report and the updated forecast overspending position on High Needs of between £4.6m and £5m this year.</li> <li>• Note the new requirement at the end of the 2019/20 financial year that will be placed on any Local Authority having an overall deficit on its DSG (or significant reductions in surplus balances), to provide all necessary information, as required by the DfE, with regards to its future plans for meeting its DSG spending in 2020/21 and into future years, and its plans for dealing with any current deficit position over the next three years. The DfE will seek to help LA s based on their response and approach.</li> <li>• Note the intention therefore, over the next couple of months, to consider a High Needs cost recovery plan from April 2020 in conjunction with all partners across a range of areas, to reduce spending in 2020/21.</li> <li>• Note the update on other High Needs developments following a recent meeting of SAFG with the DfE in January 2020.</li> </ul>
Appendices (to be attached)	High Needs Budget monitoring statement summary to January 2020
Background Papers (available on request)	Notes from the Schools and Academies Funding Group (SAFG) meeting 24 January 2020; the Schools and Early Years Financial Regulations 2020; The 2020/21 Schools Funding Operational Guidance.
Report Originator and Contact Details	Name: Kevin McBlain Tele: 0151 934 3222 E-mail: kevin.mcblain@sefton.gov.uk

## **SCHOOLS' FORUM POWERS & RESPONSIBILITIES**

- 1 ITEMS FOR APPROVAL (DfE can adjudicate where Forum does not agree LA proposal)
- 2 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but LA decides)
- 3 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but DfE decides)
- 4 ITEMS FOR INFORMATION (No formal view of the Forum is sought)

# Agenda Item 4

## 1.0 Purpose of the report

- 1.1 To apprise members of Schools Forum of the latest budgetary forecast for High Needs 2019/20 and to consider the impact of this on the DSG Centrally Retained Reserves by the end of the year.

## 2.0 Background

- 2.1 Members of Forum may recall from the last report brought on High Needs spending in November, there was a forecast overspend of £3.5m, as at September 2019. At January 2020, this position has grown considerably worse, to £4.6m. This is largely as a result of a series of funding panel awards of High Needs Top-Up funding to mainstream schools, plus some new In-House places created and an increase in the number of placements in expensive out of Borough schools. An analysis of the main changes and variations is shown below, and a summary of the High Needs statement is attached as Appendix A.
- 2.2 This level of cost pressure on High Needs spending will now take the Authority into a significant DSG balance deficit by the end of 2019/20 (c net £4.5m). This will mean the Local Authority will need to draw up plans and provide information to the DfE in the Spring, to demonstrate, not only how it will seek to address the deficit into 2020/21 and beyond, but also to satisfy that plans are in place to contain the 2020/21 budget spending.
- 2.3 Following recent consultation with LA s and a meeting between LA representatives and the DfE at the Schools and Academies Funding Group (SAFG) in January, there has been a new release of the Schools funding Operational Guidance for 2020/21 (issued in February 2020). This states that any Local Authority going into an overall DSG deficit or indeed showing significantly reduced balances in the year, will now be required to provide evidence to the DfE around the reasons for this position and plans to bring the position back into balance. The DfE will be looking for positive actions but will be mindful of LA s having to meet statutory needs, so any approach will be measured.
- 2.4 With so many LA s likely to be in a serious deficit position on their DSG balances by the end of this financial year, the DfE are now taking a more considered view about the long-term chances of recovery, on a case by case basis. Any actions taken, we are being told, will be 'more measured' between the DfE and the LA, and may consist of DfE help and support to contain budgets, or may possibly lead to an offer of one-off DSG financial support to offset elements of the deficit that are hard to recover. This is an action being considered by the DfE, but would not be given lightly, with such arrangements being subject to significant information being made available to the DfE and with a clear plan of action by the LA to help address spending issues, and it would also entail very close scrutiny and monitoring by the DfE. The DfE have said they would not wish to support LA s in this way if it was seen as a reward for failure to control spending.
- 2.5 The budget variation analysis below shows the key variances in the latest January forecast for High Needs and compares this against the September analysis for information:

<b>2019/20 High Needs Forecast Budget variations as at September 2019 and January 2020</b>	<b>£0.000m Sept 2019</b>	<b>£0.000m Jan 2020</b>
Key: (-) Underspending / + Overspending		
Day Placements	1.166	1.738
Residential Placements	-0.125	-0.123
Primary school & Resourced Unit Place costs	0.090	0.110

Primary school & Resourced Unit top-ups – panel decisions	0.999	1.318
Secondary school & Resourced Unit Place costs	0.035	0.035
Secondary school & Resourced Unit top-ups – panel decisions	0.207	0.352
Maintained Special schools – Place costs	0.158	0.167
Maintained Special schools – Top-Up costs	0.362	0.441
Post 16 Top ups to Special schools (16-18)	0.529	0.669
Specialist support for SEND pupils in non-maintained schools	0.140	0.210
Reduced forecast spending Alternative Provision	0	-0.127
SEND Inclusion and Complex Support Teams	-0.059	-0.192
Other net overspending	0.019	-0.028
<b>Net variations in forecast spending as at September 2019 and January 2020</b>	<b>3.521</b>	<b>4.570</b>
<b>Variation between September and January</b>		<b>1.049</b>

- 2.6 The significant changes in cost since September (£1.049m) include: increasing number of placements in out of Borough special schools (£0.572m); Pre 16 Mainstream and Special school Top Up funding awards (£0.543m); Post 16 Top Up costs (£0.140m); Special support for children attending out of Borough Special schools (£0.070m). These increases in spending have been partially offset by vacancy savings across support services, in particular, the Complex and Sensory Needs team, and reduced allocations to budget level at Alternative Provision (£-0.260m).
- 2.7 In November/December proposals were made by the Executive Director of Children’s Social Care and Education, to reduce the Top up funding awarded for the Spring Term to the Mainstream and Special schools by 50% and 1% of total top up funding respectively, as a one-off reduction. This action might have saved around c.£1m had it been accepted by schools. However, this was not deemed acceptable and the action was rescinded, with awards of Top Up continuing be made to schools into the Spring Term, leading to further over spending on High Needs. Any new commitments have only been agreed to July 2020 subject to review.

### 3 Funding for High Needs in 2020/21

- 3.1 On 11 October 2019, the DfE announced 2020/21 indicative High Needs funding to Local Authorities using the National Funding Formula for High Needs. This promised a significant increase of at least 8% increase per pupil within the 0-19 population. National funding of £780m was announced for 2020/21. At that point no announcements had been made regards additional funding beyond next year. However, some additional funding is now expected in 2021/22 based on a review of High Needs funding promised by the DfE during the Spring/Summer 2020 and based on the position of LA s DSG balances at the end of 2019/20 and into 2020/21.
- 3.2 Sefton’s High Needs allocation for 2020/21 has increased by £3.85m or 14.8% against the 2019/20 baseline award. This is a significant increase in funding and will help towards balancing the current High Needs spending in 2020/21 but will not cover the full level of overspending unless actions are taken to reduce spending.

# Agenda Item 4

- 3.3 In addition, the LA received Schools and Schools Forum approval in November, to take 0.5% of the DSG Schools Block funding for 2020/21 towards High Needs budget pressures (£0.824m) with a further £0.200m of support from Early Years contingency funding. This takes the total High Needs budget to £32.343m for 2020/21. However, based on current spending levels, High Needs would still be overspent, as mentioned above, by as much as £0.700m without any intervention to reduce costs. A position which clearly needs to be addressed going forward.
- 3.4 Sefton's DSG Centrally retained balances are expected to be in a net deficit of around £4.5m from an opening deficit of £0.230m brought forward from 2018/19. This change is due largely to the High Needs forecast deficit of £4.6m, net of forecast underspending on Early Years and Central support budgets. High Needs individual balances would then top around £5.5m deficit including its brought forward deficit position from last year.

## **4 On-going work of the SEND Schools Forum working sub group**

- 4.1 To try to start addressing the High Needs overspending issues, the SEND Working group of Schools Forum have met a few times to discuss what actions could be taken. A number of workstreams have been established, with the first of these set up to examine the level and nature of Top up funding to mainstream schools, and to take an audit of pupil numbers across all schools who are identified with SEND needs, with and without an EHCP, and to identify their Top-up funding awards. This work has been collated by Financial services through a Return sent out to all schools in January and returned by mid-February. This data may help determine future need across the Borough and to examine the use of school funding towards SEND pupils and top up funding according to Primary Needs.
- 4.2 It is hoped this data can help inform current funding awards and processes going forward, with a view to awarding future funding on a targeted basis, possibly through a banded funding scheme, and to apply this in a transparent and consistent way, with a focus on the most inclusive schools. It may also help determine future local provision, in support of increasing demand, to reduce reliance on expensive out of Borough placements. Other workstreams are examining the use of out of Borough schools and attendance of pupils at these schools; and Post 16 provision. The application of the first £6k of schools funding on low level SEND in mainstream schools and the application of notional SEN funding allocation will also be examined, with a view to ensure everything is done to contain spending within school budgets, and that the future approach taken to awards of top up funding are sensible, and consider the level of schools balances to meet extra costs, and are applied in the most effective way, to achieve the best outcomes for those pupils most in need.
- 4.3 The issues debated and discussed at the SEND working group will be shared with stakeholders, including schools and Schools Forum as proposals for action are put together in the coming months.

## **5 Other High Needs Issues**

- 5.1 At a recent meeting of the Schools and Academies Funding Group (SAFG), which includes DfE representatives and LA representatives, a number of High Needs issues were raised.



- 5.2 The DfE have said they intend to review the overall High Needs formula funding in the medium term, and in the short term, to look at options that recognise the High Needs pressures across LA s. They intend to hold a Public consultation in the Spring and will be discussing possible questions at the next SAFG meeting. In the meantime, the 1% trigger to a DSG deficit recovery plan has been removed and extended to a DSG overall deficit position by LA, from 2019/20; and LA s must supply information on request of the DfE, with a plan for keeping within budget in 2020/21, and with a plan of recovery from a deficit position, to be agreed with the DfE. This must include evidence of the reasons for and possible solutions to get out of a deficit position and consultation with Schools Forum etc. With the level of accumulative deficits nationally now being quite significant across many LA s, the DfE may have to consider one-off mechanisms to support LA s, which might entail an offer of some additional DSG funding towards helping retrieve what might be a seemingly impossible position. However, should this be agreed, LA s would need to demonstrate some clear actions to recover a deficit and any extra funding in support would come with conditions and not be awarded lightly.
- 5.3 These issues are currently being considered by the DfE, and Schools Forum will be updated as further changes are considered/implemented. In the meantime, the LA must do all it can to address the budget pressures and significant over spending on High Needs. This is a requirement.

## **6. It is recommended that:**

- Forum Members are asked to note the report and the updated forecast overspending position on High Needs of between £4.6m and £5m this year.
- Note the new requirement at the end of the 2019/20 financial year that will be placed on any Local Authority having an overall deficit on its DSG (or significant reductions in surplus balances), to provide all necessary information, as required by the DfE, with regards to its future plans for meeting its DSG spending in 2020/21 and into future years, and its plans for dealing with its deficit position over the next three years. The DfE will seek to help LA s based on their response and approach.
- Note the intention therefore, over the next couple of months, to consider a High Needs cost recovery plan from April 2020 in conjunction with all partners across a range of areas to reduce spending in 2020/21.
- Note the update on other High Needs developments following a recent meeting of SAFG with the DfE in January 2020.

## High Needs DSG Budget Statement 2019/20

Jan-20

APPENDIX 1

Service Area	Full Year Budget 2019/20	Actual Expenditure to Date (Agresso)	Forecast to Year End	Forecast Out-turn	Variance to Budget
		£	£		£
Early Years	716,450	334,109	391,754	725,863	9,413
Primary	3,902,650	392,885	4,955,777	5,348,662	1,446,012
Secondary	1,296,500	1,088,016	630,119	1,718,135	421,635
Special	13,475,900	4,325,072	11,565,226	15,890,298	2,414,398
Support Services including Referral Units	5,073,750	4,345,774	409,715	4,755,489	-318,261
Post 16 provision (16-18)	2,545,900	923,118	2,240,402	3,163,520	617,620
Post 16 provision (19-24)	671,400	349,001	373,668	722,669	51,269
Contribution to LEA budgets: Learning & Support	735,250	0	735,250	735,250	0
Budget increase - DFE adjustment July 2019	78,000	0	0	0	-78,000
Budget reduction - DFE adjustment Nov 2019	-6,000	0	0	0	6,000
<b>TOTAL</b>	<b>28,489,800</b>	<b>11,757,977</b>	<b>21,301,910</b>	<b>33,059,887</b>	<b>4,570,087</b>





## Sefton Schools Forum Report

Date of Meeting:	16 March 2020
Title of Report:	<b>Early Years 2019/20 Forecast Spending and analysis of 2020/21 Funding</b>
Presenting Officer:	Kevin McBlain
Reason for Submission to Forum:	(4) ITEM FOR INFORMATION
Executive Summary:	To provide members with information on the Early Years forecast spending position for 2019/20 and to provide an analysis of the budgets for 2019/20 and 2020/21.
Budget/Risk Implications:	None
Recommendations:	Forum is asked to: <ol style="list-style-type: none"> <li>1. Note the 2019/20 Early Years forecast outturn position and the forecast DSG Early Years Reserves at the year end.</li> <li>2. Note the analysis of the Early Years hourly rates and funding for 2019/20 and 2020/21 as discussed at the Early Years Development Group on 24 February 2020</li> </ol>
Appendices (to be attached)	Early Years forecast outturn statement as at February 2020; Analysis of Early Years report and hourly rates as supplied to the Early Years Development Group on 24 February 2020.
Background Papers (available on request)	Forecast budget/outturn working paper (February 2020) Notes of the Schools and Academies Funding Group January 2020
Report Originator and Contact Details	Name: Kevin McBlain Tele: 0151 934 3222 E-mail: Kevin.mcblain@sefton.gov.uk

### SCHOOLS' FORUM POWERS & RESPONSIBILITIES

- 1 ITEMS FOR APPROVAL (DfE can adjudicate where Forum does not agree LA proposal)
- 2 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but LA decides)
- 3 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but DfE decides)
- 4 ITEMS FOR INFORMATION (No formal view of the Forum is sought)

## **1. Background**

- 1.1 This report is to provide members with a 2019/20 forecast for the Early Years provision based on the claimed and estimated hours for the 2 Year Offer and the 3-4-Year-Old 15 hours universal free childcare; and the additional 15 hours free childcare for eligible parents.

## **2. Budget Forecast for Early Years 2019/20 and funding 2020/21**

- 2.1 Appendix 1 attached to this report analyses the 2019/20 Early Years budget forecast between the 2-Year-Old Offer and the 3-4-Year-old childcare provision.
- 2.2 Since 2017/18, all Providers of the 2-Year-Old Offer have been paid an hourly rate of £4.90 p hour with the balance of funding £0.32p per hour being applied towards Central Local Authority support for Providers. (From 1 April 2020 the rate payable to Providers will increase to £5 per hour and the support cost to £0.30 per hour.)
- 2.3 Funding in respect of 3-4-Year-Old provision includes a Universal Hourly rate payable to all Providers at £4 per hour; £0.10p p hour for deprivation funding; £0.02p p hour to cover SEN Inclusion support to High Needs; £0.05 p hour towards Central Local Authority support incl Finance and Early Help; and £0.13p p hour set aside as contingency from transitional 'floor' funding used towards High Needs budget pressures in 2019/20. These elements make up the total funding received by the Local Authority at £4.30 p hour. This allocation rate has remained the same since 2017/18 and has continued into 2019/20. However, these rates will change in 2020/21 and a comparison of the current and new rates is provided at Appendix 2 attached, along with a report taken to the EY Development Group in February 2020. In 2020/21, the basic hourly rate to all Providers increases to £4.10 per hour, whilst the contingency element reduces to £0.11p per hour. The total hourly rate paid to Sefton will be £4.38 per hour.
- 2.4 In addition to the allocated funding, the DfE have provided extended transitional funding towards the costs of operating Maintained Nursery Schools for a further year to the end of 2020/21. The Education Minister, Nick Gibb has gone on record to suggest there may be ongoing funding in this respect beyond 2020/21, however, this remains uncertain and maybe subject to review.
- 2.5 Other funding includes Early Years Pupil Premium, which can give 3-4-Year-Old Childcare Providers an additional £302 pa per child for those from low income families, assuming the Provider can obtain some basic details from parents for checking. In addition, there is also funding available for Providers for children who claim Disability Living Allowance. This provides additional funding of £615 per child pa subject to checks. These funding elements have remained unchanged into 2020/21.

## **3. Forecast Variations**

- 3.1 Based on a revised estimate, as at January 2020, Early Years is forecast to underspend by £0.382m. This excludes the clawback of funding in 2019 in respect of 2-Year-Old funding related to 2018/19 due to a drop in numbers of children participating between January 2018 and January 2019 headcount. Key variations include:

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	<u>Budget</u>	<u>Forecast</u>	<u>Variation</u>
<b>2-Year-Old Offer</b>			
2-Year-Old Provision	£2,191,667	£2,296,393	£104,726
2-Year-Old support	£143,129	£124,537	-£18,592
<b>Forecast overspending on 2-Year-Old Offer 2019/20</b>	<b>£2,334,796</b>	<b>£2,420,930</b>	<b>£86,134</b>
<b>3-4 Year Old Provision</b>			
PVI s	£7,646,598	£7,691,009	£44,411
Schools – Nursery Class	£4,878,002	£4,657,638	-£220,364
Maintained Nursey Schools incl Lump sum protection funding	£1,197,042	£1,108,710	-£88,332
Early Years Pupil Premium	£164,211	£159,343	-£4,868
SEN Inclusion	£64,311	£64,311	£0
Disability Access Funding	£67,035	£35,055	-£31,980
Early Years contingency (£0.200k used towards High Needs)	£402,550	£236,000	-£166,550
Business Support / checking / corporate support / Admin	£176,250	£176,250	£0
<b>Forecast underspending on 3-4-Year-Old Provision</b>	<b>£14,595,999</b>	<b>£14,128,316</b>	<b>-£467,683</b>
<b>Net Early Years forecast underspending 2019/20</b>	<b>£16,930,795</b>	<b>£16,549,246</b>	<b>-£381,549</b>

## Early Years DSG Centrally retained Reserves

	<u>2019/20 Forecast Balances</u> £
<b>EARLY YEARS DSG RESERVES</b>	
<b>Opening balance of Early Years central DSG reserves 1.4.2019</b>	<b>£3,038,315</b>
<b>Agreed adjustment with High Needs (Schools Forum Sept 2019)</b>	<b>-£2,700,000</b>
<b>Revised Early Years Centrally Retained balances 2019/20</b>	<b>£338,315</b>
<b>2-Year-Old Funding DfE Clawback of funding (18/19 related)</b>	<b>-£224,220</b>
<b>Forecast contribution to balances 2019/20</b>	<b>£381,549</b>
<b>Forecast EY Centrally retained balances to C/Fwd to 2020/21</b>	<b>£495,644</b>

- 3.2 The forecast net underspending for 2019/20 is currently £0.382m, with £0.160m of this being in respect of the hours of provision, which include an estimate for Spring 2020 Term. Based on early evidence of numbers at the January 2020 Headcount, it would seem, that both 2-year-old and 3 and 4-year-old numbers have increased since January 2019. This may lead therefore to an increase of DSG in July 2020, based on 7/12ths of the funding related to 2019/20 of around £0.205m. This is an indication only.
- 3.3 At a recent meeting of Council representatives with the DfE to discuss future funding issues (SAFG Group), the DfE have said they have noted concerns from providers that the 2020/21 settlement, which has seen an increase to Base hourly rates of £0.08p p hour, (the first rate increase since 2017/18), has been inadequate to meet the increasing cost pressures of paying the Living Wage. This may be taken into account in future settlements. However, there is no plan for the next 3 years of funding for Early Years, unlike Schools, and future settlements will be much dependent upon what comes out of the Government's Spending Review.
- 3.4 These figures have been discussed at the Early Years Development sub group of Schools Forum, along with the analysis of the Early Years rates for 2019/20 and 2020/21 and duly noted.

## **4. Recommendation**

### **Forum is asked to:**

- 4.1 Note the 2019/20 Early Years forecast outturn position and the DSG Early Years Reserves at the year end.
- 4.2 Note the analysis of the Early Years hourly rates and funding for 2019/20 and 2020/21 as discussed at the Early Years Development Group on 24 February 2020.

**Summary Early Years Forecast Budget Statement to Outturn 2019/20 - Balanced to 19.02.2020**

Early Years 2019-20						
	<i>Budget</i>	<i>Actual to date</i>	<i>Commit to year end</i>	<i>Forecast out-turn</i>	<i>over/under spend</i>	
2 yr old offer - EA02	2,334,796	2,292,237	128,694	2,420,931	86,135	See analysis
3/4 Free Entitlement - EA01	14,109,303	13,434,284	299,633	13,733,917	-375,386	See analysis
EYPP - EA03	164,211	155,924	3,419	159,343	-4,868	See analysis
DAF - EA04	67,035	34,440	615	35,055	-31,980	
Agreed funding contribution to high needs	200,000		0	200,000	0	
Early Years Inclusion Funding - EA06	55,450		0	0	-55,450	Uncommitted
<b>TOTALS</b>	<b>16,930,795</b>	<b>15,916,885</b>	<b>432,361</b>	<b>16,549,246</b>	<b>-381,549</b>	<b>Net In-Year Underspending</b>

**USE OF EARLY YEARS RESERVES**

£

**Early Years Reserves**

£3,038,315 These reserves are offset by significant deficit on High Needs balances (£3.6m)

Used from Reserves

Moved to High Needs Block

£2,700,000

Expected reclaim from DfE July 19

£224,220

**Use of Reserves**

**£2,924,220**

**Balance of reserves**

**£114,095**

**Forecast Underspend in year 2019/20**

**£381,549**

**Forecast Underspend to carry forward to 2020/21**

**£495,644**

**2020-21**

Estimated incr in funding expected July 20 as 2 yr old numbers increased in year (19/20)

-£132,169 7/12ths of 2019/20

Estimated incr in funding expected July 20 as 3 - 4 yr old numbers increased in year (19/20)

-£72,818 7/12ths of 2019/20



<b>Two Year Old Offer EA02 2019-20</b>		<b>BALANCED TO 19.02.2020</b>						
<b>Budget Heading</b>	<i>Sub code</i>	<b>Budget</b>	<b>Actual to date</b>	<b>Commit to year end</b>	<b>Forecast out-turn</b>	<b>over/under spend</b>		
Funding for places - DFE allocation £5.22 p/h	<b>£2,334,796</b>							
Funding for places 2019-20 (less top slice for staffing)	R4344							
<b>TOTAL FUNDING FOR PLACES</b>		<b>£2,191,667</b>	<b>£2,286,694</b>	<b>£9,700</b>	<b>£2,296,394</b>	<b>£104,726</b>		
<b>STAFFING</b>								
Salaries permanent posts	R0021	£88,184	£174	£88,010	£88,184	£0		
National Insurance - permanent posts	R0611	£7,000	£16	£6,984	£7,000	£0		
Superannuation - permanent posts	R0711	£24,000		£24,000	£24,000	£0		
Training		£0	£204	£0	£204	£204		
General		£23,945	£5,149	£0	£5,149	-£18,796		
<b>TOTAL ADMINISTRATION COSTS</b>		<b>£143,129</b>	<b>£5,543</b>	<b>£118,994</b>	<b>£124,537</b>	<b>-£18,592</b>		
<b>STATUTORY PLACES FUNDING</b>		<b>£2,334,796</b>	<b>£2,292,237</b>	<b>£128,694</b>	<b>£2,420,931</b>	<b>£86,135</b>		
		£0	£0	£0	£0	£0		
		<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>		
		£2,334,796	<b>£2,292,237</b>	£128,694	£2,420,931	£86,135		
					BBF			
					<b>Balance</b>	<b>£86,135</b>		
						<b>£86,135</b>	Forecast over spending	

<b>3-4 Free Entitlement EA01 2019-20</b>	to 19.02.2020							
<b>Budget Heading</b>	<i>Sub code</i>	<i>Budget</i>	<i>Actual to date</i>	<i>Commit to year end</i>	<i>Forecast out-turn</i>	<i>Balance</i>		
DFE allocation for 3-4 FE								
<b>PVIs</b>	R4344	£7,646,597	£7,690,187	£822	£7,691,009	£44,412		
<b>SEN inclusion</b>	R6062	£64,311	£0	£64,311	£64,311	£0		
<b>BAL TOWARDS ADMIN/CHECKING FACILITY ETC</b>	R2969	£147,100	£0	£9,000	£9,000	-£138,100	Contingency	
						-£93,689		
<b>Schools- places</b>	R4344	£5,537,191	£5,206,244	£22,250	£5,228,494	-£308,697		
<b>Nursery Schools - Fixed Costs</b>		£537,853	£537,853	£0	£537,853	£0		
						-£308,697		
<b>Joy Calderbank Salary</b>		£0	£0	£27,000	£27,000	£27,000	Funded from contingency budget above	
						-£375,386		
Business Support Recharges	R6062	163,100		163,100	163,100	0	)	
Other overheads	R6062	13,150		13,150	13,150	0	)	
<b>TOTAL 19/20 EY 3 YO FREE ENTITLEMENT FUNDING</b>		<b>14,109,303</b>	<b>13,434,284</b>	<b>299,633</b>	<b>13,733,917</b>	<b>-375,386</b>		
						-£375,386	Forecast under spending	

<b>EYPP EA03 2019-20</b>						
			To 19.02.202			
<b>Budget Heading</b>	<i>Sub code</i>	<b>Budget</b>	<b>Actual to date</b>	<b>Commit to year end</b>	<b>Forecast out-turn</b>	<b>Balance</b>
DFE allocation for EYPP	£0					
	R4344	<b>£164,211</b>	<b>£155,924</b>	<b>£3,419</b>	<b>£159,343</b>	<b>-£4,868</b>

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## Early Years Development Group 24 February 2020 – APPENDIX 2 SCHOOL FORUM EY REPORT 16 MARCH 2020

### Paper on Early Years Funding

#### Early Years Budgets and Spending

At the last meeting of the EY development Group, held on 19 December 2019, an updated analysis of the 2019/20 and 2020/21 Early Years budgets was presented by Debbie Summers and Joy Calderbank. Further information however, was requested in the analysis of the Early Years costs, and this is now provided at **appendix 1** attached for information. This shows the breakdown of the 2019/20 and 2020/21 Early Years funding in some more detail. It also shows how some of the original Early Years contingency set aside funding has been applied towards the 2020/21 Base hourly rate for both 2-Year-Old and 3 – 4 Year Old funding equivalent to an extra £0.02 p p hr on each Base Rate. This was in addition to the National funding increase to both rates of £0.08p p hr.

At Schools Forum on 13 January 2020 the Early Years funding rates payable universally to Providers wef 1 April 2020 were approved as follows:

<u>SERVICE</u>	<u>Base Hourly Rate Payable per hour (£)</u>	<u>Other – Deprivation factor rate (Average p hour) (£)</u>
2-Year-Old Offer	£5.00	-
3 – 4-Year-old Universal and Additional Hours	£4.10	£0.10

In addition to these hourly rate payments, other streams of funding are available to Providers as follows:

<u>Additional Funding over and above the Base Hourly Rate</u>	<u>Maximum payment made to Providers subject to meeting criteria</u>	<u>Criteria</u>
Early Years Pupil Premium (All Providers eligible)	£302 per child pa	Subject to low income verification from parent(s)
Disability Access Funding (All Providers eligible)	£615 per child pa	Subject to the child claiming Disability Living Allowance
Maintained Nursery School Protection Grant	Payable as a lump sum to Sefton's maintained Nursery schools during	Identified as supporting the additional costs of managing a School. Support beyond

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ANALYSIS OF EARLY YEARS BUDGET/SPENDING PROFILES 2020/21			APPENDIX 1	APPENDIX 2 SCHS FORUM
				16-Mar-20
			2019/20	2020/21
<b>2 YEAR OLD OFFER</b>	FUNDED HOURS	784.7 PTE x 15hrs x38wks	447,279	447,279 Hours
			x £5.22 p hr	x £5.30 p hr
	TOTAL FUNDING		£2,334,716	£2,370,579
			HRLY RATE	HRLY RATE
			£	£
BASE HOURLY RATES PAYABLE TO ALL PROVIDERS			£2,191,667	£4.90 £2,236,395
LOCAL AUTHORITY OVERHEADS TO SUPPORT/DELIVER THE SERVICE				
<b>Financial /Other Services</b>				
Financial Management of EY budgets; Capita; Budget Monitoring; Dealing with Providers payments Provider queries re- funding and using the Capita Portal; Headcount data handling etc			£16,000	£0.04 £16,000
Transactional Finance - payments; Agresso etc etc			£5,000	£0.01 £5,000
IT - Agylisis Capita Software / support			£2,500	£0.01 £2,500
<b>Early Help / Communities</b>				
Senior Management Early Help			£10,390	£0.02 £10,390
Early Help Worker			£31,192	£0.07 £31,192
Business Support			£28,526	£0.06 £28,526
2 Year old Support - administration			£25,576	£0.06 £25,576
<b>Early Help Overheads</b>				
Printing, stationery; marketing; phones etc			£23,945	£0.05 £15,000
				£0.03 £0.02p Reduction 2020/21 added to new base hourly rate (£8,945)
	2 YEAR OLD EY DSG FUNDING		£2,334,796	£5.22 £2,370,579
				£5.30
	FUNDED HOURS			
<b>3 - 4 YEAR OLD CHILDCARE PROVISION</b>	Universal	3,781.22 PTE x 15hrs x 38wks	2,155,295	2,155,295
	Extra Hrs	1,860.11 PTE x 15hrs x 38wks	1,060,263	1,060,263
			3,215,558 Hours	3,215,558 Hours
			x £4.30 p hr	x £4.38 p hr
	TOTAL FUNDING		£13,826,900	£14,084,144
	3 - 4 YO SEPARATE GRANTS		£769,089	£759,868
			£14,595,989	£14,844,012
			HRLY RATE	HRLY RATE
				£
BASE HOURLY RATES PAYABLE TO ALL PROVIDERS			£12,862,232	£4.00 £13,183,788
BASE HOURLY RATES PAYABLE FOR DEPRIVATION (AVE P HR)			£321,556	£0.10 £321,556
EY SEN Inclusion			£64,132	£0.02 £64,311
EY Transitional Protection funding (original contingency towards training/overspendingetc)			£295,318	£0.09 £230,827
EY Inclusion Grant (formerly Schools and Families funded)			£55,450	£0.02 £55,450
EY Contingency for Capita licences and support and EY Provider Audits (Earmarked)			£52,000	£0.02 £52,000
LOCAL AUTHORITY SUPPORT OVERHEADS TO SUPPORT/DELIVER THE SERVICE				
<b>Financial /Other Services</b>				
Financial Management of EY budgets; Capita; Budget Monitoring; Dealing with Providers payments Provider queries re- funding and using the Capita Portal; Headcount data handling; EY Dev Group/S Forum etc			£25,550	£0.01 £25,550
Transactional Finance - payments; Agresso etc etc			£22,500	£0.01 £22,500
Legal and Personnel HR Support			£11,400	£0.00 £11,400
<b>Early Help / Communities</b>				
QI Early Help Officers			£47,597	£0.01 £47,597
Early Help Worker			£15,596	£0.00 £15,596
Business Support			£28,526	£0.01 £28,526
School Improvement / Management support			£15,043	£0.00 £15,043
<b>Early Help Overheads</b>				
Printing, stationery; marketing; phones; checking etc etc			£10,000	£0.00 £10,000
	Funding though the BASE HRLY Rate		£13,826,900	£4.30 £14,084,144
				£4.38
ADDITIONAL FUNDING EARLY YEARS 3 - 4 YEAR OLD GRANTS				
Early Years Pupil Premium Grant			£164,201	£164,213 Available to all Providers
Disability Access Funding			£67,035	£57,810 Available to all Providers
Maintained Nursery School Protection Grant			£537,853	£537,845 MNS Funding only
	Total 3 - 4 Year Old Funding 2020/21		£14,595,989	£14,844,012
	TOTAL EARLY YEARS DSG FUNDING 2020/21		£16,930,785	£17,214,591
	3 - 4 YO Contingency provision above		£150,768	£86,277
	Plus any DSG Centrally Retained Reserves			
				**2020/21 Support costs above = 2.1% of overall EY funding This is well within the DfE's 5% EY Support Service recovery

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## Sefton Schools Forum Report

Date of Meeting:	16 March 2020
<b>Title of Report:</b>	<b>Central School Services Block (CSSB) Funding 2020</b>
Presenting Officer:	Kevin McBlain/Mark Chambers
Reason for Submission to Forum:	(2) ITEM FOR CONSULTATION
Executive Summary:	To provide Schools Forum members with a review of the Central School Services Block Funding for 2020 and the issues around a cut to funding of 'historic' Combined Budgets within the CSSB in 2020/21 and proposals to alleviate the shortfall.
Budget/Risk Implications:	Due to funding cuts to the CSSB identified in the budget report to Schools Forum on 13 January 2020, there is a risk of this Block overspending in 2020/21, unless corrective action is taken. No funding Block is permitted to overspend by the DfE.
Recommendations:	<ol style="list-style-type: none"> <li>1. Forum is asked to note the report</li> <li>2. Note the proposed consultation on charging all Schools a levy towards the use of the Professional Development Centre in Formby effective from 1 April 2020: and</li> <li>3. Note the proposal to increase booking fees and to charge a rental to the Schools Improvement service for use of the PDC</li> <li>4. Note the reductions to Estates management costs of maintaining closed school sites</li> <li>5. Note the intention to bring a further report in 12 months' time with a further review of the service and charge levels.</li> </ol>
Appendices (to be attached)	
Background Papers (available on request)	DfE Funding settlements 2019/20 and 2020/21 for the CSSB. Consultation briefing paper for the Head of Education Excellence
Report Originator and Contact Details	Name: Kevin McBlain Tele: 01519343222 E-mail: Kevin.mcblain@sefton.gov.uk

### SCHOOLS' FORUM POWERS & RESPONSIBILITIES

- 1 ITEMS FOR APPROVAL (DfE can adjudicate where Forum does not agree LA proposal)
- 2 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but LA decides)
- 3 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but DfE decides)
- 4 ITEMS FOR INFORMATION (No formal view of the Forum is sought)



## 1. Background

- 1.1 At the January 2019 meeting of Schools Forum, when considering the DSG/Schools budgets for 2020/21, mention was made of a reduction in funding to the Central School Services funding Block (CSSB). This was as a result of the findings from a DfE Baseline funding exercise of LA s back in 2017/18, when certain 'historic' costs were deemed to be outside of what the DfE felt should be funded out of this Block. Sefton's Funding for elements of the CSSB has therefore reduced in 2020/21 by £0.121m and the LA needs to find a solution to balancing these Block budgets accordingly. A further report was promised to be brought to a future Forum in consultation of this issue.
- 1.2 The Central School Services DSG Funding Block (CSSB) is one of the 4 DSG funding Blocks with annual funding provided towards services, which do not sit within schools, but which relate to a small range of centralised school services provided by the Local Authority/DfE on behalf of schools for their benefit, or towards particular statutory functions of the Local Authority performed on behalf of all schools (formerly Education Services Grant). Some of these funded functions are deemed historic in nature and, for several years now, have not been allowed to increase in value. These are not de-delegated items for schools, and are funded by this separate funding Block based, since 2018/19, on a per pupil basis, split between 'historic' and ongoing commitments.
- 1.3 The items funded from out of this Block, include the following areas for Sefton:
- The Professional Development Centre in Formby (deemed as Historic Combined budget)
  - Estates management for the ongoing costs of maintaining closed school sites (deemed as Historic Combined budget)
  - The Cost of providing School admissions services (Ongoing budget)
  - The costs of School Licences (Ongoing budget)
  - Schools Forum administration (Ongoing budget)
  - The former Education Services Grant (ESG) funding towards the statutory Local Authority costs borne on behalf of all schools including Academies (Ongoing budget)
- 1.4 The first two items above, are classified as 'historic' service costs (i.e prior to 2013/14) and are grouped together as being within a 'Combined' budget category by the DfE. These were lumped into a new DSG Service Block in 2018/19. In 2017/18, the DfE requested LA s to provide details of their total spending across these central support areas, in order to consider their relevance to the funding being allocated, and as a result, although no funding was cut at that point, there were some areas, where they felt, the LA should not be funding from the CSSB. These were particularly, the PDC and Estates management of closed schools.
- 1.5 Although not targeted, the DfE then proposed and agreed that they were going to apply a gradual reduction of up to 20% of the CSSB funding allocations over future years, to enable LA s to consider the ongoing funding of the historic Combined budget items within the Block. This process has now started to be implemented from 2020/21, and Schools Forum were informed in January, of a significant reduction to the CSS Block funding, of £0.121m next year, with the promise of a future report being brought to consider how this gap can be funded, in particular, across the two 'historically' funded items above i.e the PDC and the Estates management of closed schools.

## 2. The Current funding position for the CSSB and analysis of the 'historic' Combined cost budgets

- 2.1 The CSSB has been funded since 2018/19 on the basis of previous need, with the starting point being the last baseline budget exercise that was carried out, and funding from this time has been

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given as a rate per pupil. In 2018/19, the CSSB for Sefton was allocated £1.254m. This figure changed slightly to £1.271m in 2019/20. However, the 2020/21 allocation has reduced by £0.121m to £1.150m compared to 2019/20, due to the DfE budget reductions to the CSSB allocations described above.

- 2.2 Out of this funding, the historic budget allocation for the PDC has for many years been £0.105m and for the Estates management of closed schools, £0.184m, so £0.289m in total. The historic element of the funding has now been reduced in 2020/21 by £0.121m and this needs to be addressed in order to avoid overspending and the CSSB falling into a deficit position.
- 2.3 Both of these historic budgets do need to be reviewed, to assess how the funding gap of £0.121m might be reduced; and through examination of spending and income a number of actions are now proposed and include some consultation with Schools to be agreed going forward.

### **3. Professional Development Centre (PDC)**

- 3.1 The PDC occupies the former Raven Meols Primary school in Formby and provides a central meeting; training and conference facility, mostly for schools and areas linked to education, but also for use by LA Departments and the local community. It is very well used with over 75% occupancy during Term Time.
- 3.2 The centre is managed by the Head of Education Excellence and employs 2 FTE staff with a site manager; an IT facilities officer and an administrative officer employed principally, by the School Improvement service, and recharged to the Centre. Outside of the general running expenses, which are relatively low, the Centre generates some income, through charging for vending and for hall use, and for use of several smaller teaching rooms.
- 3.3 Charges are made mostly to external users booking to use the Centre, but also include internal Sefton Departments. External users include groups such as Sefton CVS and include use by the Raven Meols Community Centre. Income generated through usage and vending charges raises approximately £27k to £30k pa helping to subsidise the costs of the facility. Maintained Schools are not charged for the use of the PDC facilities, but charges are made to the Academy schools for occasional bookings. This position may now need to change going forward.
- 3.4 Based on a proportionate allocation of the funding gap, the PDC would need to find around £50k from its budget, or generate additional income, else the future of the Centre would need to be considered. The balance of the funding gap £70k would need to be found from Estates management.
- 3.5 As a result, three areas have been examined to find £50k of the funding gap from the PDC:
  - Review of the room hire charges for use of the Centre by external users wef 1 April 2020 with a view to generate some income towards achieving the £50k pa.
  - Proposal that a levy be placed on all schools including Academies going forward, but that Academy schools would no longer be charged separately for the hire of the facilities. The basis being that the PDC is predominantly a Centre for Education use and always has been.
  - That the recent incumbent service of Schools Improvement, operating out of the Centre, be charged an annual rental of £15,950.
- 3.6 Current room hire charges and proposed charges are shown below and any increase in charges will need the approval of the Cabinet Member for Education.

**2019/20 room hire charges at the PDC are :**

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		<u>CURRENT FEES</u>		<u>PROPOSED</u>	<u>WEF</u>
		<u>External</u>	<u>Internal</u>	<u>1.4.20</u>	
				<u>External</u>	<u>Internal</u>
Teaching Rooms	P Hr	£11.50	£9.00	£12.00	£10.00
Main Hall	P Hr	£18.50	£15.00	£20.00	£16.00

It is anticipated that these room hire increases would generate around £2,000 pa subject to being approved and given the current users who are charged for use.

- 3.7 A further proposal is to place a levy on all schools wef 2020/21 as set out below and would require the broad approval of schools. This would seem to be not an unreasonable approach, given that the DfE subsidy through the CSSB has been reduced, and that schools benefit from this useful educational resource within the Borough.

<b>Pupil numbers 2020/21 Formula (Oct 2019) - Maintained Schools</b>					
			<u>Pupil Nos</u>	<u>Additional Income (£)</u>	
Primary schools Maintained	68 schools		18,799	18,799	SAY £1 PER PUPIL
Primary Schools Academies	7 Schools	-	2,257	2,257	SAY £1 PER PUPIL
Secondary Schools Maintained	6 Schools		4,993	3,000	SAY £500 PER SCHOOL
Secondary Schools Academies	12 Schools	-		6,000	SAY £500 PER SCHOOL
Special Schools	5 Schools			1,500	SAY £300 PER SCHOOL
Alternative Provision	2 Schools			200	SAY £100 PER SCHOOL
Maintained Nursery Schools	3 Schools			300	SAY £100 PER SCHOOL
<b>Potential additional funding from Schools</b>				<b>32,056</b>	

- 3.8 On the basis of the above levy proposals placed on all schools, this should generate funding around £32K towards the Centre funding gap next year to ensure the continuation of service. This approach is the one recommended for consultation with schools, to acknowledge the unique nature of the Centre as an educational resource for the use of all schools and related services.
- 3.9 Coupled with the addition of some rental income from Schools Improvement proposed above (£16k), these actions collectively would help achieve the £50k funding gap allocation proportion at the PDC.
- 3.10 Alternatives might include consideration of closing the Centre and utilising alternative locations for meetings, which would still be charged for usage, though any other location may not be specifically for Education use, such as the CLAC or other locations around the Borough. The implications of this would need further consideration and more in-depth investigation to take forward.

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- 3.11 Alternatively, the level of charges for use of the PDC would all need to increase substantially to raise additional revenue, with the possibility users won't use it and would find cheaper alternatives. There is also no guarantee the level of income required would be achieved on a 75% occupancy of the building. This too would need further consideration. Current users who are charged for a booking could also not be expected to subsidise the service themselves, and all schools would need to be charged for use. Extra funding from charges would also not be a guaranteed source of annual income to safely maintain the funding for the Centre. Income from higher charging might be sporadic and unsustainable.

## **4. Estates Management of Closed Schools – allocated gap to manage £70k**

- 4.1 The Estates management team within Property and Building Services manage a number of closed school estates across the Borough including Thomas Gray former site; St Wilfrid's site; Ainsdale Hope external areas; St Raymond's former school site; St Wilfrid's former site; Former Bootle High School and Beach Road areas. These sites are managed largely, through schedules of maintenance for the likes of playing field maintenance; security; fencing building maintenance etc
- 4.2 Following discussions with the Property Estates managers, it is felt that by a reduced maintenance programme, and the possibility of some limited capitalisation of costs, and possible future disposal of some locations, a cost reduction of around £70k might be achieved in 2020/21.

## **5. Summary of the position and request for support to balance the CSSB in 2020/21**

- 5.1 Any proposals considered, must support the future viability of the PDC if the priority is to maintain a dedicated education resource within the Borough which is for the use of all schools. However, the need to reduce costs or generate revenue is paramount to match the reduced funding in 2020/21.
- 5.2 Schools and Schools Forum are particularly asked to support the proposed levy on all schools for future use of the PDC in Formby, as part of the mix of proposals, to plug the funding gap within the CSSB. This is an unfortunate yet necessary change, to ensure the ongoing levels of service on offer, and that this facility is fully maintained as a valuable Centre for schools and the community. Failure to support these changes would make the PDC unviable and may affect its position as a meeting and education development Centre. The LA is unable to fund any shortfall from the PDC funding, since this has never been a resource funded by the Authority.

## **6. Recommendations**

Forum is asked to

1. Note the report
2. Note the proposed consultation on charging all Schools a levy towards the use of the Professional Development Centre in Formby effective from 1 April 2020:
3. Note the proposal to increase booking fees and to charge a rental to the Schools Improvement service for use of the PDC
4. Note the reductions to Estates management costs of maintaining closed school sites.
5. Note the intention to bring a further report in 12 months' time with a further review of the service and charge levels.

## Sefton Schools Forum Report

Date of Meeting:	16 March 2020
<b>Title of Report:</b>	<b>Review of charges for Complementary Education</b>
Presenting Officer:	Kevin McBlain / John Baden
Reason for Submission to Forum:	(4) ITEM FOR INFORMATION
Executive Summary:	To provide members with a review of charges for Complementary Education.
Budget/Risk Implications:	None
Recommendations:	6. Forum is asked to note the report 7. Note the proposed level of charges for 2020/21 taking effect from 1 April 2020: and 8. Note the intention to bring a further report in 12 months' time with a further review of the service and charge levels.
Appendices (to be attached)	
Background Papers (available on request)	
Report Originator and Contact Details	Name: Kevin McBlain Tele: 01519343222 E-mail: Kevin.mcblain@sefton.gov.uk

### SCHOOLS' FORUM POWERS & RESPONSIBILITIES

- 1 ITEMS FOR APPROVAL (DfE can adjudicate where Forum does not agree LA proposal)
- 2 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but LA decides)
- 3 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but DfE decides)
- 4 ITEMS FOR INFORMATION (No formal view of the Forum is sought)

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## 1. Background

- 1.1 In March 2018, a report was brought to Schools Forum, out of a growing concern for the increasing numbers, and cost, of young people being referred by schools, to the Complementary Education (Comp Ed) service at Pinefields. As a result of an increasing number of pupil referrals, teaching costs and costs of transport started to increase substantially within High Needs, leading to a significant overspend. It was therefore proposed by the LA and agreed at Forum, that a charge be levied from April 2018 on those schools using this service, in recuperation of the additional costs of managing many more pupils than the baseline numbers could fund in High Needs.
- 1.2 Comp Ed provides education for children and young people who are unable to attend school for a period of time, usually for up to two Terms, due to significant illness, or due to a range of mental health issues. Pupils are usually referred to the service by schools; and teaching is provided through a combination of home tuition (up to 4.5 hours p week), or in a classroom, at the Pinefield Centre (up to 10.5 hrs p week), with teaching staff drawn either directly through the service, or through Agency support teachers being employed as necessary. Transport is also provided, where required, to bring children to and from the teaching Centre.
- 1.3 By the year end March 2019, the average number of pupils referred to the Service continued to be high, and this has been maintained over the last year to date. Charging for the extra costs incurred by the Comp Ed service is now due an annual review.

## 2. Changes made to address the issue

- 2.1 In March 2019, revised charges were proposed and noted by Schools Forum and implemented in 2019/20, based on a high number of pupils continuing to be referred, and the teaching levels required, to cover the ongoing extra costs. For 2020/21, the LA are proposing to increase again, the current rates for price inflation, in order to try to maintain a break-even position covering the higher costs of provision.
- 2.2 Numbers of pupils referred (on average through 2018/19) were 82 compared against an original baseline number of around 50 pupils annually. This year to date (2019/20), has seen an average number of 86 Pupils referred, which shows that numbers of referrals by schools have remained at consistently high levels above the baseline. Evidence also suggests, that many pupils (32%) this year, are being referred for longer than an average 2 terms, with many over 3 terms whilst awaiting health assessments, and that this is starting to have an effect on resources and costs of service provision. The current charges therefore, have to be maintained and increased for inflation in 2020/21, to ensure the cost of extra provision can be maintained.
- 2.3 The current level of charges for 2019/20 financial year was set at a partial recovery rate of £9.87 per hour based on an analysis of the extra costs of tuition and transport divided up by the number of hours of tutor provision required to accommodate the larger cohort of pupils; and for those receiving transport to the classroom a further £3.16 p hour was added, taking the combined rate with transport to £13.03 p hour. These rates started to be charged to schools from 1 April 2019.

## **3. Proposed charges for 2020/21 Financial Year**

- 3.1 Having considered the additional costs of provision and steady numbers of students, and after taking account of the increases in pay and prices over the last 12 months, the charges proposed for 2020/21 are as laid out below, with increases based on the Teachers' pay award at Sept 2019 for Tuition charges (2.75%) and RPI (Dec 2019) (2.2%) for Transport charges. Revised charges will therefore be:

Home Tuition £10.14 per hour (an increase of 2.75% on 2019/20)

Classroom Tuition £10.14 per hour (excluding transport costs an increase of 2.75% on 2019/20)

Classroom Tuition £13.37 per hour (including transport costs if required an average increase of 2.6% on 2019/20)

- 3.2 This represents an average increase on tuition and transport charges of 2.6% against the 2019 charges. Every effort will be made to continue to seek cost reductions, wherever possible, but these charges represent the level needed to recover the estimated 2020/21 additional costs.

## **4. Recommendations**

- 4.1 That Forum is asked to note the report; and
- 4.2 Note the revised level of charges for 2020/21, which would take effect from 1 April 2020.
- 4.3 Note the intention to bring a further report in 12 months' time with a further review of the service and charge levels.

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